

STATE OF SOUTH CAROLINA) MASTER DEED
) OF
) THIRTY FIVE AND THIRTY SEVEN
) SOCIETY STREET
 COUNTY OF CHARLESTON) HORIZONTAL PROPERTY REGIME

PHOENIX INVESTMENTS, A GENERAL PARTNERSHIP, by John C. Palmer and Michael W. Priester, its General Partners (sometimes hereinafter referred to as the Developer or the Developers) having its principal place of business in the County of Charleston, South Carolina, does hereby make, submit and establish this MASTER DEED dated April 5th, 1986 for the plan of condominium ownership for the lands and improvements herein described, and

WHEREAS, Developer is the fee simple owner of that certain tract of land lying, situate and being in the County of Charleston, State of South Carolina and recorded in Plat Book U-77, at Page 218, in the R.M.C. Office for Charleston County (said tract being more particularly described in Article I of this Master Deed; and

WHEREAS, the Developers, being about to sell and convey condominium units located in certain designated sites more particularly hereinafter described, desire to assure to said purchasers and their heirs and assigns owning such condominium, and the inhabitants within said property, the use, benefit and enjoyment of the common elements and amenities, facilities and utilities to be administered by a condominium association, and to this end desires that its lands may be subject to certain restrictions, reservations, servitudes, covenants, agreements, easements, liens and charges (hereinafter referred to as "covenants and restrictions"), as hereinafter set forth; and

WHEREAS, in accordance with the Horizontal Property Act of South Carolina there shall be incorporated an Association of Unit Owners known as THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET ASSOCIATION OF UNIT OWNERS for the purpose, among others of maintaining and administering the common elements connected with and appertaining to the condominium units in THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET HORIZONTAL PROPERTY REGIME, as hereinafter described, and collecting and disbursing the charges hereinafter created pertaining to said condominium units;

NOW THEREFORE, in consideration of the Property, Developer hereby establishes in accordance with Section 27-31-30 et seq. of the Code of Laws of South Carolina, 1976 as amended, a horizontal property regime known as THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET HORIZONTAL PROPERTY REGIME and hereby

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grants, covenants and agrees with the purchasers of the condominium units in THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET HORIZONTAL PROPERTY REGIME that the property described in and to the covenants and restrictions set forth in various articles and clauses of this Master Deed, which is hereby granted, covenanted and agreed shall inure to the benefit of and be binding upon Developers, their successors and assigns, and the several condominium owners in THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET HORIZONTAL PROPERTY REGIME and their heirs, successors and assigns, respectively and binding upon the land described in Article I hereof.

ARTICLE I

Developers, as fee simple owners of that tract described and incorporated herein, with the buildings and improvements thereon, hereby declare that said property is and shall be subject to and entitled to the benefit of the covenants and restrictions set forth in this Master Deed, said real property being:

ALL THOSE LOTS, pieces or parcels of land, together with the buildings and improvements thereon, situate, lying and being on the South side of Society Street in the City of Charleston, County of Charleston, State of South Carolina and known in the present numbering systems of streets in the City of Charleston as 35 AND 37 SOCIETY STREET.

The property hereby conveyed has such location, shape, dimensions, buttings and boundings as are set forth on a plat entitled "Plat of #35 and 37 Society Street, Charleston, South Carolina . . ." dated October 11, 1963, by W. Lucas Gaillard, a copy of which is recorded in the RMC Office for Charleston County in Book U-77, page 218, and in Plat Book Q, page 80. The property hereby conveyed butts, bounds and measures (taken as a whole) according to said Plat as follows: Generally to the North 73 feet on Society Street; generally to the East 104.5 feet on #33 Society Street; generally to the South 73 feet; and generally to the West 104.5 feet on #39 Society Street.

BEING the same premises conveyed to Phoenix Investments by deed of Coker and Associates, a General Partnership dated June 28, 1985, and recorded June 28, 1985, in Book G-146, page 704, RMC Office for Charleston County.

TMS No. 458-01-03-061

ARTICLE II

Section 1. Definitions. Applicable to THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET HORIZONTAL PROPERTY REGIME are those definitions contained in Section 27-31-20 of the Horizontal Property Act of the 1976 Code of Laws of South Carolina as amended from time to time; and, by way of synonymity and not of contradiction, the following terms and definitions are used herein:

(a) "Act" means the "Horizontal Property Act" of South Carolina, as from time to time amended.

(b) "Apartment" means a part of the property intended for any type of independent use, including one or more rooms of enclosed space located on one or more floors (or parts thereof) in a building, and with a direct exit to a public street or highway, or to a common area leading to such street or highway.

(c) "Association of Unit Owners" means the South Carolina corporation whose shareholders are all the persons, firms, corporations, partnerships, associations, trusts or other legal entities, or any combination thereof, who own an apartment within the building.

(d) "Building" means a structure or structures, containing in the aggregate one or more apartments, comprising a part of the property.

(e) "Co-owner" means a person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, who owns a Unit within the building.

(f) "Common expense" means and includes:

(1) Expenses of ownership and/or operation of the property; support of the common elements.

(2) All sums designated common expenses by or pursuant to the South Carolina Horizontal Property Act, the Master Deed or the Bylaws.

(g) "Common Charge" means those monetary charges levied against the Unit Owners to pay for the common expenses.

(h) "Common Element" or "Common Area" means and comprises all of the real property, improvements, and facilities of the condominiums other than the Units, and the Limited Common Elements, as the same are herein defined, and shall include, but not be limited to, easements through Units for conduits, pipes,

ducts, plumbing, wiring and other facilities for the furnishing of utility services to Units and Common Elements and easements of support in every portion of a Unit which contributes to the support of the improvements, and shall further include all personal property held and maintained for the joint use and enjoyment of all the owners of such Units, as well as any common funds held by or through the Association for repair, maintenance, or otherwise.

(i) "Common Interest" means the percentage of undivided interest in the common elements appertaining to each apartment, as expressed in the Master Deed, and any specified percentage of the common interest means such percentage of the undivided interests in the aggregate.

(j) "Condominium" means the ownership of single units, with common elements, located on property within the horizontal property regime.

(k) "Declaration" means the instrument setting forth the covenants and restrictions and remedies for breach thereof pertaining to this property.

(l) "Developer" means the persons who undertake to develop a real estate condominium project (hereinafter referring specifically to PHOENIX INVESTMENTS, A GENERAL PARTNERSHIP).

(m) "Floor Plan" means the plans for each building which shall show the dimensions, area and location of each Unit therein, which plan is attached hereto and by this reference made a part hereof. (See Exhibit "B")

(n) "Limited Common Elements" or "Limited Common Areas" means and includes those common elements which are designated herein or by agreement of all of the co-owners to be reserved for the use of a certain number of apartments to the exclusion of the other apartments, such as attics, patios, parking spaces, sanitary services common to the apartments of a particular apartment, and the like.

(o) "Majority of Co-owners" or "Majority of Unit Owners" means fifty-one percent or more of the basic value of the property as a whole, in accordance with the percentages computed in accordance with the provisions of Section 27-31-60 of the Horizontal Property Act.

(p) "Master Deed" means the deed establishing and recording the property of the horizontal property regime.

(q) "Operation of the property" means and includes the administration and operation of the property and the main-

tenance, repair, and replacement of, and the making of any additions and improvements to the Common Elements.

(r) "Plat" or "Plot Plan" means the plat or survey of the Property and of all Units in the property and showing the area and location of Common Elements, both limited and common, submitted to the provisions of the Act pursuant to this Master Deed, said Plat being attached hereto, and by this reference made a part hereof. (See Exhibit "A")

(s) "Person" means an individual, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof.

(t) "Property" means and includes the land whether leasehold or in fee simple, the building, all improvements and structures thereon, and all easements, rights and appurtenances belonging thereto.

(u) "Unit Owner" means a "Co-owner" as that term is used in this Act.

(v) "Unit" means an "Apartment" as that term is used in the Act and includes one or more rooms and occupying one or more floors or a part or parts thereof, designed or intended for independent use as a single family dwelling, as set forth on the building plan, which plan is being recorded simultaneously with the recording of this Master Deed, provided, however, that no structural components and no pipes, wire, conduits, ducts, flues, shafts, or public utility lines suitable within a Unit and forming a part of any system serving more than one Unit or the Common Condominium Elements shall be deemed to be a part of said Unit. In this Master Deed and in all subsequent conveyances pursuant thereto, the word "unit" and the word "Apartment" shall be deemed to have the same meaning and may be used interchangeably.

(w) "To record" means to record in accordance with the provisions of Section 30-5-30 through 30-5-200 and 30-7-10 through 30-9-80 or other applicable recording statutes of the Code of Laws of South Carolina, 1976, as amended.

All pronouns used herein include the male, female and neuter genders and include the singular or plural numbers, as the case may be.

ARTICLE III

Section 1. Submission of the Property to the Act.
Developer as the owner in fee simple of the tract described in

Exhibit "A", attached hereto, with the buildings and improvements thereon, intends to, and by recording this Master Deed, does hereby submit said property to the provisions of the Horizontal Property Act of South Carolina. In order to implement the horizontal property regime plan of ownership for the above described property, Developer covenants and agrees to and hereby does subdivide the above described property vertically and horizontally into the freehold estates referred to herein as Units.

Section 2. Plot Plan and Building Plan. In accordance with Section 27-31-110 of the Horizontal Property Act of South Carolina, there is attached hereto and made a part of this Master Deed a plot plan and building plan as Exhibits "A" and "B", respectively. Said plot plan sets forth the building location and other improvements; said building plan shows graphically the dimensions, area and location of each Unit herein and the dimensions, area and location of the Common Elements affording access to each apartment. (Said building plan is certified by an Architect licensed to practice in South Carolina, and is attached hereto and made a part hereof as Exhibit "B".)

Section 3. Designation of Units. In accordance with Section 27-31-120 of the Horizontal Property Act of South Carolina, each Unit in the building shall be designated on the plans referred to in Section 2 by letter and/or by number or other appropriate designation and any conveyance, or other instrument affecting title to the Unit may sufficiently legally describe any such Unit by use of its designated letter and/or number followed by the words "THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET HORIZONTAL PROPERTY REGIME."

Section 4. Description of Project.

(a) Generally. The Property will consist of two buildings: one main house and one carriage house, a small building which houses the laundry facility, one uncovered parking area, and the grounds. The main building has eight (8) Units: Units "A", "B", and "C" occupying the first floor; Units "D" and "E" occupying the second floor; and Units "F", "G", and "H" occupying the third floor. The carriage house has two units: Units "I" and "J". (As to the specific location of each Unit, refer to the Floor Plans as prepared by an architect licensed to practice in South Carolina, which are attached hereto and made a part hereof by reference as Exhibit "B".)

(b) Description of Grounds. The grounds consist of one tract of approximately 7,633.49 square feet as shown on Exhibit "A", which is attached hereto; encompassed within its limits are the buildings and the uncovered parking area. The parking area

and grounds are subject to incremental assignment as herein provided.

(c) Description of the Buildings. The main building has eight (8) Units: Units "A", "B", and "C" occupying the first floor; Units "D" and "E" occupying the second floor; and Units "F", "G", and "H" occupying the third floor. The carriage house has two units: Units "I" and "J". There is a separate, small building which houses the laundry facility. (As to the specific location of each Unit, refer to the Floor Plans as prepared by an architect licensed to practice in South Carolina, which are attached hereto and made a part hereof by reference as Exhibit "B".) Each Unit opens onto an entranceway via the common grounds to Society Street.

(d) Description of Parking Areas. The Regime provides an uncovered area for the use of Unit Owners in parking vehicles and for guests parking. The parking area will be subject to those rules and regulations promulgated by the Association of Unit Owners. The parking area is located on the side and in the rear of the building.

(e) Division of Project. The project is hereby divided into the following separate freehold estates, each comprising a residence. Each residence has one or more bedrooms, one or more bathrooms, a kitchen, a living/dining area and one or more hallways.

The approximate square footages of the rooms in the Units are as follows:

THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET
Unit "A"

INSIDE

<u>Room</u>	<u>Square Feet</u>
Foyer	33
Living Room	263
Dining Room	131
Kitchen	88
Bedroom	192
Bath	135
Hallways and Closets	68
Screen Porch	136
Inside Total Unit "A" (Freehold)	1,046
TOTAL UNIT "A" (Freehold)	1,046

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THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET
Unit "B"

INSIDE (Freehold)

<u>Room</u>	<u>Square Feet</u>
Foyer	42
Living Room	184
Kitchen	92
Bedroom	157
Bath	33
Hallways and Closets	70
Inside Total Unit "B" (Freehold)	578
TOTAL UNIT "B" (Freehold)	578

THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET
Unit "C"

INSIDE (Freehold)

<u>Room</u>	<u>Square Feet</u>
Living Room	213
Kitchen	105
Bedroom	121
Bath	35
Hallways and Closets	88
Inside Total Unit "C" (Freehold)	562
TOTAL UNIT "C" (Freehold)	562

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THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET
Unit "D"

INSIDE (Freehold)

<u>Room</u>	<u>Square Feet</u>
Living Room	200
Kitchen	99
Bedroom 1	191
Bedroom 2	205
Bath	81
Hallways and Closets	104
Screen Porch	240
Inside Total Unit "D" (Freehold)	1,120

OUTSIDE (Limited Common Elements)

Walkway	96
Circular Stair	39
Outside Total Unit "D" (Limited Common)	135
TOTAL UNIT "D" (Freehold & Limited Common)	1,255

THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET
Unit "E"INSIDE (Freehold)

<u>Room</u>	<u>Square Feet</u>
Living Room	190
Dining Room	80
Kitchen	104
Bedroom 1	120
Bedroom 2	109
Bedroom 3	151
Bath	52
Hallways and Closets	206
Inside Total Unit "E" (Freehold)	1,012

OUTSIDE (Limited Common Elements)

Deck	228
Walkway	96
Circular Stair	39
Outside Total Unit "E" (Limited Common)	363
TOTAL UNIT "E" (Freehold & Limited Common)	1,375

THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET
Unit "F"

INSIDE (Freehold)

<u>Room</u>	<u>Square Feet</u>
Living Room	256
Kitchen	83
Bedroom 1	230
Bedroom 2	143
Bath	90
Hallways and Closets	74
Screen Porch	246
Inside Total Unit "F" (Freehold)	1,122

OUTSIDE (Limited Common Elements)

Walkway	96
Circular Stair	39
Outside Total Unit "F" (Limited Common)	135
TOTAL UNIT "F" (Freehold and Limited Common)	1,257

THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET
Unit "G"INSIDE

<u>Room</u>	<u>Square Feet</u>
Foyer	63
Living Room	172
Kitchen	73
Bedroom	115
Bath	35
Hallways and Closets	16
Inside Total Unit "G" (Freehold)	474
TOTAL UNIT "G" (Freehold)	474

THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET
Unit "H"

INSIDE

<u>Room</u>	<u>Square Feet</u>
Living Room	169
Dining Room	76
Kitchen	98
Bedroom	148
Bath	68
Hallways and Closets	25
Inside Total Unit "H" (Freehold)	584

OUTSIDE (Limited Common Elements)

Deck	228
Walkway	96
Circular Stair	39
Circular Stair	39
Outside Total Unit "H" (Limited Common)	402
TOTAL UNIT "H" (Freehold and Limited Common)	986

THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET
Unit "I"INSIDE

<u>Room</u>	<u>Square Feet</u>
Living Room	166
Kitchen/Dining	107
Stair	42
Bedroom 1	150
Bedroom 2	55
Bath	31
Hallways and Closets	41
Inside Total Unit "I" (Freehold)	592
TOTAL UNIT "I" (Freehold)	592

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THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET
Unit "J"

INSIDE

<u>Room</u>	<u>Square Feet</u>
Foyer	9
Living Room	116
Kitchen/Dining	102
Stair	33
Bedroom	122
Bath	60
Hallways and Closets	39
Inside Total Unit "J" (Freehold)	481
TOTAL UNIT "J" (Freehold)	481

(f) The Units in the building are all sold as residential units, subject to the permissive uses of the City of Charleston zoning code.

(g) Limits of Units. The respective Units shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, the floors and ceilings surrounding each of them, or any chimneys, flues, pipes, wiring, conduits or other utility lines running through them which are utilized for or serve more than one Unit, the same being deemed a Common Element, as hereinafter provided, if any do exist. Each apartment shall be deemed to include all the walls and partitions, floors and ceilings, which are not load-bearing within its perimeter walls, including plaster, paint, wallpaper, or the like, carpeting, floor covering and built-in fixtures. Additionally, the boundary lines of each apartment are the exterior of doors, windows, and glass walls and the frames thereof.

(h) Limited Common Areas. (See Exhibits "A" and "B").

(i) General Common Elements. The General Common Elements are listed on Exhibits "A" and "B" and include, but are not limited to:

- (1) The foundations, columns, girders, beams, supports, main walls, roofs, subfloors and basement of the building.
- (2) Any central and appurtenant installations for service to the Units. All other parts of the property existing for the common use or necessary to the existence, maintenance and safety of the condominium project and as designated now or from time to time on Exhibit "B".
- (3) The undivided piece of land described in Exhibit "A".

(j) For the purpose of percentages in the Common Elements in voting on all matters requiring action by the owners, the percentages as provided hereinafter shall govern.

UNITS	VALUE	PERCENTAGE OF UNDIVIDED INTEREST IN THE COMMON ELEMENTS
THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET		
Unit "A"	\$ 59,000	12.25%
Unit "B"	42,500	8.83
Unit "C"	39,500	8.20
Unit "D"	57,500	11.94
Unit "E"	60,000	12.46
Unit "F"	57,000	11.84
Unit "G"	40,000	8.31
Unit "H"	43,000	8.93
Unit "I"	43,500	9.03
Unit "J"	39,500	8.20
TOTAL	\$481,500	100 %

Section 5. Redesignation. Upon the unanimous vote of the several Unit Owners comprising the Association of Unit Owners, all or any portion of a Limited Common Element may be designated as a Common Element, and by the same procedure, any Common Element may be redesignated as a Limited Common Element. Likewise, upon unanimous vote of the several Unit Owners, the Association may deed, in fee simple, any portion, or all of the Limited Common Elements to the Unit Owner to which it is assigned for exclusive use, after which it shall become a part of that Unit.

ARTICLE IV

Section 1. Administration of Condominium by Association. In order to provide for the effective and efficient administration of 35 and 37 Society Street by the Unit Owners, a non-profit corporation known and designated as THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET HORIZONTAL PROPERTY REGIME (sometimes referred to as "The Association") has been organized, and said corporation shall administer the operation and management of the Condominium and undertake and perform all acts and duties incident thereto in accordance with the terms, provisions, and conditions of the Master Deed, and in accordance with the terms of the Articles of Incorporation of the Association, its Bylaws and the rules and regulations promulgated by the Association from time to time. A true copy of the said Articles of Incorporation and Bylaws are annexed hereto and expressly made a part hereof as Exhibits "C" and "D" respectively. The

owner or owners of each Unit shall automatically become members of the Association upon his, her, their or its acquisition of an ownership interest in title to any Unit and its appurtenant undivided interest in Common Elements and Limited Common Elements. The owners of the Unit shall have rights in the corporation in the same proportion as they hold undivided interest in the Common Elements. The membership of each such owner or owners shall terminate automatically upon such owner or owners being divested of each ownership interest in the title to such Unit, regardless of the means by which such ownership is divested. No person, firm or corporation holding any lien, mortgage or other encumbrance upon any Unit shall be entitled by virtue of such lien, mortgage or other encumbrance, to membership in the Association or to any of the rights or privileges of such membership. In the administration of the operation and management of the Condominium, the Association shall have and is hereby granted the authority and power to enforce the provisions of this Master Deed, levy and collect assessments in the manner hereinafter provided, and to adopt, promulgate and enforce such rules and regulations governing the use of the Units, Common Elements, and Limited Common Elements, as the Board of Directors of the Association may deem to be in the best interest of the Condominium.

Section 2. Insurance. The Board of Directors of the Association shall obtain liability insurance in such amounts as the Board of Directors may determine from time to time for the purpose of providing liability insurance coverage for the property. The Board of Directors shall collect and enforce the payment of a share of the premium for such insurance from each Unit Owner as a part of the Common Expenses. Said insurance shall include, but not be limited to, water damage, legal liability and such other insurance as is deemed necessary. All liability insurance shall contain cross liability endorsement to cover liabilities of the Unit Owners as a group to a Unit Owner. Each Unit Owner may purchase liability insurance for accidents occurring in his own Unit and shall be responsible for purchasing insurance on all his personal property.

Section 3. Destruction of Improvements and Casualty Insurance.

(a) The Association shall obtain Fire and Extended Coverage Insurance and Vandalism and Malicious Mischief Insurance and such other insurance as the Board deems necessary, insuring all of the insurable improvements within the Condominium including personal property owned by the Association, in and for the interest of the Association, all Unit Owners and their approved mortgagees, as their interest may appear, in a company acceptable to the standards set by the

Board of Directors of the Association in an amount at least equal to eighty-five (85%) percent of the maximum insurable replacement value as determined annually by the Board of Directors of the Association; the premiums for such coverage and other expenses in connection with said insurance shall be paid by the Association and charged as part of the Common Expenses. The company or companies with whom the Association shall place its insurance coverage as provided in this Master Deed must be companies authorized to do business in the State of South Carolina and on an approved list maintained by the Insurance Commissioner of South Carolina. The approved first mortgagee owning and holding the first recorded mortgage encumbering a Unit shall have the right, for so long as it owns and holds any mortgage encumbering a Unit, to approve the policies and the company or companies who are the insurers under the insurance placed by the Association as herein provided and the amount thereof. The Association shall have the right to designate the Insurance Trustee, and thereafter from time to time, the right to change the Insurance Trustee to such other trust company authorized to conduct business in the State of South Carolina, or to such other person, firm or corporation as Insurance Trustee as may be acceptable to the approved first mortgagee holding the first recorded mortgage encumbering a Unit. At such time as the aforesaid approved first mortgagee is not the holder of a mortgage on a Unit, then their rights of approval and designation shall pass to the approved first mortgagee having the highest dollar indebtedness on Units in the Condominium property and in the absence of the action of said mortgagee, the Association shall have the said right without qualification.

(b) All policies purchased by the Association shall be for the benefit of the Association, all Unit Owners and their approved mortgagees, as their interest may appear. Such policies shall be deposited with the Insurance Trustee, aforementioned, who shall first acknowledge that the policies and any proceeds thereof will be held in accordance with the terms hereof. Said policies shall provide that all insurance proceeds payable on account of loss or damage shall be payable to the Insurance Trustee. In the event of a casualty loss, the Insurance Trustee may deduct from the insurance proceeds collected a reasonable fee for its service as Insurance Trustee. The Association is hereby irrevocably appointed agent for each Unit Owner to adjust all claims arising under insurance policies purchased by the Association. The Insurance Trustee shall not be liable for payment of premiums nor for the renewal or the sufficiency of the policies, nor for the failure to collect any insurance proceeds.

(c) No mortgagee shall have any right to participate in the determination of whether property is to be rebuilt, nor

shall any mortgagee have the right to apply insurance proceeds to repayment of its loan, unless the same distribution is made to Unit Owners and their mortgagees.

(d) The duty of the Insurance Trustee shall be to receive the proceeds from the casualty insurance policies held by it, and it shall hold such proceeds in trust for the Association, Unit Owners, and any mortgagees.

1. In the event a loss occurs to any improvements within any of the Apartments alone, without any loss to any improvements within the Common Elements, the Insurance Trustee shall immediately pay all proceeds received because of such loss directly to the Unit Owners of the Unit damaged, and their approved first mortgagees, if any, as their interest may appear, and it shall be the duty of these Owners to use such proceeds to effect necessary repair to the Unit. The Insurance Trustee may rely upon the written statement of the Association as to whether or not a loss has been incurred to the Units or Common Elements or both.

2. In the event that a loss of \$5,000.00 or less occurs to improvements within one or more Units and to improvements within contiguous Common Elements, or to improvements within the Common Elements alone, the Insurance Trustee shall pay the proceeds received as a result of such loss to the Association. Upon receipt of such proceeds, the Association will promptly contract for the necessary repairs to the improvements within the Common Elements and within the damaged Units. In such event, should the insurance proceeds be insufficient to repair all of the damage within the Units, the proceeds shall be applied first to completely repair the improvements within the Common Elements, and the balance of the funds shall be apportioned to repair improvements, within owners' Units, in proportion to the loss sustained

to improvements within said Units, as estimated by the insurance carrier, and the owners owning interests in Units containing damaged improvements shall be subject to a special assessment and shall contribute to the Association the remaining funds necessary to repair the improvements within their Units. If any owner or owners of Units containing damaged improvements refuses or refuse to pay such assessment, then the majority of owners of Units so damaged may proceed with the reconstruction at the expense of all co-owners benefited thereby.

3. In the event the damage exceeds the sum of \$5,000.00 to the Limited Common Elements alone, or to the individual Units and to improvements within contiguous Limited Common Elements (it being the intention of the foregoing to

cover any loss other than those specifically described in Subparagraphs 1 and 2), then the Insurance Trustee shall hold all insurance proceeds in trust, and any and all other funds paid as hereinafter provided, and shall distribute the same as follows:

(a) The Board of Directors of the Association shall obtain or cause to be obtained reliable and detailed estimates and/or bids for the cost of rebuilding and reconstructing the damage and for the purpose of determining whether insurance proceeds are sufficient to pay for the same.

(b) In the event the insurance proceeds are sufficient to rebuild and reconstruct all the damaged improvements within the Common Elements and within the Units, or upon the collection of the necessary funds that are described in Paragraph C of this Section 3, then:

(1) If the casualty loss necessitates reconstruction of more than two-thirds of either building, then the insurance proceeds held by the trustee shall be disbursed, pro rata, to the Co-owners entitled to payment and their respective mortgagees as their interest may appear, as directed, and in such proportions as the Board of Directors in its sole discretion may determine. This paragraph may be waived, altered or amended with the unanimous consent of all the Co-owners, so affected.

(2) If the casualty loss necessitates reconstruction of two-thirds or less of either building, then the Board of Directors of the Association shall meet and shall determine the amount of and terms of a special assessment against the Units and the owners thereof to obtain the necessary funds to repair the improvements. Such assessment need not be uniform as to all Units, but may be in accordance with such factors as the Board of Directors of the Association shall consider to be fair and equitable under the circumstances; whereupon the Board of Directors of the Association, having determined the amount of such assessment, shall immediately levy such assessment setting forth the date of payment of the same and the funds received shall be delivered to the trustee and disbursed as provided in the preceding paragraph. If any owner or owners of Units containing damaged improvements refuses or refuse to pay such assessment, then the majority of owners of Units so damaged may proceed with reconstruction at the expense of all Co-owners benefited thereby.

(3) In the event, after complete repair and reconstruction and after the Insurance Trustee's fee has been paid, funds remain in the hands of the Insurance Trustee, such

funds shall be disbursed in the same fashion the proceeds were originally collected as set forth in the Paragraph 2 of this Article. However, it shall be presumed that the first monies disbursed in payment of repair, replacement, and reconstruction shall be from insurance proceeds; if there is a balance in the funds held by the Insurance Trustee after payment of all costs of repair, restoration, and reconstruction and after payment of any and all Trustee's Fees and expenses, such balance shall be distributed to the Unit Owners in proportion with their contributions.

(4) In the event the insurance proceeds are sufficient to pay for the cost of reconstruction and repair, or in the event the insurance proceeds are insufficient but additional funds are raised by special assessment or any other manner within ninety (90) days after such restoration and repair, then no mortgagee shall have the right to require the application of insurance proceeds to the payment of its loan. Further, all covenants contained herein for the benefit of any mortgagee of a Unit may be enforced by an approved first mortgagee.

(5) Any repair, rebuilding, or reconstruction shall be substantially in accordance with the architectural plans and specifications for the original building or as the building was last constructed, or according to plans approved by the Board of Directors of the Association. Any material or substantial change from the foregoing architectural plans and specifications shall require approval by the institutional first mortgagee holding the highest dollar indebtedness on Units in the Condominium Property.

(6) In case at any time or times the property or any part thereof shall be taken or condemned by any authority having a power of eminent domain, or compensation in damages for or on account of any land and all compensation and damages for or on account of any improvements of the property shall be payable to such bank or trust company authorized to do business in South Carolina as the Board of Directors shall designate as Trustee for all Unit Owners and mortgagees affected thereby, according to the loss or damages to their respective Units and appurtenant common interest in easements, and shall be used promptly by the Board of Directors to the extent necessary for restoring or replacing such improvements on the remaining land according to plans therefor first approved as herein provided, unless the Association by a vote of not less than 75% of the percentage interest of the Unit Owners, determines within a reasonable time after such taking or condemnation that such restoration or replacement is impracticable under the circumstances in which event the Board of Directors, on behalf of the Association, and at the Associations' Common expenses, shall

remove all remains of such improvements so taken or condemned and restore the site thereof to good orderly condition and even grade and shall equitably distribute the remaining proceeds from such condemnation or taking to the Unit Owners or mortgagees affected thereby, according to the loss or damage to their respective units and appurtenant common interests and easements.

Section 4. Conveyance of Interest in Units. In order to assure a community of congenial residences and thus protect the value of the Condominium Units any conveyance of interest of said Units, including a lease estate, shall be subject to the following provisions so long as this provision of this Master Deed is of valid effect and binding on the property and Unit Owners:

(a) **Notice to Association.** Any and every time a Unit Owner or his lessee intends to convey an interest in his Unit he shall give written notice to the Association of such intention, together with the name and address of the party to whom said interest is intended to be conveyed and such other information as the Association may reasonably require, and the terms of the proposed transaction. The notice just described shall be mailed to or delivered by hand to the Secretary of the Association.

(b) **Acquisition by Gift, Devise or Inheritance.** When any person obtains an apartment by gift, devise or inheritance, or by any other method not heretofore considered, it shall be the responsibility of such person to notify the Association that such transfer has occurred. The Association may then require that such person furnish the Association with such information concerning the person obtaining the Unit as may be reasonably required and a certified copy of the instrument by which the Unit was obtained.

(c) **Mortgagee holding a mortgage on a Unit upon becoming the Owner of a Unit, through foreclosure or by deed in lieu of foreclosure, or whosoever shall become the acquirer of title to a Unit at the foreclosure sale of such approved first mortgage, shall have the unqualified right to sell or otherwise transfer said Unit, including the fee ownership thereof, and/or to mortgage said Unit. No other provision of this Master Deed or any other covenant or restriction applicable to a Unit or Unit Owner is waived by this paragraph.**

Section 5. Maintenance and Repair.

(a) All maintenance of and repairs to any Unit and any Limited Common Elements exclusive thereto, structural or nonstructural, ordinary or extraordinary, (other than maintenance of and repairs to any Common Elements contained therein,

and not necessitated by the negligence, misuse or neglect of the Owner of such Unit) shall be made by the Owner of such Unit, specifically including the air conditioning unit for that apartment, whether located on a Common Element or not. Each Unit Owner shall be responsible for all damages to any and all other Units and/or to the Common Elements, that his failure to do so may engender.

(b) All maintenance, repairs and replacements to the General Common Elements, whether located inside or outside of the Units (unless necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner) shall be made by the Board of Directors and be charged to all the Unit Owners as a Common Expense, which shall be computed according to the percentage representing the value of the individual Unit with relation to the value of the whole property as set forth in Article III, Section 4, Paragraph J of this Master Deed.

(c) All repairs of internal installations of the dwelling Units other than General Common Elements, if any, shall be at the expense of the Unit Owner; such installations shall include, but not be limited to telephone, air conditioners, sewage, sanitary installations, water, light, gas, power, doors, windows, lamps, patio, fencing, and all other accessories belonging to the dwelling.

(d) All maintenance and repair shall be performed promptly and diligently by each Unit Owner obligated to do same and each Owner shall be expressly responsible for the damages and liabilities that his failure to do so may engender.

(e) A Unit Owner shall reimburse the Regime for any expenditures incurred in repairing or replacing any Common Elements damaged through his neglect.

Section 6. Additions, Alterations or Improvements by the Board of Directors.

Additions, alterations, or improvements costing Five Hundred (\$500) Dollars or less may be performed by the Board of Directors without approval of the Unit Owners, and the cost thereof shall constitute part of the common expense. Such additions, alterations or improvements in excess of Five Hundred (\$500) Dollars must be approved by the Board and by a majority of the Unit Owners, as defined in Article II, Section 1, Paragraph O, present in person and/or proxy and voting at a meeting duly held. Upon such approval, the Board shall proceed with such additions, alterations, or improvements and shall assess all Unit Owners for the cost thereof as a common charge.

Section 7. Maintenance of Unit Interiors. Each Unit Owner shall be entitled to the exclusive use of the interior surfaces of the perimeter walls, floors and ceilings, and such Unit Owner shall maintain such interior surfaces in good condition at his sole expense as may be required from time to time, which said maintenance and use shall be subject to the rules and regulations of the Association, and each such Unit Owner shall have the right to decorate such interior surfaces from time to time as he may see fit and at his sole expense. The use of and the covering of the interior surfaces of windows, whether by draperies, shades or other items visible on the exterior of the Building, shall be subject to the rules and regulations of the Association. Decorating of the Common Elements (other than interior surfaces within the Units as above provided), and any redecorating of Units to the extent made necessary by any damage to existing decorating of such Units caused by maintenance, repair or replacement work on the Common Elements by the Association shall be furnished by the Association as part of the Common expenses. The interior surfaces of all windows forming part of the perimeter wall of a Unit shall be cleaned by the individual Unit Owner. Unless otherwise provided in the contract of sale, each Unit Owner shall furnish and be responsible for, at his own expense, all of the decorating within his own Unit.

Section 8. Association's Determination Binding. In the event of any dispute or disagreement between any Unit Owners relating to the Condominium or any question of interpretation or application of the provisions of the Master Deed or Bylaws, the determination thereof of a majority vote of the Board of Directors of the Association shall be final and binding on each and all of such Unit Owners.

Section 9. Ownership of Common Elements. Each Unit Owner shall be entitled to the percentage of ownership in the Common Elements (including Limited Common Elements and any common fund held by or through the Association for repair, maintenance or otherwise) allocated to the respective Unit owned by such Unit Owner, as set forth in this Master Deed and by reference made a part hereof as though fully set forth herein. Said ownership interest is in accordance with their respective percentages of ownership.

Section 10. Use of Common Elements. All passages, roads and common avenues of ingress and egress shall be used for no other purpose other than normal transit through them. No Unit owner shall park any vehicle or place or cause to be placed in said passages, road and common avenues any furniture, packages or obstructions of any kind. Such rights and obligations shall extend to each Unit Owner and the agents, servants,

tenants, family members and invitees of each Unit Owner. Each Unit Owner shall have the right to the exclusive use of the Limited Common Elements allocated to the Unit owned by such Unit Owner. Use of the Common Elements and amenities shall be subject to and governed by the provisions of the Act, this Master Deed, the Bylaws and the rules and regulations of the Association.

Section 11. Parking Spaces. There will be eight (8) parking spaces in the rear of the Building to be shared by the unit owners.

Section 12. Common Charges. The Bylaws of the Association shall provide for (1) the determination of the Common expenses and fixing of Common Charges; (2) payment of Common Charges; (3) collection of assessments; (4) default; and (5) statement of Common Charges. Said Common Charges shall be used for the administration, operation, maintenance and repair of the Common Elements and Property.

Section 13. Valuation and Voting. The Owner(s) of each Unit shall have the right to cast the number of votes attributable to each Unit as set forth in this Master Deed, in person or by proxy, at all meetings of the Association of Unit Owners. The value of the Property and of each Unit and the percentage appertaining to each of the Unit Owners in the expense of, and rights in the Common Elements are set forth in this Master Deed and made a part hereof by this reference.

Section 14. Unit Mortgages. Each Unit Owner shall have the right, subject to the provisions hereof, to make a separate mortgage or encumbrance on his respective unit, together with his respective ownership interest in the Common Elements. No Unit Owners shall have the right or authority to make, or create, or cause to be made or created, any mortgage or encumbrance or other lien on or affecting the Property or any part hereof, except only to the extent of his Unit and his respective ownership in the Common Elements.

Section 15. Notice to Board of Directors. A Unit Owner who mortgages his Unit shall notify the Board of Directors of the name and address of his mortgagee, and shall file a conformed copy of the note and mortgage with the Board of Directors; the Secretary of the Association shall maintain such information in the record of ownership of the Association. After the filing of the mortgage, the Board of Directors shall notify the mortgagee of any Unit Owner who is in default for sixty (60) days in the expenses for the management and administration, care and operation of the Regime and the mortgagee may, at its option, pay the delinquent expenses.

Section 16. Separate Real Estate Taxes. It is understood that real estate taxes are to be separately assessed against each Unit Owner for his Unit and his corresponding percentage of ownership in the Common Condominium Elements, as provided in the Act. In the event that for any year such taxes are not separately taxed to each Unit Owner, but are taxed on the Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his respective percentage of ownership interest in the Common Elements. The Board shall determine the amount due and notify each Unit Owner as to the real estate taxes.

Section 17. Rules. In order to assure the peaceful and orderly use and enjoyment of the Building and Common Elements of said project, the Board of Directors may from time to time adopt, modify and revoke, in whole or in part, such reasonable rules and regulations governing the conduct of persons or said project as it may deem necessary. Such rules, upon adoption, and every amendment, modification, and revocation thereof, shall be delivered promptly to each owner and shall be binding upon all members of the Association and occupants of the buildings.

Section 18. Encroachments. In the event that any Unit shall encroach upon any Common Element for any reason not caused by the purposeful or negligent act of the Unit Owner(s), or agents of such owner(s), then an easement appurtenant to such Unit shall exist for the continuance of such encroachment unto the Common Elements for so long as such encroachment shall naturally exist; and, in the event that any portion of the Common Elements shall encroach upon any Dwelling Unit then an easement shall exist for the continuance of such encroachment of the Common Elements into any Dwelling Unit for so long as such encroachment shall naturally exist.

Section 19. Abatement and Enjoinment of Violations by Unit Owners.

All Units shall be utilized, resided in and operated in accordance with the provisions of this Master Deed, the Bylaws, and the rules and regulations. The violation or breach of any such provision as adopted by the Board of Directors shall give the Board the right, in addition to other rights set forth in these Bylaws, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach, and the violating, defaulting or breaching owner shall further be liable for the expenses of any attorney fees or court costs incurred by the Board as the result of such legal proceedings.

ARTICLE V

Section 1. Use of Dwelling Units.

(a) All Units shall be utilized for residential purposes and as permitted under the zoning laws of the City of Charleston. Any Unit Owner desiring to lease his Unit must first notify the Board of Directors of his intent.

(b) A Unit Owner shall not permit or suffer anything to be done or kept in his Unit which will increase the insurance rates on his Unit, the Common Elements or the Limited Common Elements, or which will obstruct or interfere with the rights of other Unit Owners or the Association or annoy other Unit Owners by unreasonable noises or otherwise; nor shall a Unit Owner commit or permit any nuisance, immoral, improper, offensive or illegal act in his Unit, on the Common Elements or the Limited Common Elements.

(c) Common Elements shall be used only for the furnishing of services and facilities for which they are reasonably suited and which are incident to the use and the occupancy of Units.

(d) All valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction over the Regime Property shall be observed.

(e) A Unit Owner may keep a domestic pet in his Unit under the regulations promulgated by the Association from time to time. A Unit Owner may not, however, keep any other animals, livestock or poultry, nor may any of the same be raised, bred or kept upon any portion of the Condominium Property, including any balcony or patio.

(f) A Unit Owner shall show no sign, advertisement or notice of any type on the Common Elements, Limited Common Elements, or in or upon his Unit and shall erect no exterior antennas and aerials upon any portion or part of his Unit or the Common Elements.

(g) A Unit Owner shall make no structural alterations or modifications in his Dwelling Unit or installations located therein without previously notifying the Association in writing, through the manager or managing agent, if any, or through the President if no manager or managing agent is employed. The Association shall have the obligation to reply by acceptance or rejection of the proposal within thirty (30) days time and failure to do so within the stipulated time shall mean that there is no objection to the proposed alteration or modification.

Section 2. Right of Developer to Sell or Lease Units Owned By It Free of Specific Restrictions.

So long as Developers shall own any Unit, whether by reacquisition or otherwise, the Developers shall have the absolute right to lease, sell or mortgage any such Unit to any such person, firm or corporation, upon any terms and conditions as it shall deem to be in its own best interest, and as to the lease, sale or mortgage of any Unit by the Developers, the rights of notice and consent herein granted to the Association in Article IV, Section 4, (Conveyance of Interest in Units) of this Master Deed shall not be operative or effective in any manner. This provision of the Master Deed may not be suspended or superseded by any amendment unless consented thereto, in writing, by the Developer. Developer shall have the right to transact on the Condominium Property any business necessary to consummate sale of Units, including, but not limited to, the right to maintain models, have signs, employees in the office, use the Common Elements and to show Units, and may assign this commercial usage right to such other persons or entities as it may choose. A sales office, signs and all items pertaining to sales shall not be considered as common property and shall remain the property of the Developers.

Section 3. Compliance and Conflict. This Master Deed is designed and intended to comply with the Horizontal Property Act of South Carolina. In the event that any of this Master Deed conflicts with the provisions of said Act, it is agreed and accepted that the provisions of the Act will apply and control. If, however, conflict serves to invalidate any provisions of this Master Deed, such invalidation will not affect any of the other provisions contained herein, and they shall remain in full force and effect.

Section 4. Amendments. This Master Deed may be amended, modified or revoked by unanimous vote of the Board of Directors in a duly constituted meeting held for such purpose; no such action shall take effect unless approved by Unit Owners owning 100% of the total value of the Regime Property as specified.

Section 5. Title. Every Unit Owner shall promptly cause to be duly recorded with the R.M.C. Office for Charleston County the deed, lease, assignment, or other conveyance to him of his Unit, or other evidence of his title thereto, and file such evidence of his title with the Board of Directors through the manager, and the Secretary shall maintain such information in the record of ownership of the Association.

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ARTICLE VI

Section 1. Substantial Loss or Condemnation.

Notwithstanding any other provisions herein, in case of condemnation or substantial loss to the Units and/or Common Elements of the condominium project, unless 100% of the first mortgagees (based upon one vote for each mortgage owned), or owners (other than sponsor, developer or builder) of the individual condominium Units have given their prior written approval, the condominium homeowners association shall not be entitled to:

(a) by act or omission, seek or abandon or terminate the condominium project;

(b) change the pro rata interest or obligations of any individual condominium Unit for the purpose of: (i) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (ii) determining the pro rata share of ownership of each condominium Unit in the Common Elements;

(c) partition or subdivide any condominium Unit;

(d) by act or omission, seek to abandon, encumber, sell or transfer the common elements. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the condominium project shall not be deemed a transfer within the meaning of this clause.); or

(e) use hazard insurance proceeds for losses to any condominium property (whether to Units or to Common Elements) for other than the repair, replacement or reconstruction of such condominium property.

Section 2. Management Agreement. Any agreement for professional management of the condominium project, or any other contract providing for services of the Developer, sponsor, or builder, may not exceed three (3) years. Any such agreement must provide for termination by either party without cause and without payment of a termination fee on ninety (90) days or less written notice.

IN WITNESS WHEREOF, the Developer has hereunto set its Hand and Seal this 5th day of April, 1986.

3K X156PG807

PHOENIX INVESTMENTS,
A GENERAL PARTNERSHIP
DEVELOPER

Randolph W. Cogger

BY:

John C. Palmer
JOHN C. PALMER
its General Partner

J. C. Crenshaw

BY:

Michael W. Priester
MICHAEL W. PRIESTER
its General Partner

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

PERSONALLY APPEARED BEFORE ME the undersigned witness who made oath that (s)he saw the within named PHOENIX INVESTMENTS, A GENERAL PARTNERSHIP, BY JOHN C. PALMER AND MICHAEL W. PRIESTER, its General Partners sign, seal and as its act and, deed, deliver the within written Master Deed and that (s)he with the other witness above subscribed, witnessed the execution thereof.

Randolph W. Cogger

SWORN TO before me this
5th day of April, 1986

Kate J. Welly (L.S.)
Notary Public for South Carolina
My Commission Expires 5-11-92

~~MA6~~

CITY OF CHARLESTON; CHARLESTON COUNTY, S. C.

OWNER: COKER & ASSOCIATES

ABOUT TO BE CONVEYED TO PHOENIX INVESTMENTS

SCALE: 1" = 10'

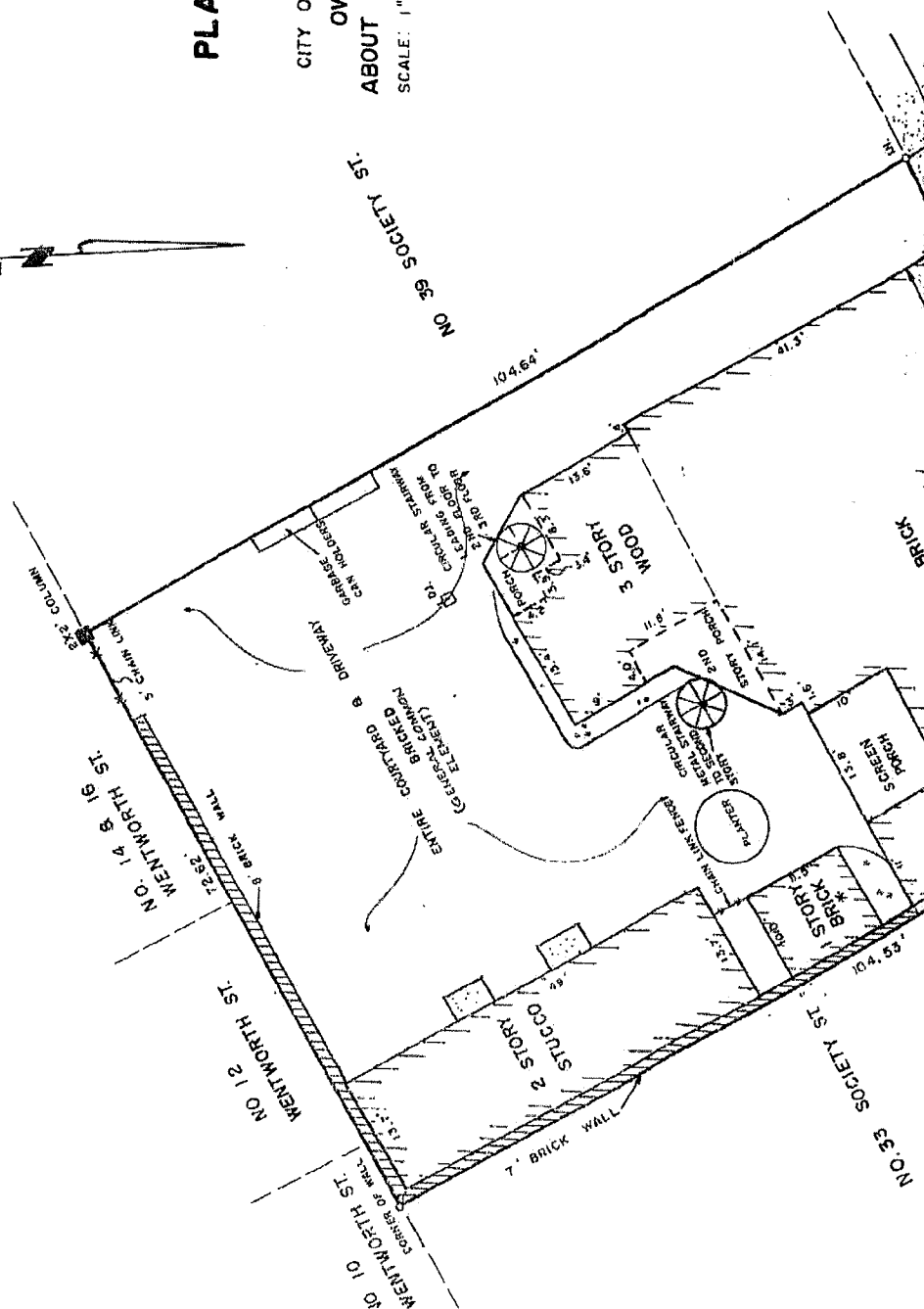
DATE: AUG. 19, 1986



- NOTES 1) PUBLIC WATER AND SEWER AVAILABLE
2) AREA CALCULATED BY D.M.D METHOD
3) AREA = 0.1746 AC (7606.5002 SQ FT.)
4) * - GENERAL COMMON ELEMENT

REF. 1) TMS 458 - 01 - 03 - 061

- 2) PLAT BY LUCAS GAILLARD DATED OCT 11, 1963
PLAT BOOK Q PAGE 80 R.M.C. CHAS. CO. S. C.
- 3) DEED BOOK C104 PAGE 159
- 4) PLAT BY HERBERT A NIEMER DATED OCT 29, 1981
PLAT BOOK AU PAGE 35 R.M.C. CHAS CO S C



PLAT OF NO. 35 AND NO. 37 SOCIETY STREET

CITY OF CHARLESTON; CHARLESTON COUNTY, S. C.

OWNER: COKER & ASSOCIATES
ABOUT TO BE CONVEYED TO PHOENIX INVESTMENTS

SCALE: 1" = 10' 0 5 0 10 DATE: AUG. 19, 1986

- NOTES: 1) PUBLIC WATER AND SEWER AVAILABLE
2) AREA CALCULATED BY D.M.O. METHOD
3) AREA = 0.1746 AC (7606.5002 SQ. FT.)
4) * GENERAL COMMON ELEMENT

REF. 1) TMS 458-01-03-061

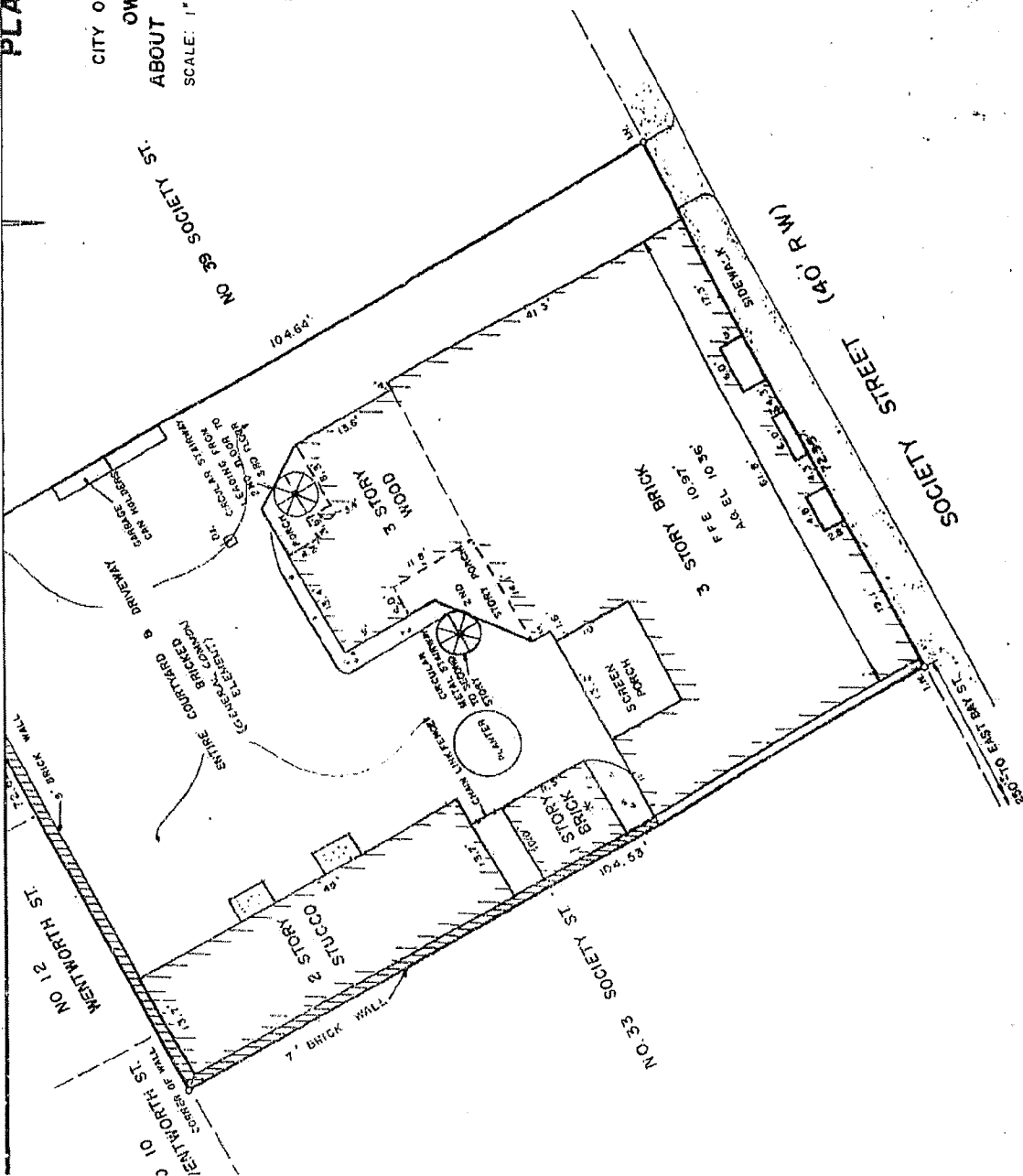
- 2) PLAT BY LUCAS GAILLARD DATED OCT. 11, 1963,
PLAT BOOK O PAGE 80 R.M.C. CHAS. CO. S. C.
3) DEED BOOK C104 PAGE 159
4) PLAT BY HERBERT A. NIEMEYER DATED OCT. 25, 1981
PLAT BOOK AU PAGE 35 R.M.C. CHAS. CO. S. C.

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT SURVEY, MADE ON THE
GROUND UNDER MY SUPERVISION, AND THAT THERE ARE NO ENCROACHMENTS
EITHER WAY OR PER EGRESS LINES UNLESS SHOWN HEREON.

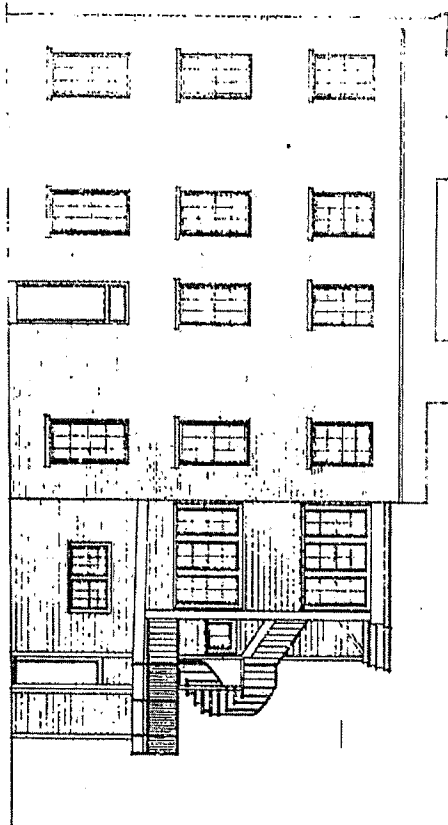
F. STEVEN JOHNSON
S.C. REG. NO. 15532



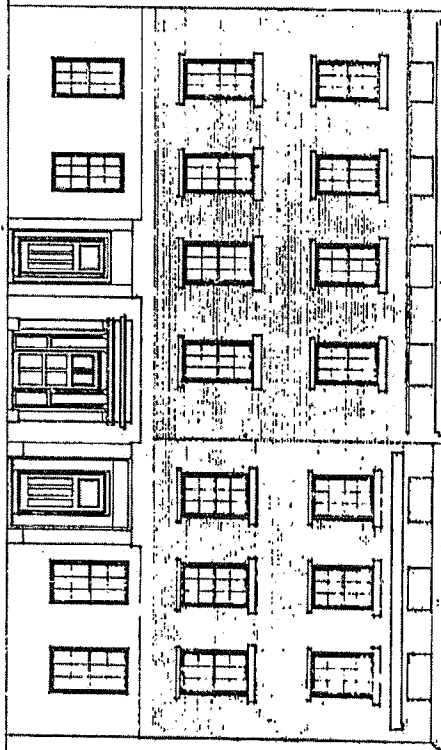
GEORGE A.Z. JOHNSON, JR., INC.
ENGINEERS • PLANNERS • LAND SURVEYORS
307 CALHOUN ST. CHARLESTON, S.C.
(803) 722-3482



RIGHT ELEVATION



STREET ELEVATION



BK X156-0809

EXHIBIT 'B' PAGE 1

BUILDING A

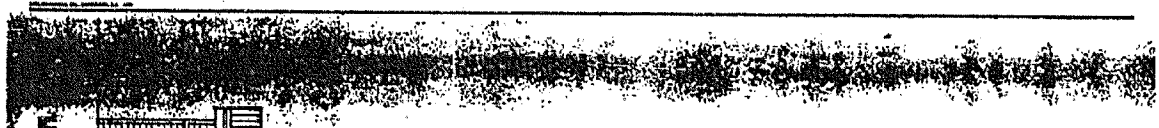


35-37 SOCIETY STREET
HORIZONTAL PROPERTY REGIME
PHOENIX INVESTMENTS
PO BOX 30330
CHARLESTON, SC 29417

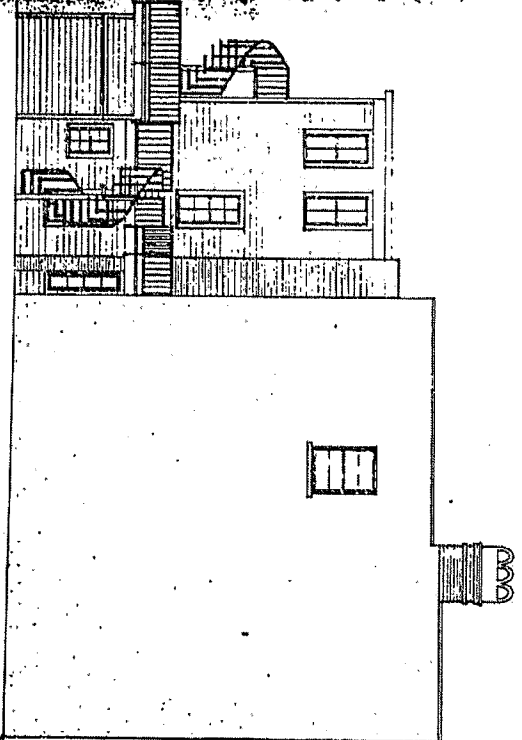


Gottshalk Architects
Architecture/Planning/Design
190 East Bay Street, Suite 300
Charleston, SC 29401
803/722-3903

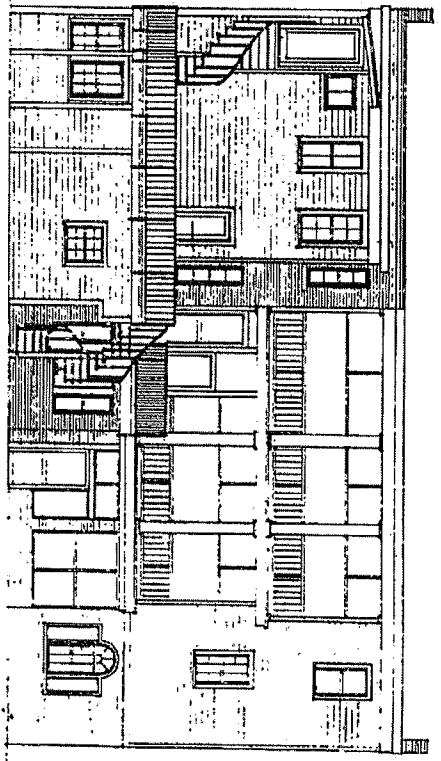
Exhibit "B"



LEFT ELEVATION



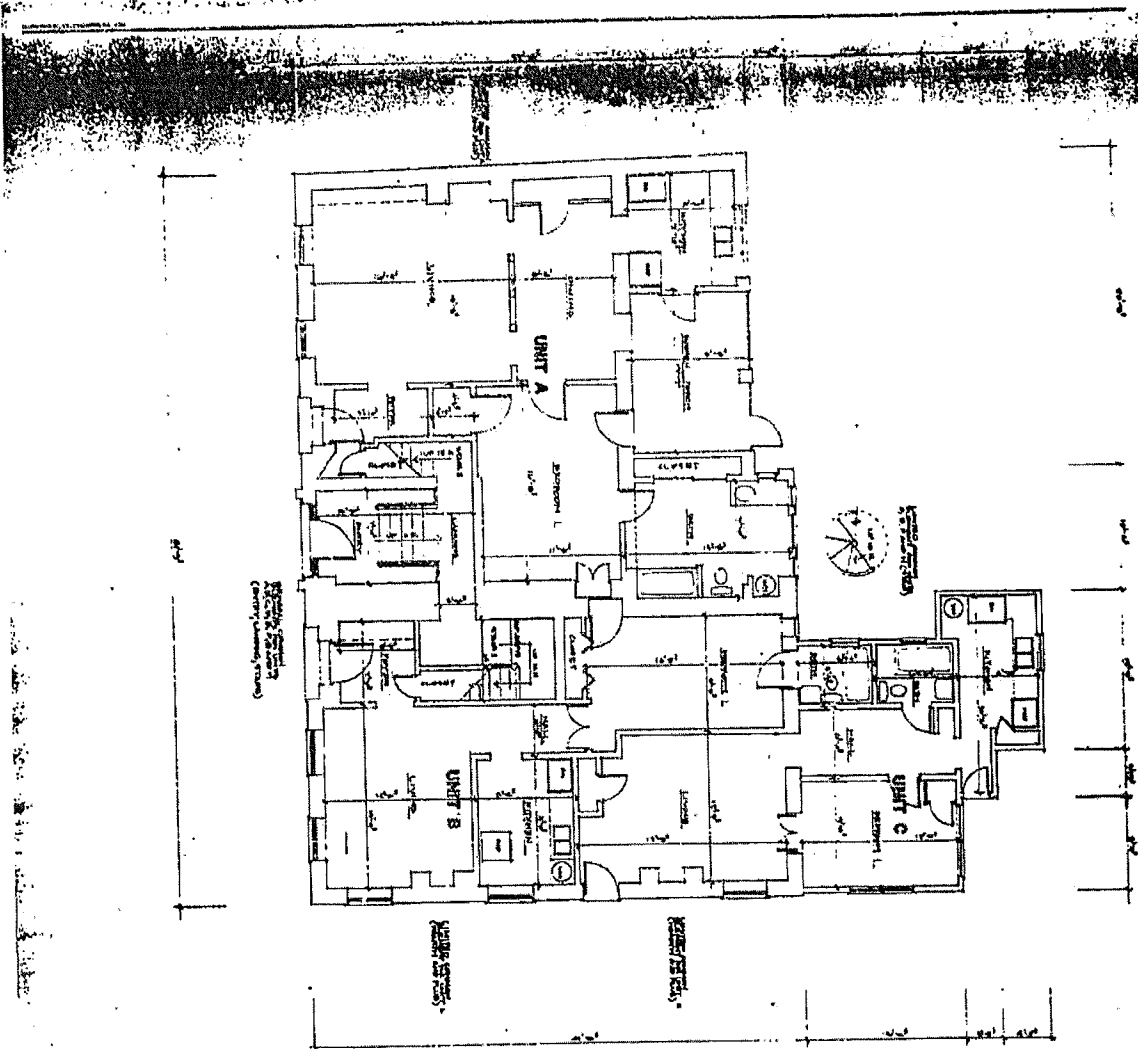
REAR ELEVATION



3K X156-0810

EXHIBIT 'B' PAGE 2

BUILDING A

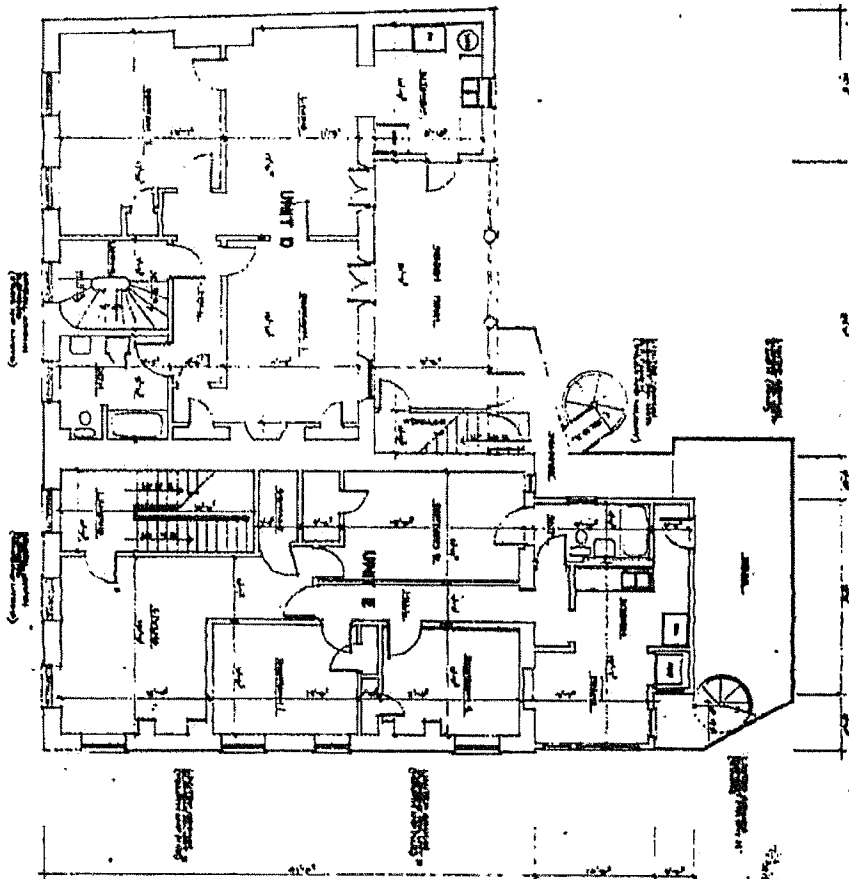


3K X156PG811

EXHIBIT 'B' PAGE 3

2ND FLOOR PLAN - BLDG. A

AREA TITLES	
UNIT A	100 sq. ft.
UNIT B	100 sq. ft.
UNIT C	100 sq. ft.
COMMON AREAS	100 sq. ft.
TOTAL	400 sq. ft.
UNIT A	100 sq. ft.
UNIT B	100 sq. ft.
UNIT C	100 sq. ft.
COMMON AREAS	100 sq. ft.
TOTAL	400 sq. ft.

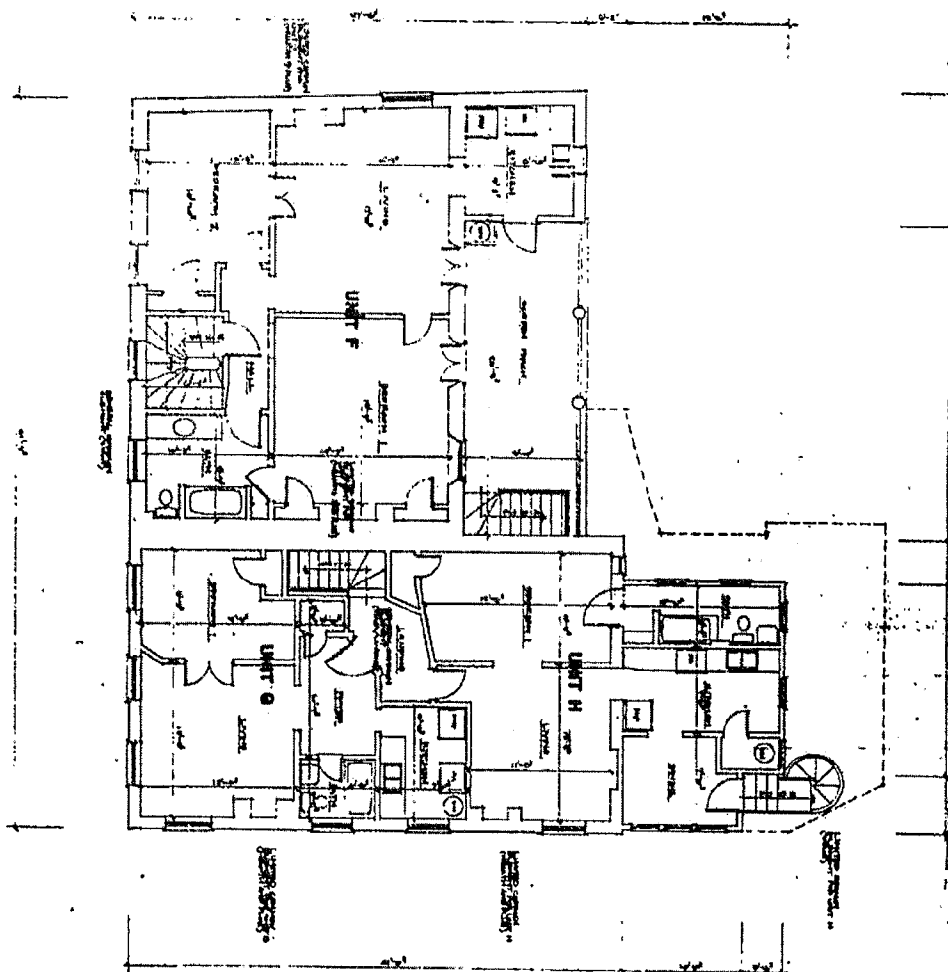


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EXHIBIT 'B' PAGE 4

AREA TOLERANCES			
UNIT	AREA OF UNIT	AREA OF COMMON AREAS	TOTAL
UNIT A	1,100 sq. ft.	1,100 sq. ft.	2,200 sq. ft.
UNIT B	1,100 sq. ft.	1,100 sq. ft.	2,200 sq. ft.
UNIT C	1,100 sq. ft.	1,100 sq. ft.	2,200 sq. ft.
UNIT D	1,100 sq. ft.	1,100 sq. ft.	2,200 sq. ft.
TOTAL	4,400 sq. ft.	4,400 sq. ft.	8,800 sq. ft.

SECOND FLOOR PLAN - BLDG. A



THIRD FLOOR PLAN - RMD A

AREA CALCULATIONS			
UNIT A	470 sq ft	470 sq ft	470 sq ft
UNIT B	470 sq ft	470 sq ft	470 sq ft
UNIT F	470 sq ft	470 sq ft	470 sq ft
UNIT H	470 sq ft	470 sq ft	470 sq ft
TOTAL	1880 sq ft	1880 sq ft	1880 sq ft

BK X156PG813

EXHIBIT 37 PAGE 5

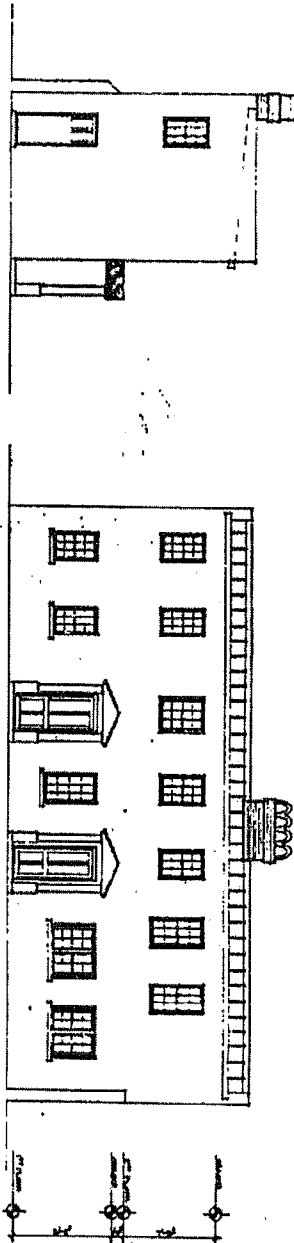


35-37 SOCIETY STREET
HORIZONTAL PROPERTY REGIME
PROXEX INVESTMENTS
PO BOX 20000
CHARLESTON, SC 29417

GA Gathwell Architects
Architecture/Planning/Design
108 East Bay Street, Suite 300
Charleston, SC 29401
803/722-2108

3K X156pg814

EXHIBIT 'B' PAGE 8

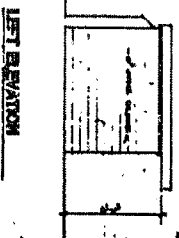
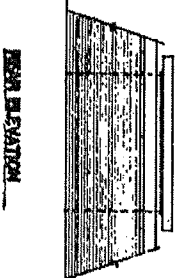
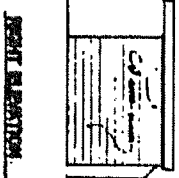
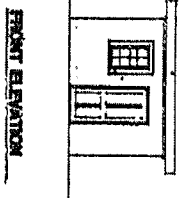


LEFT ELEVATION

FRONT ELEVATION

REAR ELEVATION

RIGHT ELEVATION



FRONT ELEVATION

RIGHT ELEVATION

REAR ELEVATION

LEFT ELEVATION

BUILDING

BUILDING

34-37 SOCIETY STREET
HARRISBURG, PA 17101
PHONEX INVESTMENTS
PO BOX 80888
CHARLESTON, SC 29417

GA

Robbink Architecture
Architecture/Planning/Design
705 East Bay Street Suite 300
Charleston SC 29401
803/732-3103

EXHIBIT 7 PAGE 7

SECOND FLOOR PLATE - 11/29/91

REPORT PLANT - BUDA C

2025 RELEASE UNDER E.O. 14176

AREA INFORMATION			
LEAD 2			
OFFENSE	10-1	10-1	10-1
CHARGE	10-1	10-1	10-1
OFFENSE	10-1	10-1	10-1
LEAD 3			
OFFENSE	10-1	10-1	10-1
CHARGE	10-1	10-1	10-1
OFFENSE	10-1	10-1	10-1
CHARGE, OFFENSE, CATEGORY			
CHARGE	10-1	10-1	10-1
OFFENSE	10-1	10-1	10-1

3K X156PG816

Form No. 810 SS, Declaration and Petition for Incorporation
Walker, Evans & Cogswell, Charleston, SC 29403 January 1963

For Use By
The Secretary of State
File No.
Fee Paid.
R.N.
Date

Declaration and Petition for Incorporation

APPLICATION MUST BE TYPEWRITTEN
DO NOT FILE IN DUPLICATE

The undersigned declarants and petitioners.	
NAME	STREET ADDRESS AND CITY
John C. Palmer	P.O. Box 30339, Charleston, SC 29417
Michael W. Priester	P.O. Box 30339, Charleston, SC 29417

being two or more of the officers or agents appointed to supervise or manage the affairs of Thirty Five and Thirty Seven Society Street Homeowners Association

☒ an association which has been duly and regularly organized for the purposes hereinafter to be set forth, do affirm and declare: That at a meeting of the aforesaid organization, held pursuant to the by-laws or regulations of the said organization, they were authorized and directed to apply for incorporation.

That the said organization holds, or desires to hold, property in common for a Religious, Educational, Social, Fraternal, Charitable or other eleemosynary purpose, or any two or more of said purposes, and is not organized for the purpose of profit or gain to the members, otherwise than as above stated, or for the insurance of life, health, accident or property; and that the three days' notice in the News and Courier newspaper published in the County of Charleston

has been given that the aforesaid Declaration would be filed.

The said Declarants and Petitioners further declare and affirm:

FIRST. Their names and residences are as above given.

SECOND. The name of the proposed Corporation is Thirty Five and Thirty Seven Society Street

Homeowners Association

THIRD. The place at which it proposes to have its headquarters or to be located is 35 and 37 Society Street

in the City of Charleston, South Carolina

(Street and Number)

FOURTH. The purpose of the said proposed Corporation is to maintain common facilities located at 35 and 37 Society Street

FIFTH. The names and residences of all Managers, Trustees, Directors or other officers, are as follows:

NAMES	TITLE	ADDRESS
John C. Palmer	President	P.O. Box 30332, Chas., SC
Michael W. Priester	Secretary	P.O. Box 30339, Chas., SC

SIXTH. That they desire to be incorporated in perpetuity ~~as a non-profit corporation~~

Wherefore your petitioners pray that the Secretary of State do issue to the aforesaid

Thirty Five and Thirty Seven Society Street Homeowners Association

(Repeat Name of Association)

A Certificate of Incorporation, with all rights, powers, privileges and immunities, and subject to all the limitations and liabilities conferred by Title 33, Chapter 31, 1976 Code, and Acts amendatory thereto, to provide for the incorporation of Religious, Educational, Social, Fraternal or Charitable Churches, Lodges, Societies, Associations, or Companies, and for amending the Charters of those already formed and to be formed.

(Sign here)

John C. Palmer

Michael W. Priester

Date _____, 19____

(Affidavit on other side)

Exhibit "C"

INSTRUCTIONS

FILING FEES—Churches, Religious Organizations, Religious Societies, Religious Institutions and Volunteer Fire

Departments.....\$3.00
Other Non-profit Corporations.....\$15.00

All fees are payable to the Secretary of State.

Two petitioners are all that is required.

State the purpose of your organization tersely in general terms. Do not attempt to include therein matter that should go into your by-laws, or specifically ask for certain powers granted under the law to all corporations-such as the right to buy and hold property, to have a common seal, etc.

SHOULD ASSOCIATION BE OTHER THAN A CHURCH, HAVE THE SHERIFF ENDORSE THE PETITION.

THE AFFIDAVIT BELOW MUST BE COMPLETED BEFORE THE CHARTER WILL BE ISSUED.

AFFIDAVIT EXECUTED AS A PART OF THE DECLARATION AND PETITION FOR INCORPORATION OF A PROPOSED CORPORATION NAME _____

STATE OF SOUTH CAROLINA)

)

COUNTY OF)

The undersigned _____

do hereby certify that they are the officers or persons signing the petition for incorporation of a non-profit corporation having no capital stock, that all the facts in the petition are true and correct and that the corporation will not operate for a profit for itself or any of its members.

John C. Palmer
John C. Palmer
Michael W. Pfeister
Michael W. Pfeister

Sworn to before this 25th

day of October, 1985

E. Lynn B. Owslette Williams

Notary Public for South Carolina

My commission expires 7/9/95

NOTICE: IF IT IS FOUND THAT THE CORPORATION IS OPERATED FOR PROFIT, THIS MAY BE GROUNDS FOR REVOCATION OF CHARTER.

3K X156PG818

EXHIBIT "D"

BYLAWS OF THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET
HORIZONTAL PROPERTY REGIME

AND

THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET
ASSOCIATION OF UNIT OWNERS

ARTICLE I

SECTION 1. HORIZONTAL PROPERTY REGIME. The Property (the term "Property" as used herein means and includes the land, the building, all improvements and structures thereon) located at 35 and 37 Society Street in the City and County of Charleston, South Carolina, known as THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET HORIZONTAL PROPERTY REGIME which has been, by Master Deed, submitted to the provisions of the Horizontal Property Act of South Carolina, which said properties shall henceforth be known as the THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET HORIZONTAL PROPERTY REGIME (hereinafter referred to as "Regime").

SECTION 2. ASSOCIATION. In conjunction with the creation of the above described Regime, there also shall be incorporated under the laws of the State of South Carolina an Association known as Thirty Five and Thirty Seven Society Street Association of Unit Owners which shall, pursuant to the provisions of the aforementioned Master Deed, constitute the incorporated Association Owners of the Regime.

SECTION 3. BYLAWS APPLICABILITY. The provisions of these Bylaws are applicable to the Property, the Regime and the Association.

SECTION 4. PERSONAL APPLICATION. All present or future Unit Owners, tenants, future tenants, or any other person who might use the facilities of the Property in any manner, are subject to the regulations as set forth in these Bylaws and in the Master Deed establishing said Regime, as they may be amended from time to time. The mere acquisition or rental of any of the Units as defined in the Master Deed of the Property or the mere act of occupancy of any of said Units will signify that these Bylaws and the provisions of the Master Deed and any authorized recorded amendments of the foregoing Master Deed are accepted and ratified, and will be complied with.

ARTICLE II

VOTING, MAJORITY OF UNIT OWNERS, QUORUM, PROXIES

SECTION 1. ELIGIBILITY. Any person who acquires title to a Unit in the Regime shall be a member of the Association. There shall be one membership for each Unit owned. Transfer of Unit ownership, either voluntary or by membership is to become vested in the transferee. If Unit ownership is vested in more than one person, then all of the persons so owning such Unit shall agree upon the designation of one of the Owners of such Unit to act as a member of the Association. If Unit ownership is vested in a Corporation, said Corporation may designate an individual officer or employee of the Corporation to act as member of the Association. Until the first meeting of which members may vote, the Association shall act without vote of the members.

SECTION 2. VOTING. Each Unit Owner is entitled to one vote for each percentage point of undivided interest in the Common Elements as determined in the Master Deed.

SECTION 3. MAJORITY OF OWNERS. As used in these Bylaws, the term "majority of owners" shall mean those Unit Owners holding fifty-one (51%) percent or more of the total vote of the Property, in accordance with Article II, Section 1(o) of the Master Deed.

SECTION 4. QUORUM. Except as otherwise provided in Section 6 and elsewhere in these Bylaws, the presence in person or by proxy of a majority of Unit Owners as defined in Section 3 of this Article shall constitute a quorum.

SECTION 5. 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 6. MAJORITY VOTE. The vote of a majority of the Unit Owners present at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except where in the Master Deed or in these Bylaws, or by law, a higher percentage vote is required.

SECTION 7. EXCEPTION. Those matters pertaining to Limited Common Elements must receive one hundred (100%) percent vote of Unit Owners.

ARTICLE III

THIRTY FIVE AND THIRTY SEVEN SOCIETY STREET
ASSOCIATION OF UNIT OWNERS

SECTION 1. ASSOCIATION RESPONSIBILITIES. As stated in Article I, the Owners of the Units will constitute the Association of Unit Owners (hereinafter usually referred to as "Association") who will have the 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, if a management agent is so desired. Except as otherwise provided, decisions and resolutions of the Association shall require approval by a majority of the Board of Directors.

SECTION 2. PLACE OF MEETINGS. Meetings of the Association shall be at such place convenient to the Unit Owners as may be designated by the Association.

SECTION 3. ANNUAL MEETINGS. The annual meetings of the Association shall be held at the call of the President once a year during the month or at such other time as a majority of the Unit Owners may agree upon. At such time as otherwise provided, decisions and resolutions of the Association shall require approval by a majority of the Board of Directors.

SECTION 4. SPECIAL MEETINGS. It shall be the duty of the Secretary to call a special meeting of the Unit Owners as directed by resolution of the Board of Directors or upon a petition signed by a majority of Unit Owners and having been presented to the Secretary. A 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 except by consent of two-thirds (2/3) 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 the place where it is to be held, to each Owner of record at least fifteen (15), but not more than forty-five (45) days prior to such meeting. The mailing of a notice in the manner provided in this section shall be considered notice served.

SECTION 6. ADJOURNED MEETING. If any meeting of the Association cannot be organized because a quorum has not attended, the Unit 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. Upon the reconvening of said meeting, a quorum shall be constituted if the Unit Owners holding at least fifty (50%) percent of the total value of the property in accordance with the percentages assigned in the Master Deed are present at said reconvened meeting.

SECTION 7. ORDER OF BUSINESS. The order of business at all Annual Meetings of the Association shall be as follows:

- (a) Roll Call.
- (b) Proof of Notice of Meeting or Waiver of Notice.
- (c) Reading of Minutes of Preceding Meeting.
- (d) Reports of Officers.
- (e) Reports of Committees.
- (f) Election of Inspectors of Election.
- (g) Election of Directors.
- (h) Unfinished Business.
- (i) New Business.

The order of Business at a Special Meeting of the Association shall include items (a) through (d) above, and thereafter, the agenda shall consist of the items specified in the notice of the meeting.

ARTICLE IV

BOARD OF DIRECTORS

SECTION 1. NUMBER AND QUALIFICATION. The affairs of the Association shall be governed by a Board of Directors (hereinafter referred to as the "Board") comprised of the ten (10) Unit Owners. For purposes of this article, "Unit Owners" shall include an individual, corporation, partnership, association, trust, or other legal entity, or any combination thereof, who owns the Unit. In the case of non-individual Unit Owner, an instrument must be presented to the Association naming the Officer, partner or fiduciary as the "person" eligible for election to the Board. Until succeeded by the Board Members elected by the Unit Owners, Board of Directors Members need not be Unit Owners. So long as the Developer (as defined in the Master Deed) owns one or more Units, the Developer shall be entitled to elect at least one member of the Board of Directors, who need not be a Unit Owner. After Developer has conveyed all Units and is no longer entitled to elect one member of the Board of Directors, all Board Members shall be Unit Owners.

SECTION 2. GENERAL POWERS AND DUTIES. The Board shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law, or by these Bylaws, directed to be executed and done by the Association or Unit Owners.

SECTION 3. OTHER DUTIES. In addition to duties imposed by these Bylaws, or by resolutions of the Association, the Board shall be responsible for the following:

- (a) Compliance with all of the terms and conditions of the Master Deed and any amendments thereto and enforcement of the same.
- (b) Care, upkeep and surveillance of the Property and the Common Elements.
- (c) Employment, dismissal, and control of the personnel necessary for the maintenance and operation of the Common Elements.
- (d) Collection of assessments from the Unit Owners.
- (e) Performing repairs caused by any natural disaster or man-made damage from the reserve account and any special assessment, or causing the same to be done.
- (f) Obtaining of insurance for the Property, pursuant to the provisions hereof and the provisions of the Master Deed or causing the same to be done.
- (g) Grant or relocate easements which are not inconsistent with the Unit Owners full use and enjoyment of the common properties.
- (h) Making of repairs, additions, and improvements to or alterations of the property and repairs to and restoration of the property in accordance with the other provisions of these Bylaws.

SECTION 4. MANAGEMENT AGENT. The Board of Directors, if it sees fit, may contract with a management agent at 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. FIRST BOARD OF DIRECTORS. The first Board of Directors consisting of the ten (10) Unit Owners shall be designated by the Declarant. These appointments will be temporary and will continue only until the first annual meeting of the Unit Owners held pursuant to the provisions of these Bylaws. At the first annual meeting of the Association on January 15, 1986, the term of office for the Board shall be for the duration of their ownership. Any and all of said Board Members shall be subject to replacement, in the event of resignation or death, in the manner set forth in Section 6 of this Article.

SECTION 6. ORGANIZATIONAL MEETING. The first meeting of a newly elected Board shall be 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 Association and no notice shall be necessary to the newly elected Board Members in order to legally constitute such a meeting, providing a majority of the Board shall be present.

SECTION 7. 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 one (1) such meeting shall be held each fiscal year. Notice of regular meetings of the Board shall be given by the Secretary 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 8. SPECIAL MEETINGS. Special meetings of the Board may be called by the President on three (3) 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 the purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least five (5) Board members.

SECTION 9. WAIVER OF NOTICE. Before or at any meeting of the Board, any member of the Board 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 members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

SECTION 10. BOARD QUORUM. At all meetings of the Board, a majority of the Board Members shall constitute a quorum for the transaction of business and acts of the majority of the members present at a meeting at which a quorum is present shall be acts of the Board. If, at any meeting of the Board, there is less than a quorum present, the majority of the Board Members present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

SECTION 11. INFORMAL ACTION. The Board may do any act that it is empowered to do at a Regular or Special Meeting of the Board by informal written consent to such action signed by all members of the Board.

SECTION 12. FIDELITY BONDS. The Board may require that any and all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

SECTION 13. COMPENSATION. No member of the Board shall receive any compensation from the Regime for acting as such.

SECTION 14. LIABILITY OF THE BOARD OF DIRECTORS. The members of the Board shall not be liable to the Unit Owners for any mistake of judgment negligence or otherwise, except for their own individual wilful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the members of the Board against all contractual liability to others arising out of contracts made by the Board on behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Master Deed or of these Bylaws. It is intended that the members of the Board shall have no personal liability with respect to any contract made by them on behalf of the Association. It is also intended that the liability of any Unit Owner arising out of any contracts made by the Board or out of the aforesaid indemnity in favor of the members of the Board shall be limited to such proportions of the total liability thereunder as his interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements. Every agreement made by the Board or by the managing agent or by the manager on behalf of the Association shall provide that the members of the Board or the managing agent, or the manager, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owners' liability thereunder shall be limited to such portion of the total liability as his interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements.

ARTICLE V

OFFICERS

SECTION 1. DESIGNATION. The principal officers of the Association shall be a President, a Vice President and a Secretary-Treasurer, all of whom shall be elected by and from the Board.

SECTION 2. ELECTION OF OFFICERS. The officers of the Association shall be elected annually by the Board at the organizational 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 purposes. No officer shall continue to serve as such if, during his term of office, he shall cease to be a Unit Owner.

SECTION 4. PRESIDENT. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association 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 corporation, including, but not limited to the power to appoint committees from among the Unit Owners from time to time as he may, in his discretion, feel appropriate to assist in the conduct of the affairs of the Association.

SECTION 5. VICE PRESIDENT. The Vice President shall take the place of the President and perform his duties when 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 Association; 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 Association. He shall be responsible for the deposit on all monies and other valuable effects in the name and to the credit of the Association in such depositories as may from time to time be designated by the Board. He shall, in general, perform all the duties incident to the office of the Secretary and Treasurer.

ARTICLE VI

NOTICES

SECTION 1. DEFINITION. Whenever, under the provisions of the Master Deed or of these Bylaws, notice is required to be given to the Board, any manager or Unit Owner, it shall be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box, in a postpaid seal wrapper, addressed to the Board, such manager or such Unit Owner at such address as appears on the books of the Association. Notice shall be deemed given as of the date of mailing.

SECTION 2. SERVICE OF NOTICE-WAIVER. Whenever any notice is required to be given under the provisions of the Master Deed, or Law, or of these Bylaws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VII

OBLIGATIONS OF THE UNIT OWNERS

SECTION 1. ASSESSMENTS FOR COMMON EXPENSES, All Unit Owners shall be obligated to pay the periodic assessments imposed by the Association to meet all Association common expenses, which shall include, among other things, liability insurance policy premiums and an insurance policy premium to cover repair and reconstruction work in case of hurricane, fire, earthquake, flood and other hazards. The common expenses may also include such amounts as the Board may deem proper for the operation and maintenance of the Property and any authorized additions thereto. Such amounts may include without limitation, any amount for the general working capital, for a general operating reserve, for a reserve fund for replacements and to make up any deficit in the common expenses for any prior year. No less than thirty (30) days prior to the Annual Meeting, except for the first annual meeting, the Board shall furnish all Unit Owners with a copy of the proposed budget for the next calendar year and shall likewise advise them of the amount of the common charges payable by each of them, respectively, as determined by the Board aforesaid. Payment of the periodic assessment shall be in equal monthly or quarterly (as determined by the Board) installments on or before the first day of each month or quarter, as appropriate, or in such other reasonable manner as the Board shall designate.

SECTION 2. ASSESSMENTS TO REMAIN IN EFFECT UNTIL NEW ASSESSMENTS MADE. The omission by the Board before the expiration of any year to fix assessments hereunder for that or the next year shall not be deemed a waiver or modification in any respect of any owner from the obligation to pay the assessments or an installment thereof for that or any subsequent year, but the assessment fixed for the preceding year shall continue until a new assessment is fixed. Amendments to this paragraph shall be effective upon unanimous written consent of the Owners and their mortgagees. No Unit Owner may exempt himself from liability for his contribution toward the common expenses by waiver of the use or enjoyment of any of the Common Elements or Limited Common Elements or by abandonment of his Unit.

SECTION 3. RECORDS. The Manager or Board shall keep detailed records of the receipts and expenditures affecting the Common and

Limited Common Elements and any other expenses incurred. Records and vouchers authorizing the payments involved shall be available for examination by the Owner during reasonable business hours.

SECTION 4. DEFAULT IN PAYMENT OF COMMON CHARGES. The Board shall take prompt action to collect any common charge due from any Unit Owner which remains unpaid for more than thirty (30) days from the due date for payment thereof. In the event of default by any Unit Owner in paying to the Board the common charges as determined by the Board, such Unit Owner in paying to the Board the common charges as determined by the Board, such Unit Owner shall be obligated to pay a late charge to offset the cost of such delinquency at the rate of one and one-half (1½%) percent of the delinquent amount per month on such unpaid common charge from the due date thereof, together with all expenses, including attorney's fees, incurred by the Board in any proceeding brought to collect such unpaid common charges. The Board shall have the right and duty to attempt to recover such common charges, together with late charges added thereto, and the expenses of the proceedings, including attorney's fees, in an action to recover the same brought against such Unit Owner, or by foreclosure of the lien on such unit granted by Section 27-31-210, Code of Laws of South Carolina, 1976.

SECTION 5. STATEMENT OF COMMON CHARGES. The Board shall, for a reasonable fee not to exceed Ten (\$10.00) Dollars promptly provide any purchaser, Unit Owner, encumbrancer or prospective encumbrancer of any Unit so requesting the same in writing, with a written statement of all unpaid common charges due from the owner of that Unit and the purchaser's liability therefor shall be limited to the amount as set forth in the statement. Any encumbrancer holding a lien on a condominium Unit may pay any unpaid common charges payable with respect to such condominium Unit and upon such payment, such encumbrancer shall have a lien on such Unit for the amounts paid of the same rank as the lien of his encumbrance. Any encumbrancer holding mortgages on more than two (2) Units within the Regime shall be entitled, upon request, to receive a statement of account on the Units securing all of said Mortgages once each calendar year without any fee or charge.

SECTION 6. MAINTENANCE AND REPAIR

(a) Maintenance and Repair Generally. No Unit Owner shall do or cause to be done any work affecting an individual Unit which would jeopardize the soundness or safety of the condominium property, reduce the value thereof or impair any easement or hereditament therein. Further, and unless otherwise stated within, no Unit Owner shall make or cause to be made any structural addition or alteration to his Unit or to the common elements or limited common elements nor shall he alter, replace

or perform any work of any kind on the exterior of the building without in every such case first obtaining in writing the specific consent of the Board of Directors.

(b) Areas of Association Responsibility. It shall be the responsibility of the Association to maintain, repair and replace:

1. All portions of the Unit which contribute to the support of the building, including main bearing walls, but excluding improvements to or decorating of the interior surfaces of walls, ceilings and floors within the Unit.
2. All portions of the Unit which constitute a part of the exterior of the building except any limited common elements and except the repair or replacement of windows or other glass surfaces which shall be the responsibility and liability of the respective Unit Owners.
3. All of the common elements, unless otherwise stated herein.
4. All incidental damages caused by work done by direction of the Association.

(c) Areas of Unit Owner Responsibility. It shall be the responsibility of the Unit Owner:

1. To maintain in good condition and repair all portions of the Unit and interior surfaces therein, including the walls, ceilings, floors, interior doors, solely internal partitions, windows, screens and glass, and of any limited common elements assigned to the Unit.
2. To maintain and repair the fixtures and equipment in the Unit, including, but not limited to all heating and air conditioning units whether within or without the Unit, all hot water heaters, all plumbing fixtures, all appliances and all conduits, ducts and duct work, pipes, plumbing, wiring, and other facilities for furnishing of utility services which are contained within the Units.
3. The owners of Units shall be individually responsible for the maintenance and repair of exterior porches and steps assigned to his Unit as a Limited Common Element.

- 4 To make no alteration in or addition to or service any part of or do any work which would jeopardize the safety and soundness of any portion of his Unit contributing to the support of such Unit or to the support of any other Unit, which supporting portion shall include but not be limited to, the exterior walls of his Unit, any load bearing walls or columns within such Unit and any wall dividing one or more Units, except as otherwise provided by these Bylaws of the Master Deed.
5. To permit the Association or its agent or employees to enter into each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the common elements therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the common elements or to another Unit or to determine compliance with the Master Deed or these Bylaws.

(d) Violations; Remedies. In the event the Owner of any Unit fails to maintain his Unit and any common elements or limited common elements as are required in these Bylaws or attempts to make or does make any structural addition or alteration without the written consent of the Association or in making the same, damages any other Unit or the general common elements or limited common elements or threatens to do so or otherwise violates the Master Deed and Bylaws of the Association, the Association shall have the right to proceed in any Court of Equity to seek injunctive relief or to otherwise proceed to seek damages for any injury thereby caused. The Association shall further have the right to levy an assessment on any Unit and/or Owner thereof for the cost and expenses of repairs or replacement within an individual Unit for which the Owner is responsible but refuses to make and for any damages caused by a Unit Owner as specified above. Any such assessment shall be deemed to be a lien as conferred by Section 27-31-210 of the Code of Laws of South Carolina, 1976, as amended.

(e) Directors Not Personally Liable. Nothing contained in this Section shall be construed so as to impose personal liability upon any member of the Board of Directors for the maintenance, repair or replacement of any Unit or general common element or limited common element or to give rise to a cause of action against them. Further, the Board of Directors shall not be liable for damages of any kind except for wilful misconduct or bad faith.

SECTION 7. WATER CHARGES AND SEWER RATES. Water shall be supplied by the City of Charleston or its successors to all Units

through one or more meters and each Unit Owner shall be required to pay the bills for water and sewage services. Water and sewer services for the common elements shall be supplied through one or more meters and the Board shall pay as a common expense all charges for said service. The Board shall have the option of determining the method by which the water and sewer bills are paid, i.e., either through separate meters or based upon the percentage interest designated in the within written Bylaws.

SECTION 8. ELECTRICITY. Electricity shall be supplied through the public utility company serving the area directly to each Unit through one or more meters and each Unit Owner shall be required to pay the bills for electricity consumed or used in his Unit. The electricity serving the common elements shall be separately metered and the Board shall pay all bills for electricity consumed in such portions of the common elements as a common expense.

SECTION 9. USE OF UNITS - INTERNAL OR EXTERNAL CHANGES.

(a) All Units shall be utilized for residential purposes and as permitted under the zoning laws of the City of Charleston.

(b) No alteration of a Unit which either affects the structural integrity or mechanical systems of the building or results in changes visible from outside the Unit, may be undertaken without prior written approval of the Association. However, the Association shall approve any proposed alteration unless the Association determines that the proposed alteration would adversely affect the exterior appearance of the building or any common elements therein, or the health, safety or quiet enjoyment of other Unit Owners. Any Unit Owner altering a Unit pursuant to this Section shall: (1) provide for waivers of all mechanics lien rights which may arise as a result of the alteration; (2) provide certificates of insurance insuring against all losses commonly insured against arising out of work naming the Association as an additional insured; (3) indemnify and hold the Association and other Unit Owners harmless from the effect of the work; and (4) minimize the disturbance of other Unit Owners and their business activity during the work. The Association shall have the obligation to answer within thirty (30) days from the actual receipt of such notice and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.

(c) A Unit Owner may make any improvements or alterations to his Unit that do not impair the structural integrity or mechanical systems or lessen the support of any portion of the building.

SECTION 10. USE OF COMMON ELEMENTS. Except as authorized by Section 9(c), a Unit Owner shall not place or cause to be placed in the passages, parking areas, roads or other such common areas any furniture, packages or obstructions of any kind. Such areas shall be held in common for the enjoyment of the Unit Owners and shall be used for no other purpose than for normal transit through or use of them and for normal vehicular parking.

SECTION 11. RIGHT OF ENTRY.

(a) A Unit Owner shall grant the right of entry to the management agent or to any person authorized by the Board in case of an emergency originating in or threatening his Unit, whether the Unit Owner is present at the time or not.

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

SECTION 12. RULES AND REGULATIONS. In order to assure the peaceful and orderly use of the Units and common elements of the Regime, the Unit Owners may from time to time adopt, modify and revoke in whole or in part by a vote of the members present in person or represented in proxy whose aggregate interest in the common element constitutes two-thirds (2/3) of the total interest, at any meeting duly called for the purpose, such reasonable rules and regulations, to be called Rules and Regulations, governing the conduct of persons on said property of the Association as it may deem necessary. Such Rules and Regulations, upon adoption, and every amendment, modification and revocation thereof, shall be delivered promptly to each owner by posting same with postage prepaid addressed to the owner at the last registered address of the owner and shall be binding upon all Unit Owners and the occupants of Units in the Regime. The following shall constitute the initial Rules and Regulations for the Association:

(a) Each Unit Owner shall keep his Unit in a good state of preservation and cleanliness. He shall not allow anything whatever to hang or fall from the windows or doors of the premises, nor shall he sweep or throw from the premises any dirt or other substance into any of the corridors or halls, ventilators or elsewhere in the building or upon the grounds. Refuse shall be placed in containers in such manner and at such times and places as the Board or its agent may direct.

(b) Unit Owners shall not cause or permit any disturbing noises or objectionable odors to be produced upon or emanate from their Units.

(c) Unit Owners shall not permit or keep in their Unit any inflammable, combustible or explosive material, chemical or substances, in other than approved containers.

(d) No vehicle belonging to a Unit Owner or visitor shall be parked in such a manner as to impede or prevent ready access to any entrance to or exit from the building or parking lots by any other vehicle owner by another Unit Owner or guest.

(e) The Board or its designees shall have the right of access to any Unit for the purpose of making inspections, repairs, replacements or improvements, or to remedy certain conditions which would result in damage to other portions of the building. In the event it finds vermin, insects or other pests, it may take such measures as it deems necessary to control or exterminate same.

(f) Any consent or approval given under these rules and regulations may be added to, amended or repealed at any time by resolution of the Board.

(g) Use of the Unit by a Unit Owner shall not be changed to any unauthorized use.

(h) No Unit Owner or lessee shall install wiring for electrical or telephone installations, television or radio antennae, air conditioning units or similar objects outside of his Unit or which protrudes through the walls of his Unit or the roof of the building except as authorized by the Board.

SECTION 13. ABATEMENT AND ENJOINMENT OF VIOLATIONS BY UNIT OWNERS. The violation of any rules or regulations adopted by the Board or the breach of any Bylaws contained herein or the breach of any provisions of the Master Deed shall give the Board the right, in addition to any other rights set forth in these Bylaws: (a) to enter the Unit in which or as to which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing, or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach and to recover the cost of such enforcement, including attorney's fees, and until such is recovered, it shall be a lien upon said Unit, which lien shall be inferior only to the lien of all prior Mortgages.

ARTICLE VIII

AMENDMENTS

SECTION 1. BYLAWS. The Bylaws may be amended by the Association in a duly constituted meeting of the members held for such purpose, or in a properly conducted referendum by use of the mails which include proper notice to all Unit Owners and no amendment shall take effect unless approved by Unit Owners representing at least two-thirds (2/3) of the total value of the Property as shown on the Master Deed except as provided in the Master Deed for an amendment relating to subdivision of Units or relocation of Unit boundaries. So long as the Declarant remains the owner of any Unit in this Horizontal Property Regime, these Bylaws may not be amended so as to adversely affect the Declarant without the Declarant's consent.

ARTICLE IX

MORTGAGES

SECTION 1. NOTICE TO BOARD. A Unit Owner who mortgages his Unit shall notify the Board through the President of the name and address of his Mortgagee, and the Regime shall maintain such information in a book entitled "Mortgages On Units".

SECTION 2. NOTICE TO MORTGAGEE. The board shall give thirty (30) days written notice of the following events to all first mortgagees of which it has notice.

- (a) Any change in the condominium documents;
- (b) Any unpaid assessments due the Regime/Association from the Unit Owner(s) mortgagor(s) of the Unit which are more than one hundred twenty (120) days delinquent;
- (c) Any default by the Unit Owner (mortgagor) of a Unit in the performance of such Unit Owner's obligations under the condominium documents when such default is not cured within thirty (30) days.
- (d) Any notice of special or annual meetings of the Association.

SECTION 3. STATEMENTS TO MORTGAGEE. Upon request of any Mortgagee listed in the book entitled "Mortgages on Units", the Board shall supply such Mortgagee with a reasonably current financial statement of the Regime.

ARTICLE X

MISCELLANEOUS MATTERS

SECTION 1. GENDER, NUMBER. The use of the masculine gender in these Bylaws includes the feminine gender and when the context requires, the use of the singular includes the plural.

SECTION 2. DEFINITIONS. The definitions contained in ARTICLE X of the Master Deed also apply to these Bylaws.

SECTION 3. EXECUTION OF DOCUMENTS. The President or Vice President and Secretary are responsible for preparing, executing, filing and recording amendments to the Master Deed and Bylaws and shall be authorized to execute any other document which the Association may from time to time be required to execute.

SECTION 4. NOTICES. All notices required by these Bylaws shall be hand delivered or sent by mail to the Association at the address of the President; to Unit Owners at the address of the Unit or at such other address as may have been designated by such Unit Owner from time to time in writing to the Association. All notices from or to the Association shall be deemed to have been given when mailed or delivered, except notice of changes of address which shall be deemed to have been given when received.

SECTION 5. CAPTIONS. The captions contained in these Bylaws are inserted as a matter of convenience and for reference and in no way define, limit or describe the scope of these Bylaws or the intent of any provisions of the Bylaws.

SECTION 6. INVALIDITY. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of these Bylaws.

SECTION 7. CONFLICT. These Bylaws are set forth to comply with the requirements of the Horizontal Property Act of South Carolina, as amended. In the event of conflict between these Bylaws and the provisions of such Statute, or of the Master Deed, if there is no conflict therein, as the case may be, shall control.

SECTION 8. WAIVER. No restriction, condition, obligation or covenant contained in these Bylaws shall be deemed to have been abrogated or waived by reason of failure to enforce the same, irrespective of the violations or breaches thereof which may occur.

SECTION 9. DISSOLUTION. Upon dissolution, liquidation or final determination of the operations of the Association, its residual

assets must not inure to the direct benefit of any Unit Owner but must be turned over to one or more non-profit organizations which are organized and operated for charitable or non-profit purposes in the greater Charleston area of South Carolina.

IN WITNESS WHEREOF, the Developer has hereunto set its Hand and Seal this, the 5th day of April, 1986.

PHOENIX INVESTMENTS,
A GENERAL PARTNERSHIP
DEVELOPER

Randolph W. Cooper

BY: John C. Palmer
JOHN C. PALMER
its General Partner

J. Crenshaw

BY: Michael W. Priester
MICHAEL W. PRIESTER
its General Partner

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

PERSONALLY APPEARED BEFORE ME the undersigned witness who made oath that (s)he saw the within named PHOENIX INVESTMENTS, A GENERAL PARTNERSHIP, BY JOHN C. PALMER AND MICHAEL W. PRIESTER, its General Partners sign, seal and as its act and, deed, deliver the within written ByLaws and that (s)he with the other witness above subscribed, witnessed the execution thereof.

Randolph W. Cooper

SWORN TO before me this
5th day of April, 1986.

Kate J. Wyllie (L.S.)
Notary Public for South Carolina
My Commission Expires: 5-11-82

ROSEN, ROSEN & HAGOOD

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FILED, INDEXED & RECORDED
X156-775
JUL 17 1986
FBI - CHARLOTTE
REC. DIVISION
U.S. DEPARTMENT OF JUSTICE

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TAS VERIFIED	
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DTD	8-22-86
458-01-03-061	

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Recorded this 22nd day of Aug. 1986
On Property Record Card

Pauline S. Roger

Auditor Charleston County