

BKA 585PG268

MASTER DEED
ESTABLISHING
10-12 Bee Street
HORIZONTAL PROPERTY REGIME
CHARLESTON, SOUTH CAROLINA

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MASTER DEED
ESTABLISHING
10-12 Bee Street
HORIZONTAL PROPERTY REGIME
CHARLESTON, SOUTH CAROLINA

WHEREAS, this Master Deed is made by Carrell Properties, LLC hereinafter referred to as Grantor; and

WHEREAS, Carrell Properties, LLC is sole owner in fee simple of the real property and buildings and improvements thereon which Property is located in the City of Charleston, Charleston County, South Carolina, and desires to submit the Property as hereinafter more fully described to a Horizontal Property Regime (hereinafter sometimes called "Regime" or "Condominium") according to the laws of the State of South Carolina and subject to conditions and restrictions contained herein; and

WHEREAS, the Grantor desires to convey the Property herein described pursuant and subject to certain protective covenants, conditions and restrictions, reservations, liens, and charges under the South Carolina Horizontal Property Act and as hereinafter set forth.

NOW THEREFORE, Carrell Properties, LLC for itself and its assigns, subject to matters set forth herein, hereby submits the property described in Exhibit A (hereinafter sometimes called the "Property") which is attached hereto and incorporated herein by reference together with all personal property of the Grantor on the said real estate and used in connection with operation of the within Regime, to a Horizontal Property Regime according and subject to the terms and provisions of the Horizontal Property Act of the State of South Carolina, 1976, as amended, (hereinafter sometimes referred to as the "Act") as it is now constituted, provided however, that such submission shall be and is made subject further to the conditions, provisions, and restrictions contained herein, including Exhibits attached hereto and incorporated herein by reference, all of which shall be covenants, conditions, and restrictions which shall run with the land and shall bind and inure to the benefit of the Grantor, his heirs and assigns and all subsequent Owners of any interest in the Property, their grantors, successors, heirs, executors, administrators, personal representatives, designees, or assigns.

ARTICLE I

DEFINITIONS

Unless a contrary definition is provided by the Act or is clearly required by the context hereof in order to effectuate the purpose and intent of the within Master Deed, the following definitions or terms shall apply to the within Master Deed, but in the case of any conflict between the definitions of the Act and the within Master Deed, the provisions of the Act shall control:

- A. Act means the Horizontal Property Regime Act of South Carolina, Title 27, Chapter 31 of the South Carolina Code of Laws, 1976, as it exists on the date hereof.
- B. Assessment means a Co-Owner's pro-rata share of the Common Expenses from time to time as assessed against a Co-Owner by the Association.
- C. Association means the Property Owners Association as defined by the Act and also means 10-12 Bee Street Property Owners Association, Inc., the corporation formed or to be formed by which the Property Owners Association shall operate the Condominium.
- D. Board of Directors means the Board of Directors or other body in charge of the Property Owners Association.
- E. Building has the meaning prescribed by the Act.
- F. By-Laws means the By-Laws of the Professional Property Owners Association, Inc., as they may exist from time to time, a copy of which is attached hereto as Exhibit "F".
- G. Common Areas means the General and Limited Common Areas defined herein and in the Act.
- H. Common Expenses means the expenses for which the Units' Co-Owners are liable to the Association and include (a) expenses of administration, expenses of insurance, operation, repair, replacement of the Common Areas, and/or portions of the Units which are the responsibility of the Association, if any, (b) expenses declared Common Expenses by provisions of this Master Deed; (c) all valid charges against the regime as a whole; and (d) any other expenses declared by the Act to be Common Expenses.
- I. Common Surplus means the excess of all receipts of the Association, including but not limited to Assessments over the amount of Common Expenses, and not otherwise reserved or designated for a specific use.
- J. Condominium means the 10-12 Bee Street Horizontal Property Regime and the Property or Units included as shown in the Master Deed and the Exhibits hereto.
- K. Condominium Ownership means the individual ownership of an individual Apartment or Unit within a Building structure and a common right to share, with other Co-Owners, in the General and Limited Common Areas of the Property.
- L. Condominium Unit or Units means an individual Unit as defined herein and as described in the Exhibits hereto together with an undivided share of the Common

Areas, vote, Common Surplus and liability for Common Expenses and other assessments appurtenant thereto.

- M. Co-Owner means a person, firm, corporation, partnership, association, trust, or other legal entity or any combination thereof who owns an Apartment or Unit within a Building (sometimes referred to as Unit Owner).
- N. Documents mean this Master Deed and all Exhibits annexed hereto as they may be amended from time to time.
- O. Exhibits mean the Exhibits to this Master Deed, as they may be amended from time to time.
- P. General Common Areas means and includes (a) the land in fee simple on which the building stands; (b) the foundations, main walls, roof, halls, stairways, entrance, and exits or communication ways; (c) the yards and landscaped areas; (d) all compartments or installments of central services such as power, lights, cold water, refrigeration, water tanks, pumps, sewage lines, and the like that serve two or more Apartments or Units; and (e) all other Areas of the Property rationally of common use or necessary to its existence, upkeep, and safety.
- Q. Grantor shall mean Carrell Properties, LLC, and its assigns (sometimes referred to as “Developer”).
- R. Limited Common Areas means and includes those Common Areas which are reserved for the use of a certain Apartment or Unit to the exclusion of other Apartments or Units and has the same meaning as “Limited Common Area” as defined in the Act.
- S. Majority of Co-Owners means fifty-one (51%) percent or more of the basic value of the Property as a whole.
- T. Master Deed means the deed establishing the Regime and all Exhibits thereto.
- U. Mortgagee means a bank, savings and loan, or an insurance company, or a title insurance company, or a pension trust and real estate investment trust, or other private and governmental institutions which are regularly engaged in the business or mortgaging, and/or financing, or a subsidiary of any of the foregoing or a designee of any of the foregoing, owning an institutional mortgage herein defined by assignment or those assignments from a non-institutional mortgagee (Mortgagee is sometimes referred to as Institutional Mortgagee).
- V. Occupant means any person or persons occupying a Unit.
- W. Property means and includes that property shown as contained within 10-12 Bee Street Horizontal Property Regime as described in the Exhibits hereto and

includes the land, the buildings, all improvements and structures thereon and all easements, rights and appurtenances belonging thereto and subject to all easements, rights of way and rights of use as described herein and in the Exhibits or are of record (sometimes referred to as Condominium Property).

- X. Property Owners Association means all the Co-Owners and has the same meaning as “Council of Co-Owners” as defined in the Act.
- Y. Record shall mean to enter of record in the office of the RMC Office for Charleston County, South Carolina.

ARTICLE II

NAME

The property shall hereinafter be named 10-12 Bee Street Horizontal Property Regime (hereinafter sometimes called “Regime” or “Condominium”).

ARTICLE III

PROPERTY RIGHTS

Section 1. Identification of Units. The Condominium consists essentially of fourteen (14) Apartments or Units in four (4) Buildings designated as Buildings A, B, C and D, consisting of Units 12-A, 12-B, 12-C 12-D,12-E,12-F,12-G, 202-A, 202-B, 202-C, 202-D, 202-E, 202-F, and 202-G and other improvements and certain lands as the same are described in the Exhibits and designated thereon. For the purposes of identification, each Apartment or Unit in the Condominium is identified by a number and letter and is delineated and described in the Exhibits hereto which are made a part of this Master Deed. No two Apartments or Units have the same identifying number and name. The identifying number and name of each Unit is also the identifying number and name of the Unit (comprising both the Unit and the undivided share of the Common Areas, Vote, Common Surplus, and obligations for Common Expenses and other assessments appurtenant thereto). The Exhibits contain a survey of the land, a graphic description of the improvements showing where the Buildings are located and the location of the Units within, and together with this Master Deed, set forth the location, dimensions and size of the Common Areas, the Limited Common Areas and of each Unit.

The aforesaid Buildings and Units therein and other improvements are constructed substantially in accordance with such plot plans, floor plans, descriptions, and surveys contained in the Exhibits.

Section 2. Ownership of a Unit. Ownership of a Unit includes title to a Unit and an undivided interest in the Common Areas and the Common Surplus (if any). Any attempt to divide a Unit by separating title to a Unit from the undivided interest in the Common Areas and the Common Surplus (if any) shall be void. A transfer of ownership of a Unit shall be a transfer of all the interest which is a part of said Unit. Any conveyance, encumbrance, judicial sale, or

other transfer (voluntary or involuntary) of an individual interest in the Common Areas will be void, unless the Unit to which that interest is allocated is also transferred.

The undivided interests in the Common Areas and the Common Surplus (if any) which the Owners of the Units in 10-12 Bee Street Horizontal Property Regime are acquiring are set forth, as percentages, in the Exhibits. In the event that additional Common Areas and Units are made a part of the Condominium, such undivided interest will be adjusted as provided in the Exhibits.

Section 3. The Common Areas. Neither the Property Owners Association, any Co-Owner, the Developer, nor any other party who owns an interest in the Common Areas shall have the right to bring any action for partition or division of the Common Areas.

ARTICLE IV

PLOT PLAN, SITE PLAN, AND FLOOR PLANS

The plot plan and site plan showing the location of the buildings and other improvements and certified to by an engineer or registered land surveyor to practice in the State of South Carolina is attached hereto as Exhibit "B" and incorporated herein by reference. The floor plans of the buildings showing graphically the dimensions, area, and location of each Unit to be sold in fee simple and the dimensions, area, and location of the General Common Areas and Limited Common Areas affording access to each Unit and certified to by an engineer or architect licensed to practice in the State of South Carolina are attached hereto as Exhibit "D". The area of each Unit to be sold in fee simple is also shown in the description of Units contained in Exhibit "C" attached hereto and incorporated herein by reference.

ARTICLE V

DESCRIPTION OF UNITS

A general description of the fourteen (14) Units which are to be sold in fee simple and the designation of said Units by numbers and/or letters together with an expression of their location, area, and other data necessary for their identification is set forth on Exhibit "C" attached hereto and incorporated herein by reference. The Units are more particularly located, described, and designated on the set of floor plans attached hereto as Exhibit "D" and incorporated herein by reference.

In addition to the description of each Unit as may be seen by reference to Exhibits attached hereto, including, without limitations, Exhibits "C" and "D", the interior of each Unit is described as being bound by the unfinished surface by its lower most floor, upper most ceiling, and parametric walls. Specifically included in each Unit are the finished surfaces of the Unit, paint, plaster, wallpaper (if any), tiles, paneling (if any), sheetrock or other drywall material, acoustic or ceiling tile, carpeting and interior non-load-bearing walls contained within the boundaries of each Unit as shown on the floor plans attached hereto, together with all interior doors, the main entrance door, windowpanes, sliding glass panels, window screens, light fixtures,

installed appliances, piping in connection therewith and installed heating and air conditioning devices and attachments measured from the interior of the Unit up to, but not including the point at which the unfinished surface of the lower most floor, upper most ceiling and parametric walls of the Unit is reached. Specifically excluded in each Unit are the load-bearing columns (if any) located within the area bound by the parametric walls of the Unit. The Owner of each Unit shall be responsible for maintenance, repair, and upkeep of the Unit and its appurtenances subject to rules, regulations, covenants, and conditions set forth or incorporated herein by reference. Notwithstanding ownership of the Units, no Unit Co-Owner may do anything or take any action which does or might change the exterior appearance of the Property without the consent of the Association and/or the Board of Directors as more fully described in Exhibit "F" attached hereto and made part of this Master Deed.

ARTICLE VI

DESCRIPTION OF COMMON AREAS

The description of the Common Areas of the Regime include both the General Common Areas and the Limited Common Areas as defined herein and in the Act as follows:

(a) The parcel of land described in Exhibit "A" and shown on Exhibit "B" attached hereto; and (b) those portions of the property not otherwise herein defined as being embraced within the fourteen (14) individual Units, including but not limited to foundations (Building Structure), roof, floors, ceilings, perimeter walls, load bearing interior walls, window frames, sliding glass door frames, partitions, walls enclosing common pipes, and other common facilities, slab, stairways, entrances and exits or communication ways, pipes, wires, conduits, public utility lines (including the space actually occupied by the above outside of the building), and all as are more particularly shown in Exhibits "A", "B", "C" and "D" attached hereto; and (c) all improvements to the premises constructed or to be constructed such as utilities, walkways, plants, trees, shrubs, lawns, fencing, etc., located on said parcels of land; and (d) parking facilities as shown on Exhibit "B" attached hereto as Limited Common Areas, (e) all other Areas of the Building not included within the Units constructed or to be constructed on the aforesaid parcel of land rationally of common use or necessary to their existence, upkeep, and safety and in general all other devices or installations existing for the common use, and (f) all other Property of the Regime whether land, building, improvement, personal Property, or otherwise not included in the Unit as more particularly described in Article V which will be sold to the individuals in fee simple, and (g) all assets of 10-12 Bee Street Property Owners Association, Inc. (a Non-Profit Corporation organized for the purposes of carrying out the powers, common duties, and obligations of the Co-Owners as defined in the Act); and (h) easements through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services to Units and the General and Limited Common Areas; and (i) an easement of support in every portion of a Unit which contributes to the support of the Building; and (j) easements through the Units and Buildings and General or Limited Common Areas; and (k) installation for the furnishings of utility services to more than one Unit and/or Building or to the General or Limited Common Areas or to a Unit and/or Building other than the one containing the installation, which installation shall include conduits, ducts, plumbing, wiring and other facilities for the rendering of such services.

ARTICLE VII

UNDIVIDED SHARE OF COMMON AREAS

The ownership of each Unit shall include an undivided share in and to the Common Areas as defined herein and as set forth in Exhibit "E" attached hereto and incorporated by reference herein. It is the intention of the Grantor hereby to provide that the Common Areas in the Regime shall be owned by the Co-Owners of the Units as tenants in common and the undivided share of each Co-Owner being as stated above. The Association shall have the power to determine the use to be made of the Common Areas from time to time provided that such shall not discriminate against any Co-Owner. The Association, through its Board of Directors, may establish reasonable charges to be paid to the Association for the use of Common Areas not otherwise inconsistent with the Act or other provisions of this Master Deed or any Exhibits hereto. The General and Limited Common Areas are shown graphically in Exhibits "B", "C" and "D" referred to here and above.

ARTICLE VIII

LIMITED COMMON AREAS

Portions of the Common Areas are hereby set aside and reserved for the restricted use of certain Units to the exclusion of other Units, and such portions shall be known and referred to herein as Limited Common Areas. The Limited Common Areas restricted to the use of certain Units are those portions of any walls deemed to be Common Areas and which are within the individual Units, the attics above and certain other areas so designated pursuant to Article XIX.

ARTICLE IX

PARKING SPACES

Except as provided in Article XVI, each Unit shall have one (1) designated parking space convey along with title to the Unit as a Limited Common Area for the sole benefit of that Unit. Grantor reserves the right to sell the remaining seven (7) parking spaces, but only Co-Owners of the Regime may purchase same. Any remaining parking spaces not sold shall remain the property of Grantor; Provided, however, that two (2) years from the recordation date of this Master Deed, any parking spaces not sold shall become Common Areas for the benefit of all Co-Owners of the Regime. Grantor shall retain the right to sell the unsold spaces as it sees fit. The Grantor may also grant the spaces to the Association, to be assigned by the Association for invitees, guests, handicapped persons and for such other purposes as it shall determine. So long as a parking space is owned by a Co-Owner, such Co-Owner shall be responsible for paying any expenses related thereto. No boats, camping vehicles or non-functioning automobiles may be kept in the parking area.

ARTICLE X**ADMINISTRATION OF THE REGIME**

Section 1. The Regime shall be administered by a Property Owners Association organized as a South Carolina non-profit, mutual benefit corporation known as 10-12 Bee Street Property Owners Association, Inc. (hereinafter called the "Association") having its principal office in Charleston, South Carolina which shall act by and on behalf of the Co-Owners of the Units in the Regime in accordance with this instrument, the By-Laws of the Association annexed hereto as Exhibit "F" and in accordance with the Act, as amended. The By-Laws and the Charter attached as Exhibit "F" and "G" form an integral part of the plan of ownership herein described and shall govern the conduct and affairs of the Co-Owners of the Regime (who are the members of the Association) and shall be construed in conjunction with the provisions of the Master Deed. The management and representation of the Association shall be delegated to the Board of Directors as is more fully described in Exhibit "F" and "G" of this Master Deed.

Section 2. Pursuant to the Act, the Association is hereby designated as the form of administration of the Regime, and the Association is hereby vested with the rights, powers, privileges and duties necessary or incidental to the proper administration of the Regime, the same being more particularly set forth in the By-Laws and Charter of the Association hereto attached as Exhibits "F" and "G". The Association shall also be empowered and is hereby empowered to exercise any of the rights, powers, privileges or duties which may, from time to time, be established by law or which may be delegated to it by the Co-Owners of Units in the Regime.

Section 3. The Co-Owner of a Unit shall automatically, upon becoming the Co-Owner of a Unit, be a member of the Association, and shall remain a member of said Association until such time as his/her or its ownership ceases for any reason, at which time, his/her or its membership in said Association shall automatically cease. Other than as an incident to a lawful transfer of the title to a Unit, neither membership in the Association nor any share in the assets of the Association shall be transferable, and any attempted transfer shall be null and void.

Section 4. Reasonable regulations concerning the use of the Property may be made and amended from time to time by the Association in the manner provided in its By-Laws. Copies of such regulations and amendments thereto shall be furnished by the Association to all Co-Owners of Units and residents of the Regime upon request.

Section 5. Notwithstanding the duty of the Association to maintain and repair parts of the Condominium the Association shall not be liable to Co-Owners for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the Property to be maintained and repaired by the Association, or caused by the Areas or other Co-Owners or persons.

ARTICLE XI

DEVELOPMENT PLAN

- (a) Grantor has included within the Condominium certain property and improvements including four (4) Buildings containing Fourteen (14) Units numbered as follows:

12- A	202-A
12- B	202-B
12- C	202-C
12- D	202-D
12- E	202-E
12- F	202-F
12-G	202-G

The same being shown and designated in the Exhibits hereto. The ownership of each Unit shall include an undivided share in and to the Common Areas as defined herein and as set forth in Exhibit "E" attached hereto and incorporated by reference herein. Voting rights and values shall also be determined by reference to the percentage set forth for each Unit as shown in Exhibit "E".

ARTICLE XII

PARTITIONING

To further implement this plan of condominium ownership, to make feasible the ownership and sale of Units in the Regime, to preserve the character of the Condominium and to make possible the fulfillment of the purpose of cooperative ownership intended, the Grantor, its successors and assigns, by reason of this Master Deed, and all future Co-Owners of Units in the Regime by their acquisition of title thereto, covenant and agree as follows: Each Unit shall, for all purposes, constitute a separate parcel of real property which may be owned in fee simple and which may be leased, conveyed, devised, inherited, transferred, or encumbered along with its allocated percentage in the Common Areas, in the same manner as any other parcel of real property, independently of all other Units, subject only to the provisions of this Master Deed, the Charter, and By-Laws of the Association and the Act. No part of any Unit or any Common Areas shall be leased, conveyed, devised, inherited, transferred or encumbered apart from the whole of said Unit and its co-relative percentage in the Common Areas.

ARTICLE XIII

AMENDMENT OF THE MASTER DEED

This Master Deed may be amended at the regular or any special meeting of the Property Owners Association of the Condominium, called and convened in accordance with the By-Laws, upon the affirmative vote of two-thirds (2/3) of all the Voting Members of the Property Owners Association; provided, however, that this Master Deed may not be canceled nor any amendment

be made hereto having as its effect a termination of the Condominium without written agreement of all the Co-Owners in the Condominium and all Mortgagees holding mortgages of record upon the Condominium or any portion thereof, as provided in the Act.

All amendments hereto shall be recorded and certified as required by The Act. No amendment(s) shall change any Unit or the proportionate share of the Common Expenses or Common Surplus attributable to each Unit, nor the voting rights of any Unit, unless all Co-Owners of the Condominium and all Mortgagees holding any mortgages or other liens upon the Property of any part(s) thereof shall join in the execution of such amendment. No amendment shall be passed which shall impair or prejudice the rights and/or priorities of any Mortgagee or change the provision of this Master Deed with respect to Mortgagees without the written approval of all Mortgagees of record.

No amendment shall change the rights and privileges of Grantor, its successors, heirs and assigns, without written approval and consent of the Grantor, or its successors, heirs or assigns.

Notwithstanding the foregoing provisions of this Article, the Grantor reserves the right to alter the interior design and arrangement of all Units and to alter the boundaries between Units as long as the Grantor owns all the Units so altered; however, no such change shall increase the number of Units nor alter the boundary of the Common Areas except the party wall between any Units. If the Grantor shall make any changes in Units as provided in this paragraph, such changes shall be reflected by an amendment of this Master Deed with a survey and plot plan attached reflecting such authorized alteration of Units and said amendment need only be executed and acknowledged by the Grantor and any holder of mortgage(s) encumbering the said altered Units. Such survey shall be certified in the manner required by law.

Notwithstanding the foregoing provisions of this Article, it is understood and agreed that as of the time this Master Deed is dated and recorded in the public records of Charleston County, South Carolina, all of the improvements shown on the Exhibits may not be complete; however, said improvements shall be as located and as described and shown in the Exhibits; provided, however, that all improvements must be completed within twelve months of the filing of said Master Deed; provided, however, said time may be extended by virtue of delays caused by acts of God, acts of governmental authorities, strikes, labor conditions or any other conditions(s) beyond the Developer's control. Grantor shall have the right to amend this Master Deed to reflect the actual location of units as actually constructed but shall not have the right to change the percentage interests, except for Units owned by Grantor which did not change any other Unit Co-Owner's percentage interest.

ARTICLE XIV

EASEMENTS

Each person who acquires an interest in a Unit shall be deemed thereby to agree that (i) if any portion of a Unit shall encroach upon any portion of the Common Areas or another Unit or any portion of the Common Areas shall encroach upon any Unit, there shall exist a valid easement for such encroachment and for the maintenance and repair of the same, so long as it stands; and

(ii) in the event a Building or other improvement or any Unit is partially or totally destroyed and the reconstruction thereof shall create an encroachment on portions of the Common Areas or on any Unit, there shall exist a valid easement for such encroachment and the maintenance thereof.

The Property submitted to a Horizontal Property Regime hereby, and to be subsequently so submitted, is subject to all conditions, limitations, restrictions, reservations and all other matters of record, the rights of the United States of America, the State of South Carolina and any governmental authority or agency, including those pertaining to the use and ownership of any submerged lands and any lands lying below the natural high water line of the surrounding bodies of water, any taxes, applicable zoning ordinances which now exist or are hereafter adopted and easements for ingress and egress, for pedestrian and vehicular purposes and for utility services and drains which now exist or are hereafter granted by the Grantor for the benefit of such persons as the Grantor designates. The Grantor shall have the right to grant easements and designate the beneficiaries thereof for such time as it determines in its sole discretion. When the Grantor relinquishes such right, the Property Owners Association shall be empowered to grant such easements. While the Grantor has the right to grant easements, the consent and approval of the Property Owners Association to the granting thereof shall not be required. No easement shall be granted by the Grantor or the Property Owners Association if, as a result thereof, any Buildings or other improvement in the Condominium would be structurally weakened or the security of any mortgages of record would be adversely affected without the affected Mortgagee or Mortgagees written consent.

The rights of all Co-Owners shall be subject to all those easements of ingress and egress across the Property, which are of record or as are hereinafter granted, and as are shown in the Exhibits or in the Records of the RMC of Charleston County, South Carolina.

The Property Owners Association, all present and future Owners and Occupants, the Developer and their respective heirs, successors, assigns and designees are hereby granted an easement over, through and across and a license to use the paved areas of the Common Areas and are further granted a pedestrian easement over, through and across the Common Areas upon such paths and ways as are suitable for pedestrian traffic and a license to use the same.

ARTICLE XV

CERTAIN RIGHTS OF GRANTOR

Section 1. Notwithstanding any other provisions herein, so long as the Grantor continues to own any of the Units, the following provisions shall be deemed to be in full force and effect, none of which shall be construed so as to relieve the Grantor from any obligations as a Co-Owner to pay Assessments as herein set forth as to each Unit owned by the Grantor after the construction on said Unit has been completed and it is included in the Condominium.

- (a) The Grantor shall have the right at anytime to sell, transfer, lease or re-let any Unit(s) which the Grantor continues to own after this Master Deed has been recorded, without regard to any restrictions, if any, relating to the sale, transfer, lease or form of lease of Units contained herein and without the consent or

approval of the Property Owners Association or any other Co-Owner being required.

- (b) Without limiting the foregoing, the Grantor shall have the power, but not the obligation, acting alone, at any time (and from time to time) so long as the Grantor owns at least one Unit to amend the Master Deed to cause the same to conform to the requirements of any Institutional Mortgagee.
- (c) The Grantor shall have the rights (i) to use or grant the use of a portion of the Common Areas for the purpose of aiding in the sale or rental of Units; (ii) to use portions of the Property for parking for prospective purchasers or lessees of Units and such other parties as the Grantor determines; (iii) to erect and display signs, billboards and placards and store and keep the same on the Property; (iv) to distribute audio and visual promotional material upon the Common Areas; and (v) to use any Unit which it owns as a sales and/or rental office, management office and maintenance facility.
- (d) In order to provide the Condominiums with, among other things, adequate and uniform water service, sewage disposal service, utility services, television reception and Internet access, the Grantor reserves the right to contract for the provision of such services. The Grantor, as agent for the Property Owners Association and the Co-Owners, has entered into or may enter into arrangements, binding upon the Property Owners Association, and the Co-Owners, with governmental authorities or private entities for furnishing such services. The charges therefore will be Common Expenses.
- (e) Subject to the approval of the Property Owners Association the Grantor reserves the right to enter into, on behalf of and as agent for the Property Owners Association and the Co-Owners, agreements with other Persons for the benefit of the Condominium, the Property Owners Association and the Co-Owners. The provisions of any such Agreement shall bind the Property Owners Association and the Co-Owners.

Section 2. Subject to applicable law the Grantor acknowledges that all contractual warranties in its favor set forth in the building construction contract are limited warranties for material and equipment in the Unit and shall accrue to the benefit of the Co-Owner of such Unit along with all limited warranties, if any, provided by the manufacturer or supplier of appliances, air conditioning, and heating utility systems in the Unit. SUBJECT TO APPLICABLE LAW THE CLOSING OF TITLE OR OCCUPANCY OF THE UNIT SHALL CONSTITUTE ACKNOWLEDGMENT BY THE UNIT CO-OWNER THAT THE GRANTOR MAKES NO OTHER IMPLIED OR EXPRESSED WARRANTIES RELATING TO THE UNIT AND/OR THE COMMON AREAS AND FACILITIES EXCEPT FOR SUCH LIMITED WARRANTY AS MAY BE SET FORTH BY SEPARATE INSTRUMENT.

ARTICLE XVI**REDESIGNATION AND RESTRICTION OF COMMON AREAS**

Section 1. **Assignment of Limited Common Areas.** A portion of the Common Areas may be marked on the Plans as "Common Areas which may be assigned as Limited Common Areas". Grantor may assign such a Common Area as a Limited Common Area by unilaterally executing and recording an appropriate amendment to this Master Deed or to the Plans. If a Co-Owner acquires the right to the exclusive use of such a Limited Common Area prior to settlement on the Unit, the Grantor shall evidence the Co-Owner's right to such an assignment in the deed to the Unit. The Grantor may, but need not, evidence the Co-Owner's right to such an assignment in a separate written agreement with the Co-Owner.

Section 2. **Designation of Reserved Common Areas.** The Board of Directors shall have the power in its discretion to: (i) designate from time to time certain Common Areas as Reserved Common Areas; (ii) grant reserved rights thereon to the Association or to any or less than all of the Co-Owners for the use and maintenance thereof. Such designation by the Board shall not be construed as a sale or disposition of the Common Areas.

ARTICLE XVII**MISCELLANEOUS**

Section 1. **Invalidity.** The invalidity of any part of the Master Deed or Exhibits attached hereto shall not impair or affect the validity or enforceability of the remainder of the Master Deed and in such event all the other provisions of the Master Deed shall continue in force and effect as if such invalid provision shall have never been included.

Section 2. **Waiver.** No provisions contained in the Master Deed shall be deemed to have been abrogated or waived by reason of any failure to enforce the same irrespective of the number of violations or breaches which may occur. Law controlling the Master Deed and By-Laws attached hereto shall be construed under and controlled by the laws of the State of South Carolina.

Section 3. **Severability.** It is the intention of the Grantor that the provision of this Master Deed and its Exhibits are severable so that if any provision, condition, covenant or restriction thereof shall be invalid or void under any applicable federal, state, or local law, the remainder shall be unaffected thereby.

Section 4. **Captions.** Captions in this document are inserted as a matter of convenience and for reference only, and in no way define, limit, extend or describe the scope of this document of the intent of any provision hereof.

Section 5. **Conflicts.** In the event that any of the provisions of this Master Deed conflict with the provisions of the Act, the Act shall control.

Section 6. Termination. All the Co-Owners or the sole Co-Owner of the Property may waive the Regime and regroup the records of the Condominium with the Common Areas, provided that the Condominium is unencumbered or, if encumbered that all the creditors on whose behalf the encumbrances are recorded agree to accept as security the undivided portions of the Property owned by the debtors.

Section 7. Taxes. Taxes, assessments, and other charges of this State, of any political subdivision, of any special improvement district, or of any other taxing or assessing authority shall be assessed against and collected on the Unit which shall be carried on the tax books as separate and distinct for that purpose, and not on the Building or Property as a whole.

Section 8. Condemnation.

- (a) General. Whenever all or any part of the Property shall be taken by any authority having the power of condemnation or eminent domain, each Co-Owner shall be entitled to notice thereof and to participate in the proceedings incident thereto unless otherwise prohibited by law. The award made for such taking shall be payable to the Insurance Trustee. Unless otherwise required by law at the time of such taking, any award made therefore shall be disbursed by the Insurance Trustee, as hereinafter provided in this Section 8.

- (b) Common Area. If the taking is confined to the Common Area and Facilities on which improvements shall have been constructed and if at least seventy-five (75%) percent of the total vote of the Association shall decide within sixty (60) days after such taking to replace said improvements, or any part thereof, on the remaining land included in the Common Area and Facilities and according to plans therefore to be approved by the Association, then the Board of Directors shall arrange for such replacement and the Trustee shall disburse insurance proceeds where damage or destruction to the Property is to be repaired or reconstructed as provided for in Article X of the By-Laws thereof; subject, however, to the right hereby reserved to the Association which may be exercised by a majority of the total vote thereof to provide for the disbursement by the Trustee of the remaining proceeds held by it (after payment of all costs incident to such replacement) to the Co-Owners or any one or more of them in amounts disproportionate to the Percentage Interest appurtenant to their Units established herein, which disproportionate amounts shall correspond with the disproportionate damages sustained by the Co-owners or any one or more of them and their respective Mortgagees as their interest may appear as the Association may determine. If at least seventy-five (75%) percent of the total vote of the Association shall not decide within sixty (60) days after such taking to replace such improvements or if the taking is confined to the Common Area and Facilities on which no improvement shall have been constructed, then the Association or the Trustee's as the case may be, shall disburse the proceeds of the award in the manner herein above provided for the disbursement of the remaining proceeds of an award after payment of all costs incident to replacement of the improvements

taken including the right reserved the Association to provide for the disbursement by the Trustee of the remaining proceeds held by it to the Co-Owners in disproportionate amounts and their respective Mortgagees as their interest may appear.

- (c) Units. If the taking includes one or more Units, any part or parts thereof or the Limited Common Area and Facilities, or parts thereof, to which a Unit has exclusive use, then the award shall be disbursed and all related matters, including, without limitation, alteration of the Percentage Interest appurtenant to each Unit shall be handled pursuant to and in accordance with the consent of all Co-Owners expressed in a duly recorded amendment to this Master Deed. In the event that such an amendment shall not be recorded within ninety (90) days after the taking, then such taking shall be deemed to be and shall be treated as damage or destruction which shall not be repaired or reconstructed as provided for in Article X of the By-Laws herein, whereupon the Condominium will be terminated in the manner therein prescribed, provided, however, in the event the condominium is not terminated and such Unit or Units are replaced, the proceeds shall be paid to the Unit Owner or Owners and their respective Mortgagee as their interest may appear.

Section 9. Notices. Whenever notices are required to be sent hereunder, the same may be delivered to each Co-Owner either personally or by mail addressed to such Co-Owners at his, her or its place of business in the Condominium unless the Co-Owner has by written notice, duly receipted for, specified a different address. Proof of such mailing or personal delivery by the Property Owners Association shall be given by affidavit of the person mailing or personally delivering such notice. Notices to the Property Owners Association (including the Board of Directors) shall be delivered by mail to the Secretary of the Property Owners Association at the Secretary's address within the Condominium or, in the case of the Secretary's absence, then to the President of the Property Owners Association at his, her or its address in the Condominium; provided, however, that the Property Owners Association, Institutional Mortgagees of record, and any third party affected thereby. Notices to the Grantor shall be sent by mail to P.O. Box 1169, Little River, SC 29566. All notices shall be deemed delivered when mailed. Any party may change his, her or its mailing address by written notice duly receipted for. The change of the mailing address of any party as specified herein shall not require an amendment to this Master Deed. Notices required to be given the personal representatives of a deceased Co-Owner may be delivered either personally or by mail to such party at his, her or its address appearing in the records of the probate court wherein the estate of such deceased Co-Owner is being administered.

Section 10. Singular, Plural, Gender. Whenever the context so permits, the use of the plural shall include the singular, the singular the plural, and the use of any gender shall be deemed to include all genders.

Section 11. Approval of Master Deed. The Property Owners Association by its execution of this Master Deed approves the provisions hereof and all covenants, terms, conditions, duties and obligations hereof and Exhibits hereto and the Act. Each Co-Owner by

virtue of acceptance of a deed of conveyance of a Unit, Parking Space and/or any portion of or interest in the Common Areas and other parties by virtue of their occupancy of Units or use of the Common Areas, hereby approves the foregoing and agrees to be bound by all the terms, conditions, duties and obligations contained herein, in the Exhibits hereto and in the Act.

Section 12. Certain Provisions in By-Laws. Article VI and Article X of the By-Laws hereinafter set forth are made a part of this Master Deed as fully as if set forth herein.

[Signature page to follow]

IN WITNESS WHEREOF, Mr. Bruce Carrell, in his representative capacity for Carrell Properties, LLC, has executed and sealed this Master Deed this 15th day of May, 2006.

WITNESSES

D. Wenne McCarter
Aitra Kennedy

CARRELL PROPERTIES, LLC

By: [Signature]
Bruce Carrell
Its: **Managing Member**

Date: 5/15/06

STATE OF SOUTH CAROLINA

COUNTY OF CHARLESTON

I, Anitra Kennedy, Notary Public for the State of South Carolina, do hereby certify that Carrell Properties, LLC, by Bruce Carrell, its managing member, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Subscribed to and sworn before me this 15th day of May 2006

[Signature]
Notary Public, State of South Carolina
My commission expires: 3/5/2014



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EXHIBIT "A"

**10-12 BEE STREET
HORIZONTAL PROPERTY REGIME**

CHARLESTON, SOUTH CAROLINA

PROPERTY DESCRIPTION

ALL that certain piece, parcel and tract of land, together with any improvements thereon, situate, lying and being in the City and County of Charleston, State of South Carolina, consisting of the property known as 12 Bee Street, a portion of the former 10 Bee Street, and 202 Ashley Avenue, and shown and designated as "NO.12 19,508 SQ.FT. 0.45 AC. A PORTION OF TMS 460-15-02-116" on a plat by E. M. Seabrook, Jr., Inc., entitled, "CITY OF CHARLESTON, CHARLESTON COUNTY, S.C. PLAT OF 6, 8, 10 AND 12 STREET OWNED BY COKER AND ASSOCIATES LP (sic) SHOWING THE SUBDIVISION OF 10 AND 12 CONTAINING 26,545 SQ.FT. INTO 10 CONTAINING 7,037 SQ. FT. AND 12 CONTAINING 19,508 SQ. FT. INCLUDING A NEW INGRESS/EGRESS EASEMENT ACROSS LOT 10 TO SERVE LOT 12", which said plat is dated January 22, 1998, revised December 8, 2003, and recorded April 27, 2005, in Plat Book EH at page 886 in the RMC Office for Charleston County, South Carolina (the "Plat").

Said tract of land having such actual size, shape, dimensions, buttings and boundings as shown on said plat, reference to which is hereby made for a more complete description.

TOGETHER with the non-exclusive right of ingress and egress over and upon that portion of "NO. 10 7,037 SQ. FT. 0.16 AC. A PORTION OF TMS 460-15-02-116" shown as "NEW INGRESS/EGRESS EASEMENT" on the aforesaid Plat. The within easement is applicable to and transferable with the title to the property being conveyed and is for the commercial and economic benefit of the said property being conveyed.

SUBJECT TO all easements, restrictions, agreements, comments, limitations and other matters of record, including without limitation those shown on the aforesaid plat, and including without limitation those restrictions and easements contained in the Deed of Conservation Easement, dated December 15, 1983, and recorded December 22, 1983, in Book C134 at page 242 in the RMC Office aforesaid, and that certain Right-of-Way Grant from Bee Street Home Associates, a Limited Partnership, to South Carolina Electric & Gas Company, dated August 3, 1983, and recorded October 19, 1983, in Book K133 at page 197, all in the RMC Office aforesaid.

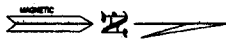
TMS #460-15-02-116

EXHIBIT "B"

**10-12 BEE STREET
HORIZONTAL PROPERTY REGIME**

CHARLESTON, SOUTH CAROLINA

**PLOT PLAN SHOWING THE LOCATION OF
BUILDINGS AND IMPROVEMENTS**



PLOT PLAN OF 10-12 BEE STREET HORIZONTAL PROPERTY REGIME

CITY OF CHARLESTON
CHARLESTON COUNTY, S. C.

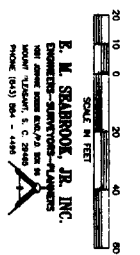
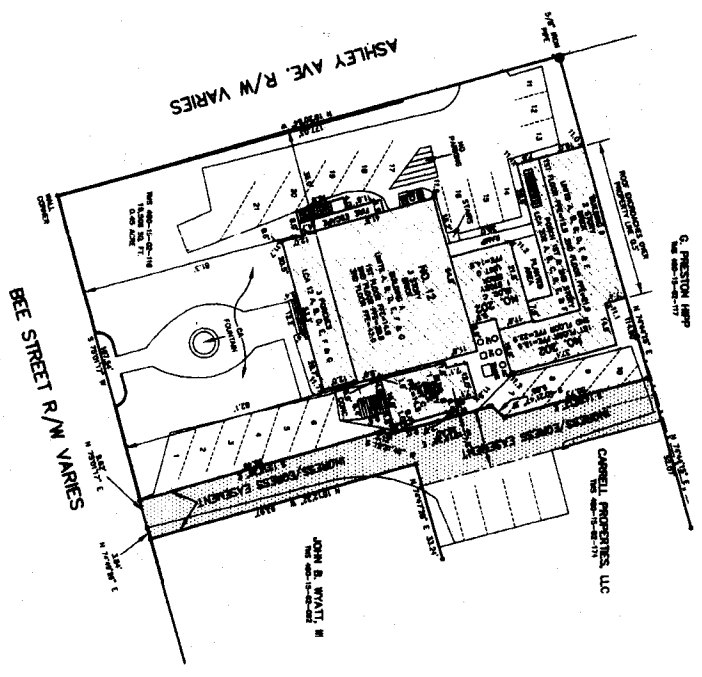
SCALE: 1" = 20'

JUNE 20, 2005

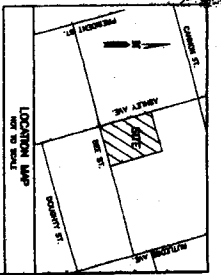
NOTICE: This plot plan has been prepared in accordance with the provisions of the Horizontal Property Regime Act, Chapter 42-10, Code of Laws of the City of Charleston, South Carolina, and the provisions of the South Carolina Condominium Act, Chapter 47, Code of Laws of the State of South Carolina.

PLANNING BOARD: The Planning Board of the City of Charleston, South Carolina, has reviewed and approved this plot plan on this date.

PLANNING BOARD MEMBER: [Signature]



E. M. SEARROCK, JR., INC.
ENGINEERS-ARCHITECTS-PLANNERS
1001 JONES ROAD, SUITE 200
NORFOLK, VIRGINIA 23503
PHONE (804) 696-4466



LEGEND

- CONCRETE DRIVE
- CONCRETE SIDEWALK
- CONCRETE DRIVE
- CONCRETE SIDEWALK

NOTES:

1. ALL DIMENSIONS ARE IN FEET AND INCHES.
2. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
3. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
4. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
5. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
6. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.

REFERENCES:

1. THE CITY OF CHARLESTON, SOUTH CAROLINA, CHAPTER 42-10, CODE OF LAWS.
2. THE STATE OF SOUTH CAROLINA, CHAPTER 47, CODE OF LAWS.
3. THE CITY OF CHARLESTON, SOUTH CAROLINA, CHAPTER 42-10, CODE OF LAWS.
4. THE STATE OF SOUTH CAROLINA, CHAPTER 47, CODE OF LAWS.
5. THE CITY OF CHARLESTON, SOUTH CAROLINA, CHAPTER 42-10, CODE OF LAWS.
6. THE STATE OF SOUTH CAROLINA, CHAPTER 47, CODE OF LAWS.

EXHIBIT "C"

10-12 BEE STREET
HORIZONTAL PROPERTY REGIME

CHARLESTON, SOUTH CAROLINA

NARRATIVE DESCRIPTION OF UNITS
AND
LIMITED AND GENERAL COMMON AREAS

In each Unit, the Unit comes equipped with basic appliance packages consisting of a heating and air conditioning system, and a hot water heater.

The Units are described herein below. They include (a) the spaces enclosed by the unfurnished surfaces of the perimeter and interior walls, ceilings and floors thereof, including vents, doors, windows, and such other structural Areas that ordinarily are regarded as enclosures of space; (b) interior dividing walls and partitions (including the space occupied by such walls, or partitions); (c) the decorated inner surfaces of such perimeter and interior walls, ceilings and floors, consisting (as the case may be) of wallpaper, paint, plaster, carpeting, tiles and all other furnishing materials and fixtures affixed or installed and for the sole and exclusive use of any Unit (commencing at the point of disconnection from the structural body of the building and from utility lines, pipes, or systems serving the Unit). No pipes, wires, conduits, or other public utility lines or installations constituting a part of the overall system designated for the service of any particular Unit or building, nor any property of any kind, including fixtures and the appliances within any Unit, which are not removable without jeopardizing the soundness, safety and usefulness of the remainder of the building shall be deemed to be a part of any Unit.

10-12 Bee Street Horizontal Property Regime, is four (4) buildings, A, B, C and D, consisting of fourteen (14) Units each within the building described as follows:

BUILDING A:

12-A - All that certain Unit shown as Unit 12-A on the attached Floor Plans (Exhibit "D") containing 696 square feet in Building A and consisting of two bedrooms, three closets, a kitchen, and a living room.

12-B - All that certain Unit shown as Unit 12-B on the attached Floor Plans (Exhibit "D") containing 601 square feet in Building A and consisting of two bedrooms, two bathrooms, two closets and a living/ kitchen.

12-D - All that certain Unit shown as Unit 12-D on the attached Floor Plans (Exhibit "D") containing 693 square feet on the second floor of Building A. This Unit consists of three bedrooms, one bathroom, a kitchen, three closets, and a living room.

12-E - All that certain Unit shown as Unit 12-E on the attached Floor Plans (Exhibit "D") containing 833 square feet of residential space on the second floor of Building A and consisting of a hallway, three bedrooms, one bathroom, a kitchen, five closets, and a living room. The porch of 640 square feet is a LCA for the exclusive benefit of Unit 12-E.

12-F - All that certain Unit shown as Unit 12-F on the attached Floor Plans (Exhibit "D") containing 641 square feet on the third floor of Building A. This Unit consists of two bedrooms, one and one half bathrooms, a living/kitchen, two closets, and an interior stairwell.

12-G - All that certain Unit shown as Unit 12-G on the attached Floor Plans (Exhibit "D") containing 831 square feet on the third floor of Building A. This Unit consists of three bedrooms, one bathroom, a kitchen, three closets, a hallway and a living room. The porch of 640 square feet is a LCA for the exclusive benefit of Unit 12-G.

BUILDING B:

12-C - All that certain Unit shown as Unit 12-C is on the attached Floor Plans (Exhibit "D") containing 375 square feet in Building B, consisting of a living/kitchen area, bathroom, two closets and open space for a bedroom, located adjacent to, and immediately east of Building A.

BUILDING C:

202-G - All that certain Unit shown as Unit 202-G containing 491 square feet of space constituting the whole of Building C on the attached Floor Plans (Exhibit "D"). This residential unit consists of two bedrooms, one bathroom, a kitchen/living room and two closets.

BUILDING D:

202-A - All that certain Unit shown as Unit 202-A on the attached Floor Plans (Exhibit "D") containing 207 square feet on the first floor of Building D. This Unit consists of a bedroom/living room, a bathroom, a kitchen and a closet.

202-B - All that certain Unit shown as Unit 202-B on the attached Floor Plans (Exhibit "D") containing 230 square feet of on the first floor of Building D. This Unit consists of a bedroom/living room, a bathroom, a kitchen and a closet.

202-C - All that certain Unit shown as Unit 202-C on the attached Floor Plans (Exhibit "D") containing 612 square feet of on the first floor of Building D. This Unit consists of two bedrooms, a bathroom, a living room, a kitchen and two closets.

202-D - All that certain Unit shown as Unit 202-D on the attached Floor Plans (Exhibit "D") containing 229 square feet on the second floor of Building D. This Unit consists of a bedroom/living room, a bathroom, a kitchen and two closets.

202-E - All that certain Unit shown as Unit 202-E on the attached Floor Plans (Exhibit "D") containing 282 square feet of on the second floor of Building D. This Unit consists of a bedroom/living room, a bathroom, a kitchen and two closets.

202-F - All that certain Unit shown as Unit 202-C on the attached Floor Plans (Exhibit "D") containing 637 square feet of on the second floor of Building D. This Unit consists of two bedrooms, a bathroom, a living room, a kitchen and two closets.

All areas not included in the description of the Units are considered to be a part of the Common Areas.

SQUARE FOOTAGE IS APPROXIMATE AND MEASURED FROM THE OUTSIDE. NO REPRESENTATION IS MADE AS TO EXACT INTERIOR SQUARE FOOTAGE.

BKA 585PG293

EXHIBIT "D"

**10-12 BEE STREET
HORIZONTAL PROPERTY REGIME**

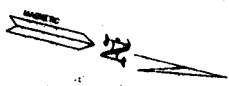
CHARLESTON, SOUTH CAROLINA

FLOOR PLANS AND SPECIFICATIONS

Professional Engineer
No. 12345
State of South Carolina
R. M. Skarbrook, Jr., Inc.
1000 North Main Street
Charleston, S.C. 29403
(803) 799-1234



MA 585P6294

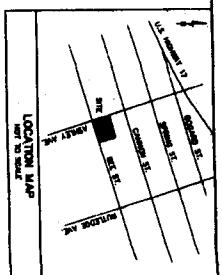
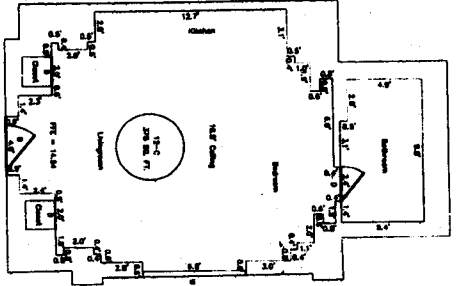
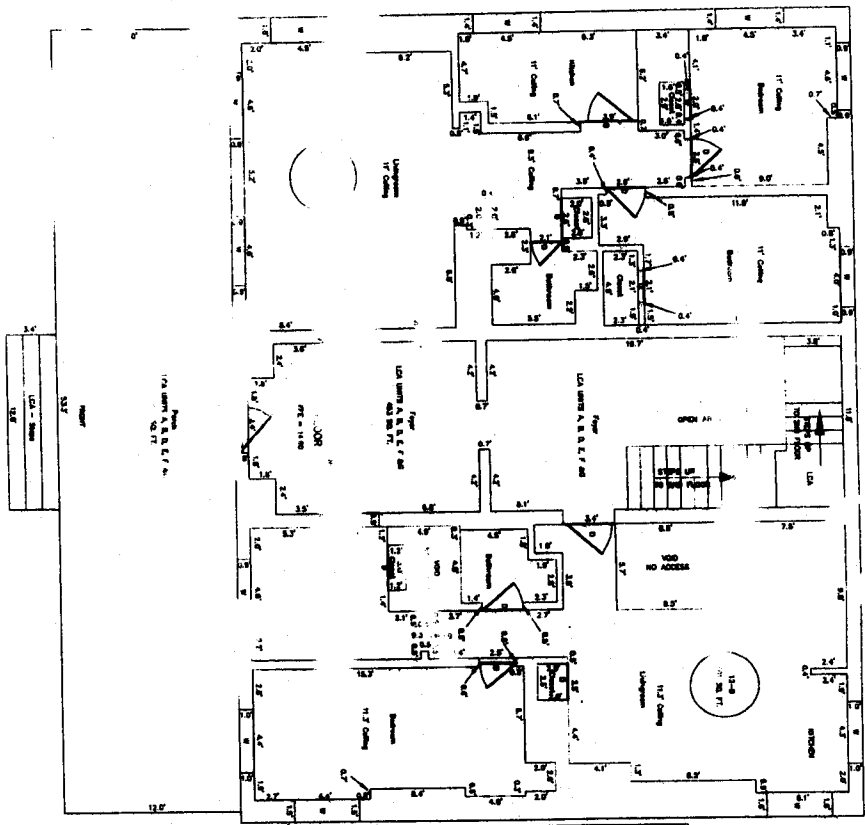


FLOOR PLAN OF 10-12 BEE STREET HORIZONTAL PROPERTY REGIME

CITY OF CHARLESTON
CHARLESTON COUNTY, S.C.

SCALE: 1" = 4'

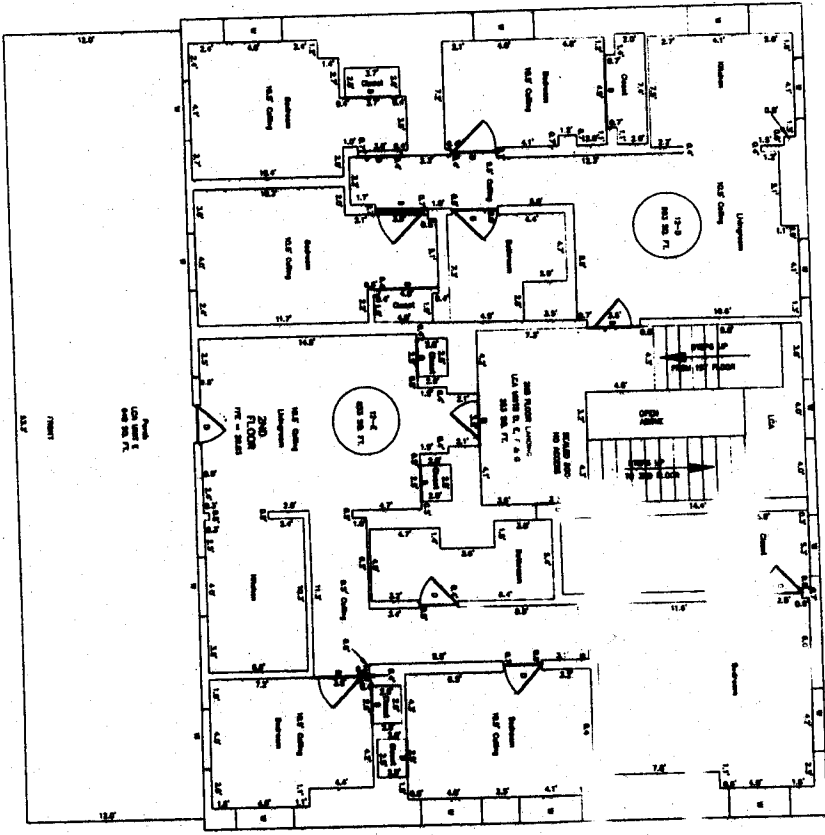
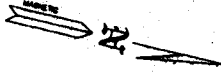
DATE: JUNE 20, 2009



R. M. SKARBROOK, JR., INC.
ENGINEERING-ARCHITECTURE-PLANNING
1000 NORTH MAIN STREET
CHARLESTON, S.C. 29403
PROJECT (2009) 585 - 0000

NOTES:
1. ALL DIMENSIONS ARE GIVEN UNLESS OTHERWISE NOTED.
2. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
3. ALL DIMENSIONS ARE TO CENTERLINE UNLESS OTHERWISE NOTED.
4. ALL DIMENSIONS ARE TO CENTERLINE UNLESS OTHERWISE NOTED.
5. ALL DIMENSIONS ARE TO CENTERLINE UNLESS OTHERWISE NOTED.

MA 585R6295



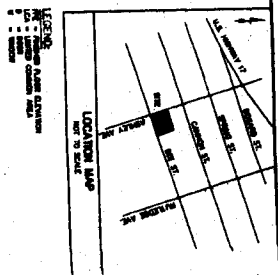
FLOOR PLAN OF 10-12 BEE STREET HORIZONTAL PROPERTY REGIME
 CITY OF CHARLESTON
 CHARLESTON COUNTY, S.C.

SCALE: 1" = 4'



DATE: JUNE 20, 2008

PROJECT NO. 585R6295
 PREPARED BY: [Signature]
 CHECKED BY: [Signature]
 DATE: [Date]



LEGEND:
 [Symbol] - [Description]
 [Symbol] - [Description]

NOTES:
 1. ALL DIMENSIONS ARE IN FEET.
 2. ALL DIMENSIONS ARE TO FACE UNLESS NOTED OTHERWISE.
 3. ALL DIMENSIONS ARE TO CENTERLINE UNLESS NOTED OTHERWISE.
 4. ALL DIMENSIONS ARE TO CENTERLINE UNLESS NOTED OTHERWISE.
 5. ALL DIMENSIONS ARE TO CENTERLINE UNLESS NOTED OTHERWISE.

Professional Engineer Seal
Professional Engineer Seal
Professional Engineer Seal



FLOOR PLAN OF 10-12 BEE STREET HORIZONTAL PROPERTY REGIME

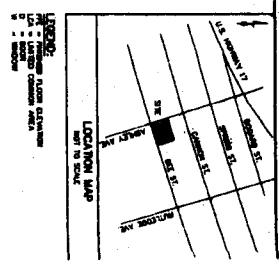
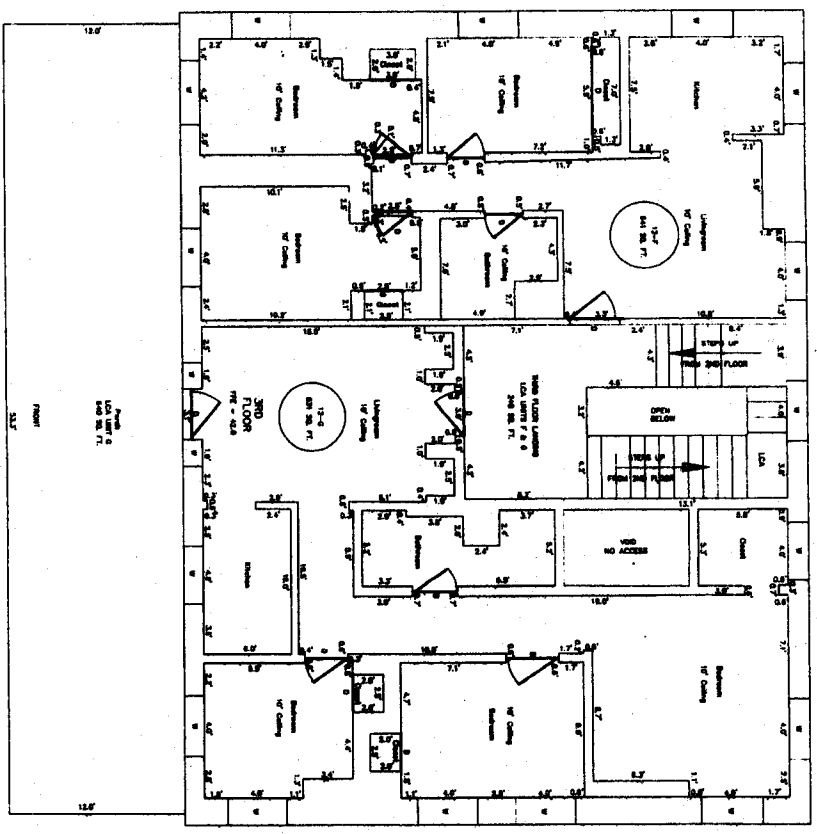
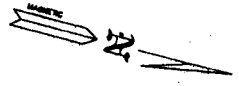
CITY OF CHARLESTON
CHARLESTON COUNTY, S.C.

SCALE: 1" = 4'

DATE: JUNE 20, 2009

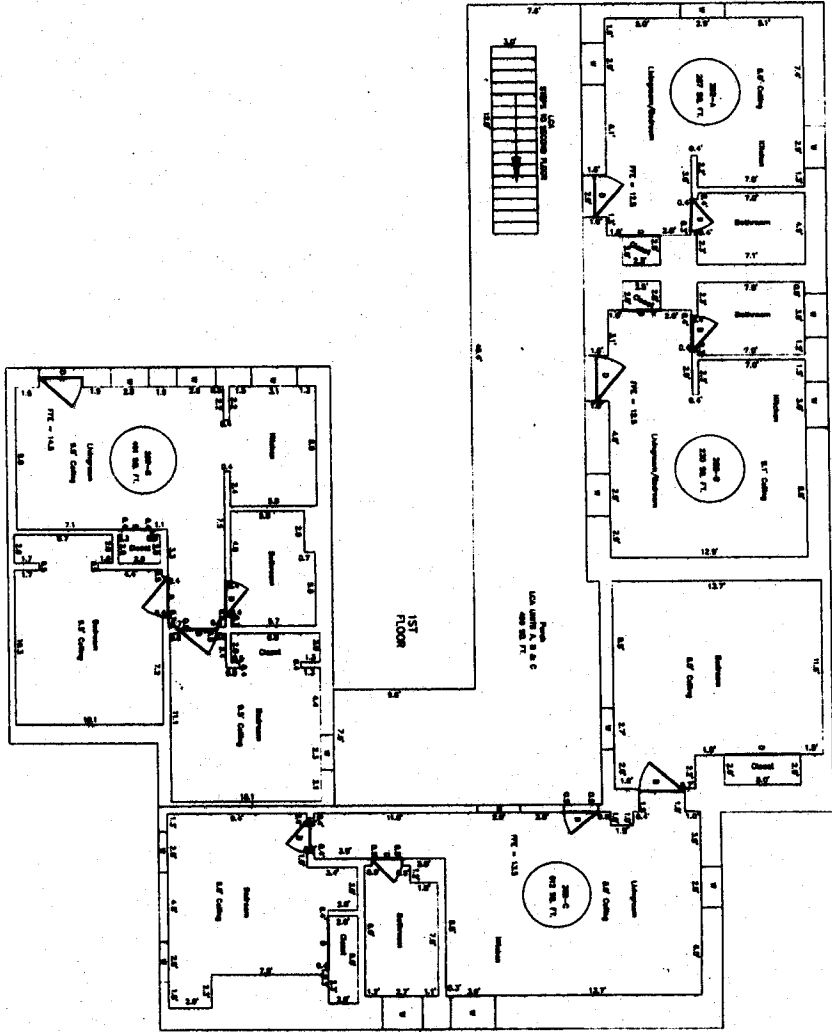
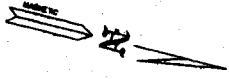
E. M. SEABROOK, JR., INC.
ARCHITECTS
1000 MARKET STREET, SUITE 1000
CHARLESTON, S.C. 29403
PHONE (803) 799-1100

MA 585PG296



NOTES:
1. THIS FLOOR PLAN IS A PART OF THE
SUBMITTAL FOR THE CITY OF CHARLESTON,
SOUTH CAROLINA, AND SHALL BE
REVIEWED BY THE CITY ENGINEER.
2. THE CITY ENGINEER'S REVIEW IS LIMITED
TO THE TECHNICAL ASPECTS OF THE
PROJECT AND DOES NOT CONSTITUTE
AN ENDORSEMENT OF THE PROJECT OR
THE ARCHITECT'S QUALITY OF WORK.

MA 585R6297



FLOOR PLAN OF 10-12 BEE STREET HORIZONTAL PROPERTY REGIME

SCALE: 1" = 4'

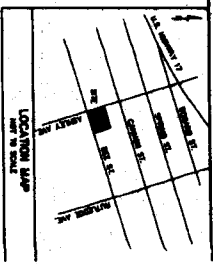
CITY OF CHARLESTON
CHARLESTON COUNTY, S.C.

DATE: JUNE 20, 2003

THIS PLAN WAS PREPARED BY THE ARCHITECT FOR THE CITY OF CHARLESTON AND IS NOT TO BE USED FOR ANY OTHER PROJECT WITHOUT THE WRITTEN CONSENT OF THE ARCHITECT. THE ARCHITECT ASSUMES NO LIABILITY FOR THE ACCURACY OF THE INFORMATION PROVIDED BY THE CLIENT OR FOR THE CONSTRUCTION OF THE PROJECT. THE ARCHITECT'S SERVICES ARE LIMITED TO THE DESIGN AND PREPARATION OF THE ARCHITECTURAL DRAWINGS AND SHALL NOT BE USED FOR ANY OTHER PURPOSES WITHOUT THE WRITTEN CONSENT OF THE ARCHITECT.

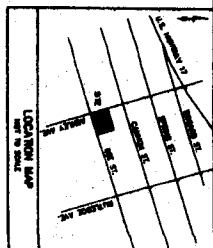
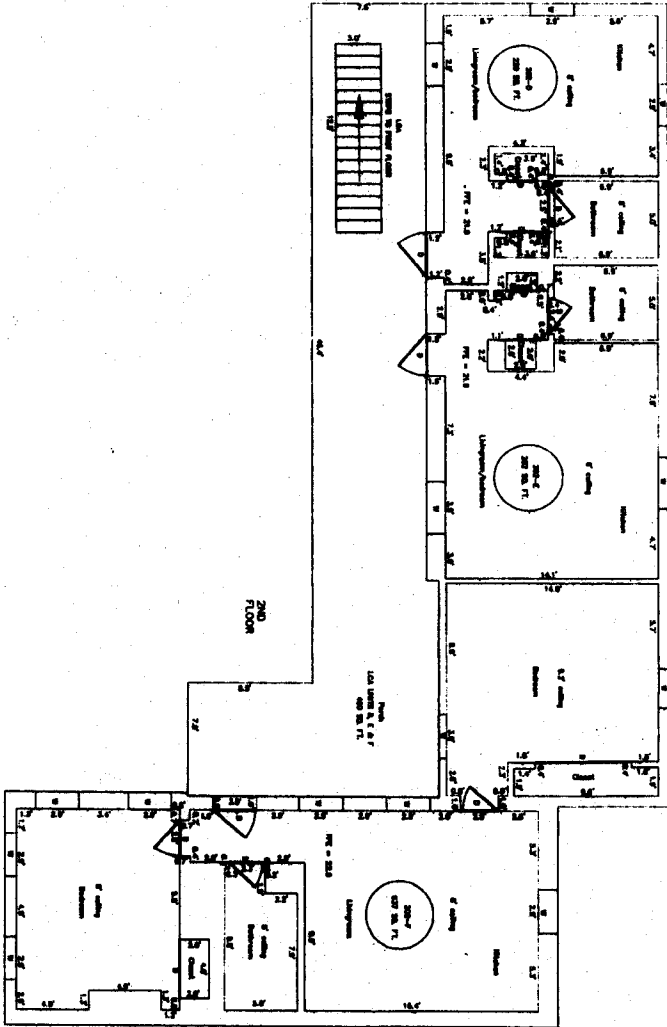
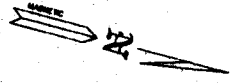


E. M. SEABROOK, JR., INC.
ARCHITECTS
1000 MARKET STREET, S.E.
ATLANTA, GA 30316
PHONE (404) 525-1000



LEGEND:
- - - - - PROPERTY LINE
- - - - - EXISTING CURB
- - - - - EXISTING SIDEWALK
- - - - - EXISTING DRIVE

KMA 585P6298



FLOOR PLAN OF 10-12 BEE STREET HORIZONTAL PROPERTY REGIME

CITY OF CHARLESTON
CHARLESTON COUNTY, S.C.

SCALE: 1" = 4'

DATE: JUNE 29, 2005

THIS PLAN IS THE PROPERTY OF THE CITY OF CHARLESTON AND IS NOT TO BE REPRODUCED OR COPIED IN ANY MANNER WITHOUT THE WRITTEN PERMISSION OF THE CITY ENGINEER. ANY VIOLATION OF THIS NOTICE SHALL BE CONSIDERED A VIOLATION OF THE CITY OF CHARLESTON ORDINANCES AND SUBJECT TO THE PENALTIES THEREIN.

John P. ...
City Engineer



E. M. SEABROOK, JR., INC.
ARCHITECTS
1000 MARKET STREET, SUITE 200
CHARLESTON, S.C. 29403
PHONE: (843) 724-1100

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RA 585P6299



SOUTH SIDE
12 BEE STREET



WEST SIDE
12 BEE STREET



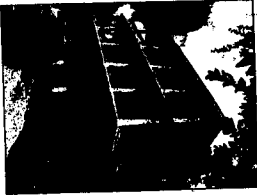
WEST SIDE
12 BEE STREET



NORTH SIDE (REAR) 12 BEE STREET
WEST SIDE (FRONT) 202-6 ASHLEY STREET



WEST SIDE
202 ASHLEY AVENUE



SOUTH SIDE
12 BEE STREET



SOUTH SIDE (FRONT)
CHAPEL



EAST SIDE
12-6 BEE STREET (CHAPEL)



EAST SIDE
202 ASHLEY AVENUE



NORTH SIDE (REAR)
202 ASHLEY AVENUE

ELEVATIONS OF 10-12 BEE STREET HORIZONTAL PROPERTY REGIME

CITY OF CHARLESTON
CHARLESTON COUNTY, S.C.

E. M. SEABROOK, JR., INC.
ENGINEERS-ARCHITECTS-PLANNERS
100 JONES BOULEVARD, SUITE 200
NORFOLK, VIRGINIA 23510
PHONE (804) 684-4400

DKA 585PG300

EXHIBIT "D-2"

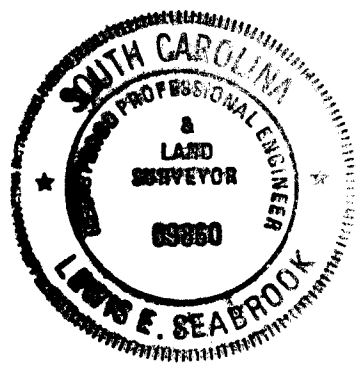
**10-12 BEE STREET
HORIZONTAL PROPERTY REGIME**

CHARLESTON, SOUTH CAROLINA

SURVEYOR AND ENGINEER'S CERTIFICATE

The undersigned states that the Plot Plan, Floor Plans and Elevations, within reasonable construction tolerances, show the area and location of all units within 10-12 Bee Street Horizontal Property Regime. The Plot Plan, Floor Plans and Elevations which also show the first floor elevations are attached as Exhibits B and B1 through B6 to the within Master Deed.

Lewis E. Seabrook 10/7/05
Lewis E. Seabrook, PE/PLS
S. C. Reg. No. 09860



**10-12 BEE STREET
HORIZONTAL PROPERTY REGIME
CHARLESTON, SOUTH CAROLINA**

PROPERTY RIGHTS AND PERCENTAGE OF INTEREST

Each Co-Owner owns, in addition to his, her or its Unit, an interest in the Common Areas of the Property, which percentage ownership interest has been determined and computed by taking as a basis the value of each individual Unit in relation to the value of the Property as a whole. Such percentage interest in the Common Areas of each Co-Owner shall vary.

The values set forth are based on \$1.00 per square foot. The basis for determining value is for the sole purpose of complying with the Act and does not necessarily reflect the market value of the Unit or of the Property of the Regime and shall in no way inhibit or restrict the fixing of a different value or sales price by a Unit Owner to his, her, or its Unit in any type of acts or contracts.

<u>UNITS</u>	<u>SQUARE FOOTAGE</u>	<u>VALUE</u>	<u>INTEREST STATED IN PERCENTAGE PER ACT</u>
<u>BUILDING A</u>			
<u>12-A</u>	696	\$ 696.00	9.46%
<u>12-B</u>	601	\$ 601.00	8.17%
<u>12-D</u>	693	\$ 693.00	9.42%
<u>12-E</u>	833	\$ 833.00	11.32%
<u>12-F</u>	641	\$ 641.00	8.71%
<u>12-G</u>	831	\$ 831.00	11.29%
<u>BUILDING B</u>			
<u>12-C</u>	375	\$ 375.00	5.10%
<u>BUILDING C</u>			
<u>202-G</u>	491	\$ 491.00	6.67%

BUILDING D

<u>202-A</u>	207	\$ 207.00	2.81%
<u>202-B</u>	230	\$ 230.00	3.13%
<u>202-C</u>	612	\$ 612.00	8.32%
<u>202-D</u>	229	\$ 229.00	3.11%
<u>202-E</u>	282	\$ 282.00	3.83%
<u>202-F</u>	637	\$ 637.00	8.66%
Total	7358	\$ 7,358.00	100.00%

EXHIBIT "F"

**BY-LAWS OF 10-12 BEE STREET
PROPERTY OWNERS ASSOCIATION, INC.**

**A Non-Profit Corporation Existing Under
The Laws of the State of South Carolina**

CHARLESTON, SOUTH CAROLINA

**BY-LAWS OF
10-12 BEE STREET PROPERTY OWNERS ASSOCIATION, INC.**

**A Non-Profit, Mutual Benefit Corporation existing under
The laws of the State of South Carolina**

**THE ADMINISTRATION OF
10-12 BEE STREET
HORIZONTAL PROPERTY REGIME**

ARTICLE I

GENERAL

Section 1. Applicability. These are the By-Laws of **10-12 Bee Street Property Owners Association, Inc.** a non-profit mutual benefit corporation existing under the laws of the State of South Carolina (hereinafter called the "Association"), which has been organized for the purpose of administering a horizontal property regime established pursuant to the Horizontal Property Act of South Carolina (hereinafter called the "Act", which is identified by the name **10-12 Bee Street Horizontal Property Regime** (hereinafter called "Regime" or "Condominium"), said Regime being located at 10-12 Bee Street, Charleston, South Carolina, being more particularly described in the Master Deed establishing the Regime. The definitions contained in the Master Deed dedicating 10-12 Bee Street to the Horizontal Property Regime, of which these By-Laws form a part, shall be applicable to these By-Laws.

Section 2. Ratification. All Unit Owners, lessees, occupants or persons in possession thereof, present or future, and all persons using the facilities of the Condominium and/or the premises thereof shall be bound by the provisions hereof. The mere acquisition, lease, or occupancy of a Unit shall be deemed conclusive as an acceptance and ratification of these By-Laws by any such new Owner, Lessee, or occupant, as the case may be.

Any Co-Owner who sells, leases, or otherwise transfers his/her or its Unit shall require from the purchaser, lessee, or transferee a statement in the Deed of Sale, lease or transfer, as the case may be, that he knows and will comply fully with the provisions of the Horizontal Property Act, the Master Deed, the Charter, and these By-Laws and other principles of the Horizontal Property Regime.

ARTICLE II

THE PROPERTY OWNERS ASSOCIATION

Section 1. Property Owners Association. All of the Owners of Units contained within the Condominium acting as a group in accordance with the Horizontal Property Act, the

Master Deed, the Charter, and these By-Laws, shall constitute the Association which shall have the responsibility of administering the Condominium; reviewing an annual budget or budgets for the expenses of said Condominium; establishing the methods of collecting the contributions of the Condominium expenses, charges, special assessments and fees payable by each Co-Owner concerning these expenses; of imposing the special quotas (if any) to the Co-Owners of the Unit (i) whose tenants or visitors or guests without impeding or encroaching on the lawful rights of the other Co-Owners, regularly makes such intensive use of any Limited or General Common Areas as to cause the operation, maintenance or repair expenses of said Limited or General Common Areas to exceed those which should reasonably be incurred in the normal and regular use of said facility; or, (ii) who, because of the nature of the activity which he, she or it lawfully carries out in a Unit in accordance with the purpose assigned to it in the Master Deed, causes certain Common Expenses in excess of such as would be incurred if said activity were not carried out in a Unit in question; passing on claims that Co-Owners may present before special meetings; approving the execution of special works and improvements and assessments; and performing all acts that may be required to be performed by the Property Owners Association, by the Horizontal Property Act, and the Master Deed and the Charter. Except as to those matters which either the Horizontal Property Act or the Master Deed specifically require to be performed by the vote of the Co-Owners, the administration of the foregoing responsibilities shall be performed by the Board of Directors as more particularly set forth in these By-Laws.

Section 2. Annual Meeting. The first annual meeting of the Association shall take place within four (4) months after either seventy-five (75%) percent of all the Units of the Condominium have been sold by the Grantor or One (1) year from the recordation of the Master Deed, whichever shall first occur. Thereafter, the Association shall hold the annual meeting at the same time and on the same date and month of each succeeding year unless the date falls on a legal holiday and then it will be held on the following working day. In said meeting, a majority of Co-Owners as herein defined shall elect the Board of Directors for the Association. In addition, the Co-Owners shall have the right to consider and pass on any new matters or subject which may be brought before them.

Section 3. Special Meetings. The President or Vice President or by a majority of the Board of Directors, or upon written request of Co-Owners who represent at least Five (5%) percent of the percentages of participation in the General Common Areas as stated in Exhibit "E" which is attached and made a part of the Master Deed, may call special meeting at any time. The call of the meeting shall be signed by the person or persons making it. The notice shall be in writing and shall set forth the date, the time, place of the meeting, and the matters to be considered and shall be delivered as early as possible at Units belonging to each Co-Owner by first class mail addressed or to the place designated for such purposes by the Co-Owners who do not work in the Condominium, but in no instance shall the notice be mailed less than ten (10) days prior to the date of the meeting, nor shall the meeting be more than sixty (60) days from the date the notice was mailed. It will always be each Co-Owners responsibility to notify the Association of a current mailing address.

Section 4. Notice of Annual Meeting. The President or the Secretary shall deliver to each Co-Owner the notice for the regular meeting at least ten (10) days prior to the date of the meeting, but not more than thirty (30) days prior to the date of the meeting. Such notice shall be

in writing to each member at his, her, or its address as it appears on the books of the Association by first class mail or hand delivered.

Section 5. Quorum. A quorum at Council of Co-Owner meetings shall consist of Co-Owners with fifty-one (51%) percent or more of the basic value of the Condominium property, as a whole, as set forth in the Master Deed and Exhibit "E" thereto. The acts approved by fifty-one (51%) percent, a quorum being present, shall constitute a decision of the Co-Owners and shall be binding upon the Co-Owners, except where approval of a greater percentage is required by the Act, the Master Deed establishing the Regime, the Charter of the Association, or these By-Laws.

Section 6. Voting. Each Co-Owner shall have a vote equal to his, her, or its percentage ownership in the Regime property as a whole as set forth in Exhibit "E" to the Master Deed. If a Unit is owned by one person, his or her right to vote shall be established by the recorded title to his or her Unit. If any Unit is owned by more than one person, those having interest in said Unit shall appoint a single person to represent their interest and to vote their percentage at any meeting of the Association. When one or more Units belong to, or are owned by a corporation, partnership, or other business entity, the entity shall designate one of its officers, partners, agent, member(s), managing member(s) or trustee to attend the meeting and exercise the right to vote corresponding to it. The Board of Directors at its discretion may request that a certificate of appointment be signed by a duly authorized officer, general partner, member, managing member or trustee or agent as the case may be, and filed with the Secretary of the Association prior to any voting. The certificate should designate the person entitled to cast the vote of a Unit. If such a certificate is requested by the Board, it should be on file with the Secretary of the Association at least twenty-four (24) hours prior to any annual or special meeting, and if said certificate is not on file such Co-Owners shall not be considered in determining the requirement for a quorum nor for any other purpose.

Any Co-Owner who owes two (2) or more Assessment installments shall be temporarily deprived from executing the right to vote at the meetings of the Association until the debt is fully paid. At each meeting of the Association, the Treasurer shall have available a list of the Co-Owners who owe two (2) or more installments and said list shall be presumed to be correct unless proven erroneous.

Section 7. Proxies. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote and shall be valid for such period as provided for by law, unless a shorter period is designated in the proxy, and must be filed with the Secretary before the appointed time of the meeting or any adjournment thereof.

Section 8. Lack of Quorum. When a quorum is not obtained at a meeting to adopt a decision, for lack of attendance of the Co-Owners, the majority present, either in person or proxy, may adjourn the meeting from time to time until a quorum is present.

Section 9. Agenda. The order of business in a regular meeting of the Property Owners Association shall be the following:

- A. Roll Call and Certifying of Proxies;
- B. Proof of Notice and Waiver of Notice (if any);
- C. Approval of Minutes;
- D. Report of Officers;
- E. Report of Committees
- F. Election of Ballot Inspectors;
- G. Election of Directors;
- H. Unfinished Business;
- I. New Business;
- J. Adjournment.

Section 10. Meeting Place. The meetings of the Association shall be held at 10-12 Bee Street, Charleston, South Carolina, if space is available in the building or at any other convenient location to be determined from time to time by the Board of Directors.

Section 11. Majority. Co-Owners whose Units represent at least fifty-one (51%) percent of the value in the General Common Areas in accordance with the percentages assigned to the Units pursuant to Exhibit "E" to the Master Deed shall constitute a majority of Co-Owners.

Section 12. Roster of Unit Owners. Each Co-Owner shall file with the Association a copy of the deed or other document showing his, hers or its ownership. The Association shall maintain such information. The Association may rely upon the accuracy of such information for all purposes until notified in writing of changes therein as provided above. Only Co-Owners of record on the date notice of any meeting requiring their vote is given shall be entitled to notice of and to vote at such meeting, unless prior to such meeting other Co-Owners shall produce adequate evidence, as provided above, of their interest and shall waive in writing notice of such meeting. No Co-Owner shall be entitled to vote or to be counted for purposes of determining a quorum if delinquent in the payment of Assessments as elsewhere herein provided.

ARTICLE III

THE BOARD OF DIRECTORS

Section 1. The Board of Directors. The Board of Directors of the Association (hereinafter called the "Board") shall be composed of not less than three (3) nor more than five (5) persons who shall be required to be Co-Owners in good standing of Units in the Condominium, as the Association of Co-Owners shall decide and shall constitute the executive organ of the Condominium Association, provided, however, the initial Board shall not be required to be Co-Owners. Co-Owners who are more than thirty (30) days delinquent in the payment of Common Expenses may not be nominated for election to the Board of Directors. All Directors must be a Co-Owner except for the initial Board.

Section 2. Powers and Duties. The Board shall have the following powers and duties:

- A. Care, upkeep, and surveillance of the Condominium relating to the good government, administration, and operations of the Regime and especially in regard to General and Limited Common Areas.
- B. To prepare and approve and to submit to the Property Owners Association for their review only the annual general budget of foreseeable expenditures and receipts and to fix the proportionate contribution to each Co-Owner separate from the general budget or budgets.
- C. To direct the financing matters concerning the collection and payments and to keep a book with a detailed account, in chronological order, of the receipts and expenditures affecting the property and its administration and specifying the maintenance and repair expenses of the Association, and to have available for examination by all the Co-Owners, at convenient hours and days that shall be set for general knowledge, said books as well as the vouchers accrediting the entries made.
- D. To open a bank account in the name of the Property Owners Association, into which it shall deposit all the receipts of the Condominium, making the deposits, and to draw checks against said account to meet all necessary payments, by taking care not to draw them to bearer and that each one has its corresponding voucher and receipt.
- E. To arrange for a yearly review of the Association's books by either a Certified Public Accountant or public accountant, to be determined by the Board.
- F. To care for the maintenance of the Property and order the ordinary repairs; and as to the special maintenance, to adopt the necessary measures, forthwith notifying the Association.
- G. To keep the book of Co-Owners in which shall be entered the names and other data of the Co-Owners of the Units as well as the succeeding transfers or leases that may take place in connection with those Units.
- H. To comply and enforce compliance with the provisions of the Horizontal Property Act and of the Master Deed, the Charter, and of the By-Laws and of the Resolutions of the Association.
- I. To increase or reduce the assessment for Common Expenses and to fill vacancies or members of the Board of Directors subject to these By-Laws.
- J. Designation and dismissal of the personnel necessary for the maintenance and operation of the Condominium, the General Common Areas and the Limited Common Areas.

- K. Any other powers and duties that may be assigned thereto by the By-Laws of the Association, Master Deed, Charter or Act as well as any and all other powers and duties as may be necessary for the administration and management of the affairs of the Association not reserved by law to the Co-Owners. The Board of Directors may delegate such duties and powers to a management agent as it may deem proper or convenient.
- L. To employ a management agent under terms and conditions approved by the Board, provided, however, that any contract with a management agent must include a provision allowing the Association to terminate said contract without penalty by an advance notice of no more than ninety (90) days. This provision does not apply to service contracts.

Section 3. Term. The term of the first Board elected at the first regular annual meeting of the Association shall be three (3) years for one director, two (2) years for one director, and one (1) year for one director. If more than three directors are elected, then the fourth director shall serve a term of two (2) years and the fifth director shall serve a term of one (1) year. At the expiration of the term of each director, his successor shall be elected for a term of three (3) years.

Section 4. Location of Meetings. All meetings of the Board shall be held at 10-12 Bee Street, Charleston, South Carolina, if possible, and if not, at a convenient location to the Board, to be decided by and at the discretion of the Board of Directors.

Section 5. Vacancies. Vacancies of the Board resulting from any cause other than removal by the Association shall be filled by a majority of the remaining Directors, and any person so appointed shall hold office until their successor shall have been duly elected and qualified in the next annual meeting of the Property Owners Association. The term of the Director elected in the next annual meeting shall be for the remaining term of the vacated position.

Section 6. Removal. At any regular meeting of the Association duly called, one or more of the directors may be removed with or without cause by sixty-six and two-thirds percent (66-2/3 %) of the Co-Owners and a successor elected to fill the vacancy. A director whose removal shall have been proposed by the Co-Owners shall have the right to be heard at the meeting at which his removal shall be considered.

Section 7. Regular and Special Board Meetings. The Board of Directors shall hold such special Board of Directors meetings as may be called by the President, or by a majority of Directors, provided, however, that the Board shall hold at least one (1) regular meeting which shall take place within ten (10) days of their election to elect officers and take care of other business.

Section 8. Notice of Regular and Special Board Meetings. Notice for a regular or special Board of Directors meeting shall be given to each Director personally, by mail, telegraph,

or telephone at least three (3) days prior to the date for the meeting and shall state the time, date, place and purpose of the meeting.

Section 9. Waiver of Notice. On or before any meeting of the Board of Directors, any Director may waive notice thereof in writing and any such waiver shall be deemed a notice given as provided herein. The presence of a Director at a meeting shall be deemed a waiver of notice. No notice shall be necessary for a meeting at which all Directors shall be present and any matter may come before such meeting.

Section 10. Board Quorum. A majority of the Board shall constitute a quorum at a meeting of the Board of Directors and any action taken at such a meeting shall be taken as an action of the Board. A meeting at which less than a quorum shall be present may be adjourned by the Directors present from time to time until a quorum shall be present. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for the purpose of determining a quorum.

Section 11. Fidelity Insurance. In addition to any powers heretofore granted to the Board by these By-Laws, the Board may maintain fidelity insurance coverage or a bond providing fidelity insurance in an amount not less than the greater of (i) \$50,000.00, (ii) (a) the amount equal to the maximum funds that will be in the custody of the Association or the Manager, or (b) the amount of three months' current assessments plus reserves, as calculated from the current budget of the Association, on all Units in the Property, or (iii) such higher amount as the Board may require.

Section 12. Compensation. Directors or officers shall not be entitled to any compensation or per diem for their services unless a majority of the Co-Owners (other than Grantor) so approve.

ARTICLE IV

OFFICERS

Section 1. Officers. The principal officers of the Association shall be a President who shall be a Director, a Vice President who shall be a Director, and a Secretary/Treasurer who shall be a Director, all of which shall be elected by the Board of Directors. If the Board consists of more than three members, the office of Secretary/Treasurer shall be separated into two offices.

Section 2. Removal of Officers. Any officer may be removed by a majority of Board of Directors affirmatively voting to do so, and any person removed as a Director shall also be deemed to be removed as an Officer. Vacancies caused by removal or resignation of any Officer shall be filled by a majority of the remaining Directors appointing any Co-Owner to hold the office subject until their successor shall have been duly elected and qualified at the next annual meeting of Co-Owners.

Section 3. President. The President shall be the chief executive officer of the Property Owners Association and shall preside at all meetings of the Association and of the Board. The President shall have the powers and duties normally reposed in his office and/or

delegated to him by the Board, including but without limitation thereto the execution of documents, deeds and papers for and on behalf of the Association, and the appointment of committees from and among the Co-Owners to help in the management of the affairs of the Association.

Section 4. Vice President. The Vice President shall perform the duties of the President in the absence or incapacity of the latter and such other duties as may be required of the Vice President from time to time by the Board. If the office of Vice President is not occupied, the Treasurer will fill this role.

Section 5. Secretary. The Secretary shall keep the minutes of all meetings of the Association and of the Board of Directors and shall have the following duties and powers:

- A. Shall prepare the call to meetings of the Association and of the Board and notify the same.
- B. Shall prepare minutes of the meetings of the Association and of the Board and enter them in the corresponding book.
- C. Shall certify the minutes of each meeting.
- D. Shall issue, as they appear in the minute book, all certificates which may be necessary with the approval of the Board of Directors.
- E. Shall communicate to all absent Co-Owners all resolutions adopted in the manner herein provided for the notice of the calls to the meeting of the Association.
- F. Shall have custody of all documents concerning the meeting of the Association and of the Board and keep them at the disposal of the Co-Owners.
- G. Shall have any other functions that may logically fall within the jurisdiction of the Secretary, because of the nature of the office, and such others as may be assigned to the Secretary by the By-Laws or the Association.

Section 6. Treasurer. The Treasurer shall:

- A. Have custody of the funds and securities of the Association and shall keep full and accurate accounts of receipts and disbursements in the Books belonging to the Association and shall deposit all monies, securities, and valuables in the name of and to the credit of the Association with such depositories as may be designated from time to time by the Board.
- B. Keep books in such a manner as to accurately reflect receipts, accounts receivable, payments and accounts payable.
- C. Disburse the funds of the Association as may be ordered by the Board pursuant to these By-Laws.
- D. Collect the assessment from the Co-Owners and report the status of the collections and delinquencies to the Board.
- E. Have check co-signature authority along with the President of the funds of the Association.
- F. These duties may be assigned to an administrator (manager) if so approved by the Board of Directors.

ARTICLE V

OFFICER AND DIRECTOR LIABILITY

Section 1. Liability and Indemnification of Officers and Directors. Property Owners Association shall indemnify every Officer and Director of the Board of Directors against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any Officer or Director in connection with any action, suit or other proceeding (including settlement of any suit or proceeding if approved by the then Board of Directors of the Association) to which he may be made a party by reason of being or having been an Officer or Director of the Association, whether or not such person is an Officer or Director at the time such expenses are incurred. The Officers and Directors of the Association shall not be liable to the Co-Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct, gross negligence or bad faith. The Officers and Directors of the Association shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such Officers or Directors may also be Co-Owners of Units) and the Association shall indemnify and forever hold each such Officer and Director free and harmless against any and all liabilities to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights which any Officer or Director of the Association may have. The Board of Directors may and shall, if reasonably available, purchase liability insurance to insure all Directors, Officers, or Agents past and present against all expenses and liabilities as set forth above. The premiums for such insurance shall be paid by the Association as part of the Common Expenses.

ARTICLE VI

FISCAL MANAGEMENT

Section 1. Finances. The funds of the Association shall be deposited in such banks and with such depositories as may be determined from time to time by resolution of the Board and shall be withdrawn only by checks and demands for money signed by an Officer or Officers designated by the Board who shall sign the obligations of the Association. The signature of an Officer will not be required by an Administrator (managing agent) who may be employed by the Board if it is demonstrated that the Administrator carries appropriate fidelity insurance at the Administrator's own expense and that the bond may not be cancelled without thirty (30) days notice to the Board.

Section 2. Fiscal Year. The fiscal year of the Association shall be the calendar year, but may be changed by the Board of Directors from time to time.

Section 3. Assessments. The making and collection of assessments against Co-Owners for Common Expenses shall be pursuant to the following provisions:

- A. Each year, and no later than thirty (30) days on or before the beginning of a fiscal year, the Board of Directors shall prepare and adopt a budget for review by the Property Owners Association.

B. A general budget for the Condominium should be prepared containing an estimate of the total amount it considers necessary to pay the cost of utility services, maintenance, management (if any), operation, repair and replacements of the Limited and General Common Areas and those parts of the Units which may from time to time be the responsibility of the Board of Directors to maintain, repair, and replace, and the cost of wages, materials, insurance premiums, services, supplies, and any other expenses that may be declared to be Common Expenses by the Act, by the Master Deed, by the Charter, by these By-Laws, or a resolution of the Property Owners Association, and which will be required during the ensuing fiscal year for the administration, operation, maintenance, and repair of the Condominium and the rendering to the Co-Owners of all related services. The general budget may also include:

(i) The cost of the maintenance or repair of any Unit in the event such maintenance or repair is reasonably necessary in the discretion of the Board of Directors to protect the Common Areas or to preserve the appearance or value of the project or is otherwise in the interest of the general welfare of all Co-Owners of the Condominium; provided, however, that no such maintenance or repair shall be undertaken without a resolution by the Board of Directors and not without reasonable written notice to the Co-Owner of the Unit proposed to be maintained and provided further that the cost thereof shall be assessed against the Unit on which such maintenance or repair is performed and, when so assessed, a statement for the amount thereof shall be rendered promptly to the then Owner of said Unit at which time the assessment shall become due and payable and a continuing lien and obligation of said Owner in all respects as provided in these By-Laws.

(ii) Any amount necessary to discharge any lien or encumbrance levied against the project, or any portion thereof, which may, in the opinion of the Board of Directors, constitute a lien against the Common Areas rather than the interest therein of the Owner of any individual Unit.

(iii) The Board of Directors may also include in the budget such reasonable amounts as the Board of Directors considers necessary to provide working funds for the Association, a general operation reserve, or reserve for contingency or such other reserves as may be established by the Board of Directors.

C. Initial Capital Payment

(i) Upon taking office, the first Board of Directors elected or designated pursuant to these By-Laws shall determine the budget, as defined in this Section, for the period commencing thirty (30) days after such selection and ending on the last day of the fiscal year in which such selection occurs. Assessments shall be levied and become a lien against each Co-Owner during such period as provided in Section 8 of this Article.

(ii) The Grantor, as the agent of the Board of Directors, will collect from each initial purchaser at the time of settlement an "initial capital payment" equivalent to twice the estimated monthly assessment for Common Expenses for such Purchaser's Unit. The Grantor will deliver the funds so collected to the Board of Directors to provide the necessary working capital for the Association. Such funds may be used for certain prepaid items, initial equipment, supplies, organizational costs and other startup costs, and for such other purposes as the Board of Directors may determine, but said amounts are not to be considered as advance payments of regular assessments. The Grantor may not use said funds for its own benefit or expenses or to decrease any amount due from it while it is in control of the Association.

- D. Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Co-Owner's obligation to pay his/her or its allocable share of the Common Expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Co-Owner shall continue to pay each monthly installment at the monthly rate established for the previous fiscal year until notified of the monthly payment which is due more than (10) days after such new annual or adjusted budget is adopted.

- E. Accounts. All sums collected by the Board of Directors with respect to assessments against the Co-Owner or from any other source may be co-mingled into a single fund or held for each Co-Owner in accordance with his/her or its Percentage Interest.

Section 4. Notice of Assessment. The Board of Directors shall send to each Co-Owner a copy of the budget or budgets, in a reasonably itemized form which sets forth the amount of the Common Expenses payable by each Co-Owner, at least ten (10) days prior to the beginning of the fiscal year to which the budget applies. The said budget shall constitute the basis for determining each Co-Owner's contribution for the Common Expenses of the Association.

Section 5. Payment of Assessments.

- A. The total amount of the estimated funds required for the operation of the Property set forth in the general budget for the fiscal year adopted by the Board of Directors shall be Assessed against each Co-Owner in proportion to his, her or its respective percentage value in the Common Areas as set forth in Exhibit "E" of the Master Deed, and shall be a lien against each Co-Owner's Unit as follows: All sums assessed by the Board of Directors or the management agent, if any, as specified in these By-Laws, but unpaid, for a share of Common Expenses chargeable to any Unit shall constitute a lien on such Unit prior to all other liens except only (i) tax liens on Units and, (ii) mortgage or other liens duly recorded covering the Unit. Such lien may be foreclosed by suit by the Board of Directors

or their agent as specified in the By-Laws and acting on behalf of the Property Owners Association, in like manner as a mortgage of real property. In any foreclosure, the Board of Directors or its agent, acting on behalf of the Property Owners Association, shall have the power to bid on the Unit at foreclosure sale and to acquire, lease, or mortgage and convey the same.

Where the Mortgagee of record or other Purchaser of a Unit obtains title at the foreclosure sale of such a mortgage, such acquirer of title, its successors and assigns shall not be liable for the share of Common Expenses of assessments by the Co-Owners chargeable to such Unit accruing after the date of recording such mortgage but prior to the acquisition of title to such Unit by such acquisition. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectable from all of the Unit Co-Owners, including such acquirer, its successors and assigns. Future assessments will be the responsibility of Purchaser of the Unit estate at the foreclosure sale.

On or before the first day of each fiscal year, and the first day of each of the succeeding eleven (11) months in such fiscal year, such Co-Owner shall be obligated to pay to the Board of Directors or the management agent (as determined by the Board of Directors), one-twelfth (1/12th) of the Assessment for such fiscal year made pursuant to the foregoing provisions. The Board may also collect Assessments on a quarterly or annual basis as they determine from time to time. Any amount accumulated in excess of the amount required for actual expenses and reserves may, if the Board of Directors deems it advisable, be credited according to each Co-Owner's percentage value in the common Areas pursuant to Exhibit "E" of the Master Deed to the installments due in the succeeding months of that fiscal year.

- B. All Co-Owners shall be obligated to pay the Common Expense assessed by the Board of Directors. No Co-Owner may exempt himself, herself or itself from liability of Assessments or carrying charges by waiving the use or enjoyment of any of the Common Areas or by abandoning any Unit he, she, or it owns. The Assessments shall be made pro-rata according to the value of the Unit as stipulated.
- C. The Board of Directors of the Association shall make reasonable efforts to fix the amount of the Assessment against each Unit for each Assessment period at least ten (10) days in advance of such date or period and shall, at that time, prepare a roster of the membership and Assessments applicable thereto which shall be kept by the Treasurer of the Association. The omission of the Board of Directors, before the expiration of any Assessment period, to fix Assessments for that or the next period shall not be deemed a waiver or modification in any respect of the provisions of this Article, or a release of any Co-Owner from the obligation to pay the Assessment. The Assessment fixed for the preceding period shall continue until a new Assessment is fixed.

Section 6. Special Assessment for Capital Improvements. This section shall apply solely to capital improvements to be made on the Condominium and shall not be applied towards reserve line items. In addition to the regular Assessments authorized by this Article, the Association may levy in any Assessment Year a Special Assessment or Assessments, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement located upon the project, including the necessary fixtures and personal property related thereto, provided that any such Assessment in excess of \$500 shall have the assent of the Co-Owners representing fifty-one (51%) percent of the total value of the project. A meeting of the Co-Owners shall be duly called for this purpose; written notice of which shall be sent at least seven (7) days but not more than thirty (30) days in advance of such meeting, which notice shall set forth the purpose of the meeting.

Section 7. Reserves. The Board of Directors shall build up, maintain and periodically review reasonable reserves for working capital, operations, and replacements. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against reserves. If the reserves are inadequate for any reason, including non-payment of any Co-Owners Assessment, the Board of Directors may at any time levy a further Assessment, which shall be assessed against the Co-Owners according to their respective percentage assigned in the Common Areas, and which may be payable in a lump sum or in installments as the Board of Directors determines. The Board of Directors shall serve notice of any such further Assessment on all Co-Owners by a statement in writing giving the amount and reason therefore, and such further Assessment shall, unless otherwise specified in the notice, become effective with the next monthly amount. The payment and collection of the Assessment made pursuant to the foregoing provisions shall be in accordance with the terms providing for payment and collection of Assessments in these By-Laws and the Act, including, without limitation, the right reserved to the Board of Directors to accelerate payment of Assessments and the right to recover attorney's fees and costs.

Section 8. Collection of Assessments and Default.

- A. The Board of Directors may take prompt action to collect any Assessments for Common Expenses due from any Co-Owner which remain unpaid for more than ten (10) days from the date due to payment thereof. Any assessment not received within ten (10) days shall be subject to a late charge of five (5%) percent of the overdue amount.
- B. Any Regular or Special Assessment levied pursuant to these By-Laws, or any installment thereof, which is not paid on the first day of each month, shall be in default. The Assessment shall, together with interest thereon and the cost of collection thereof, as hereinafter provided, thereupon become a continuing lien upon the Unit belonging to the Co-Owner against whom such Assessment is levied. The Assessment shall bind such Unit in the hands of the then Co-Owner, his, her or its heirs, devisees, personal representatives, successors and assigns. The sale or transfer of the unit estate would have no effect on the lien, unless foreclosure of the first mortgage is involved. The personal obligations of the Co-

Owner to pay such Assessment shall, however, remain his, her or its personal obligation for the statutory period and a suit to recover a money judgment for non-payment of any Assessment levied pursuant to these By-Laws, or any installment thereof, may be maintained without foreclosing or waiving the lien herein pursuant to the Master Deed or these By-Laws, and any installment thereof, which is not paid within ten (10) days after it is due, may, upon resolution of the Board of Directors, bear interest at the prevailing rate not to exceed the lawful rate of interest according to South Carolina law. The member obligated to pay this delinquent Assessment, may, by resolution of the Board of Directors, be subject to such penalty or "late charge" as the Board of Directors may fix prior to the fiscal period in which nonpayment occurs. The Association may bring an action at law against the Co-Owner personally obligated to pay the same or foreclose and/or enforce the lien against the Unit Owner then belonging to said Co-Owner in the manner now or hereinafter provided for the foreclosure of mortgages or other liens on real property in the State of South Carolina, and subject to the same requirements, both substantive and procedural, or as may otherwise from time to time be provided by law, in either of which events interest, costs and reasonable attorney's fees shall be added to the amount of each Assessment. Upon the sale or conveyance of a Unit, all unpaid Assessments against a Co-Owner for his, her or its pro-rata share in the Common Expenses shall be paid out of the sales price or by the acquiescence in preference over any other Assessments or charges of what-ever nature except the following:

- (1) Assessment, liens, and charges for taxes past due and unpaid on the Unit.
- (2) Payments due under mortgage instrument or encumbrances duly recorded.

In the event any proceedings to foreclose the lien for any Assessment due the Association pursuant to this Article is commenced with respect to any Unit, upon resolution of the Board of Directors, the Co-Owner may be required to pay a reasonable rental for such Unit and the Association shall be entitled to the appointment of a Receiver to collect the same.

- C. Upon default in the payment of two or more monthly installments in succession of any Assessment levied for the Assessment year pursuant to the Master Deed and/or these By-Laws, or any other installment thereof, the entire balance of said yearly or other Assessment may be accelerated at the option of the Board of Directors and be declared due and payable in full.

Section 9. Additional Default. Any recorded first mortgage secured by a Unit in the Condominium shall provide that any default by the mortgagor in the payment of any Assessment levied pursuant to these By-Laws, or any installment thereof shall likewise be a default in such mortgage (or the indebtedness secured thereby). Failure to include such a provision in any such mortgage shall not affect the validity or priority thereof and the protection extended to the

Holder of such mortgage (or the indebtedness secured thereby) by reason of such failure shall not be altered, modified or diminished by reason of such failure.

ARTICLE VII

CO-OWNER LIABILITY FOR DEFAULT

Section 1. Compliance and Default. In the event of a violation (other than non-payment of an Assessment by a Co-Owner of the provision of the Horizontal Property Act and/or the Master Deed and/or the By-Laws as the same may be amended from time to time, the Association may notify the Co-Owner and its Mortgagee, if any, in writing of said default and if such violation shall continue for a period of thirty (30) days from the date of notice, the Association shall have the election to file (a) an action at law to recover damages on behalf of the Association and/or the remaining Co-Owners; (b) an action to enforce performance on the part of the defaulting Co-Owner; or (c) an action for such relief as may be necessary. If the Court decides in favor of the Association, the defaulting Co-Owner shall reimburse the Association the attorney fees, court costs, and expenses incurred in bringing the action. Failure of the Association to file any such action within thirty (30) days from the date a written request therefore from any Co-Owner shall authorize any Co-Owner to bring action in the manner aforesaid on behalf of the Association. Any violation which the Board may find to be a hazard to the health or peace of the Co-Owners may be corrected immediately as an emergency by the Association and the cost thereof shall be charged to a Co-Owner as an Assessment which shall be a lien against said unit to the same extent, force and effect as if the charge were a part of the Common Expense.

Section 2. Liability. Each and every Co-Owner shall be responsible for the expenses of any maintenance, repair, or replacement rendered necessary by his, her or its act, negligence or carelessness, or that of any member of his family or their guests, employees, licensees, or invitees, but only to the extent that such expenses are not met by proceeds of insurance carried by the Association. Such liability shall include without limitation any increase in insurance rates occasioned by use, misuse, occupancy, or abandonment of any Unit by a Co-Owner.

ARTICLE VIII

SURVIVAL OF LIABILITY

The termination of ownership of a Unit in the Condominium shall not relieve or release the former Co-Owner from any liability or obligation incurred under or in any way connected with the Unit during the period of ownership or impair any rights or remedies of the Association against such former Co-Owner arising out of or in any way connected with such ownership and/or with the obligations incidental thereto.

ARTICLE IX

USE RESTRICTIONS

Section 1. Rules and Regulations. The Board may from time to time adopt or amend rules and regulations governing and restricting the use and maintenance of Limited and General Common Areas provided, however, that copies of the rules and regulations shall be furnished each Co-Owner prior to the time the same shall become effective and that the same shall be posted in a conspicuous place in the Condominium. No amendments or changes to the rules and regulations shall be made that may be in conflict with any clauses or provisions of the Master Deed or these By-Laws. Nothing in this Article or otherwise herein set forth shall be construed from prohibiting the Grantor from the use of any Unit which Grantor owns or leases for promotions, marketing, or display purposes as model Units, or from leasing any Unit or Units which Grantor owns.

Section 2. Co-Owner Responsibility. The rules and regulations contained hereinafter shall be in effect until added to or amended by the Board of Directors and/or the Association and shall apply to and be binding upon any Co-Owners, tenants, lessees, or guests. The Co-Owners, tenants, lessees or guests shall obey the rules and regulations at all times and shall use their best efforts to see that they are observed in full by their families, guests, invitees, servants, and persons over whom they may exercise control and supervision.

Section 3. Residential Use. All Units shall be used for residential purposes as may be permitted from time to time by the Board of Directors. No improper, offensive or unlawful use shall be made of the Property nor any part thereof; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies which require maintenance, modification or repair of such Property shall be the same as the responsibility for the maintenance and repair of the Property concerned.

Section 4. Obstruction. The entrances, passages, corridors, stairways, and parking area and other Limited and Common Areas of the Condominium shall not be obstructed, encumbered, or used for any purposes other than ingress and egress to and from the condominium and/or Unit and other purposes for which they are intended.

Section 5. Persons. No person shall play or loiter in the hallways, corridors, stairways, or other public areas of similar nature of the Condominium.

Section 6. Storage. Personal Property of the Co-Owners shall be stored in their respective Units.

Section 7. Debris. Limited and General Common Areas shall be kept free of rubbish, debris, garbage, or unsightly material.

Section 8. Safety. Co-Owners shall take reasonable precautions not to permit anything whatsoever to fall from his, her or its Unit nor shall he, she or it sweep or throw from

the Unit or other part of the Condominium any dirt or substance into the corridors, halls, balconies, decks, patios, or other similar areas in the Condominium.

Section 9. Trash. Refuse, rubbish, and garbage shall be disposed of in a manner provided for and not placed outside the corridors, hallways, balconies, decks, patios, or stairways, etc. at any time or for any reason.

Section 10. Windows. The Co-Owners of any Unit shall, at their own expense, clean, repair and maintain both the interior and exterior surfaces of all windows. Drapes or shades covering the windows in individual Units shall be completely lined with white lining.

Section 11. Employees of the Association. Employees of the Association (if any) shall not be sent out of the Condominium by Co-Owners at any time for any purpose other than by the Board of Directors. Neither shall employees of the Association come in and service or repair or replace items that are the responsibility of the Co-Owners while working for the Association.

Section 12. Fire Equipment. Fire prevention and fire fighting equipment throughout the Condominium shall not be tampered with.

Section 13. Noises. No Co-Owner shall make or permit any disturbing noises in the Limited or General Common Areas and/or his, her or its unit by the Co-Owner, his, her, or its servants, employees, agents, visitors, guests, invitees, licensees, tenants, or lessees, nor do or permit to be done by such persons anything that will interfere with the rights, comfort, or convenience of the remaining Co-Owners or occupants. No Co-Owners shall play any musical instrument, phonograph, radio, televisions, or sound amplifier in such a manner or volume so as to disturb any other Co-Owners or occupants.

Section 14. Advertisements. No ads, signs, posters, or advertisement of any kind shall be posted on the walls, windows, or doors in the interior or exterior of the Limited or General Common Areas. Under no circumstances will signs offering the Units for rent or sale be posted on the interior or exterior of the Units or upon the Limited or General Common Areas except in form and in such location as provided by the Association. The provisions of this subsection shall not be applicable to the Grantor or an institutional holder of any first mortgage which comes into possession of any Unit by reason of any remedies provided by law or in such mortgage or as a result of a foreclosure.

Section 15. Leasing of Units. Units may be rented according to the following provisions:

- A. Copies of all Lessee's names, phone numbers, and addresses of Landlord and Tenant(s) for notification purposes shall be deposited with the Association.
- B. Tenants shall abide by the Association's rules and regulations and failure to do so shall result in the immediate eviction of the offending tenant or tenants.

- C. The minimum rental lease period or term for a Unit shall not be less than one (1) year.
- D. The lease for any Unit within the Condominium shall contain a provision to the effect that the rights of the tenant to use and occupy the Unit shall be subject to and subordinate in all respects to the provisions of the Master Deed and these By-Laws and to other reasonable rules and regulations.

Section 16. Hazard. Nothing shall be done or maintained in any Unit or upon any Limited or General Common Areas which will increase the rate of insurance on any Unit or upon any Limited or General Common Areas, or result in the cancellation thereof, without the prior written approval of the Board of Directors. Nothing shall be done or maintained in any Unit which would be in violation of any law.

Section 17. Exterior Walls and Balconies. No Co-Owner shall paint, modify, attach to, or improve the exterior walls or balconies of his, her or its Unit except with previous written consent of the Board of Directors of the Association.

Section 18. Awnings. No blinds, shades, glass, iron work, screen, awnings, panels, or covering shall be affixed or attached to the outside of the building or the exterior windows, doors, or balconies, land decks, patios, or interior doors leading onto the corridors without the previous written consent of the Board of Directors of the Association.

Section 19. Rights of Access to Units. The Board of Directors or its designated agent may retain a passkey to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair, replacement of any of the Common Areas therein or accessibility therefrom, or making emergency repairs therein necessary to prevent damage to the Common Areas, Limited Common Areas, or any other Unit or Units with the Condominium. No Unit Co-Owner shall alter any lock or install new locks on any door of the premises without providing the Board of Directors with a key.

Section 20. Use of Common Areas. Each Co-Owner, tenants, or occupant of any Unit may use the Areas held in common in accordance with the purpose for which they are intended, without hindering or encroaching upon the lawful rights of the other Co-Owners, tenants, or occupants. Any violations of any of these preceding rules shall be sufficient to bring judicial action against the violator, which sum shall be charged to the same extent, force, and effect as if the charge were a part of the Common Expense.

ARTICLE X

INSURANCE AND CASUALTY LOSSES

Section 1. Insurance. The Association's Board of Directors or its duly authorized agent shall have the authority to and shall obtain insurance for all Limited and General Common Areas and all Units against loss or damage by fire or other hazards, including extended coverage, all risk, vandalism and malicious mischief, in an amount sufficient to cover the full replacement

cost of any repair or reconstruction in the event of damage or destruction from any hazard; provided, however, the Association has the right to require each Co-Owner to have the responsibility for said insurance. The Association shall also obtain a public liability policy covering all the Limited and General Common Areas and all damage or injury caused by the negligence of the Association or any of its agents, which public liability policy shall have at least a \$1,000,000.00 single person limit as respects bodily injury and property damage, a \$1,000,000.00 limit per occurrence, and a \$50,000.00 minimum property damage limit. In addition, except as herein set forth, premiums for all such insurance shall be Common Expenses of the Association. The policies whether obtained by the Association or the Co-Owner as the case may be, may contain a reasonable deductible and the amount thereof shall be added to the face amount of the policy in determining whether the insurance equals at least the full replacement cost. The Board of Directors may obtain such other insurance as the Board of Directors shall from time to time determine to be desirable for the Condominium.

Each Co-Owner shall also have the responsibility for insuring against loss or damage by fire or other casualty for all personal property and liability within his, her or its Unit. All such insurance shall be for the full replacement cost, but allow for a reasonable deductible. All such policies shall provide for certificates of insurance to be furnished to the Association and shall further provide that the policy may not be canceled or terminated except upon at least thirty (30) days written notice to the Association and to the respective Mortgagees, if any.

All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association as Trustee for each of the Co-Owners through the Board of Directors (see Section 2). Such insurance shall be governed by the provisions hereinafter set forth:

- A. All policies shall be written with a company licensed to do business in South Carolina unless otherwise approved by the Association's Board of Directors and holding a rating of AA or better in the financial category as established by Best's Insurance Reports if such company is available and, if not available, the best rating possible or its equivalent rating.
- B. All policies shall be for the benefit of the Co-Owners and their Mortgagees as their interest may appear and shall name said Mortgagee as loss payee.
- C. Provision shall be made for the issuance of a certificate of insurance to each Co-Owner and his, her or its Mortgagee, if any, which shall specify the amount of each insurance attributable to the particular Co-Owner's interest in the Limited and General Common Areas.
- D. Exclusive authority to adjust losses under policies hereafter in force on the property obtained by the Association shall be vested in the Association's Board of Directors; provided, however, that no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

- E. In no event shall the insurance coverage obtained and maintained by the Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Co-Owners or their Mortgagees.
- F. The Association's Board of Directors shall conduct at least once every three (3) years an insurance review which shall include a replacement cost appraisal without respect to depreciation, of all insurance improvements on the Limited and General Common Areas.
- G. The Association's Board of Directors shall be required to make every reasonable effort to secure insurance policies that will provide for the following:
 - (1) A waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, its Manager, the Co-Owners, and their respective servants, agents, and guests;
 - (2) A waiver by the insurer of its right to repair, and reconstruct instead of paying cash;
 - (3) That no policy may be canceled, invalidated, or suspended on account of any one or more Co-Owners;
 - (4) That no policy may be canceled, invalidated or suspended on account of the conduct of any Director, Officer or employee of the Association, or its duly authorized management without prior demand in writing delivered to the Association to cure the defect and a copy of such demand on the Association be delivered to the Mortgagee and the allowance of a reasonable time thereafter within which the defect may be cured by the Association, its Manager, and Co-Owner or Mortgagee; and
 - (5) That any "other insurance" clause in any policy exclude individual Co-Owners' policies from consideration.

Section 2. Insurance Trustee.

- A. The Board of Directors may have the right to designate any bank, trust company, management agent, savings and loan association, building loan association, insurance company, or any institutional lender, or itself as the Insurance Trustee, and all parties beneficially interested in such insurance coverage shall be bound thereby. The Insurance Trustee at the time of the deposit of such policies and endorsements shall acknowledge that the policies and any proceeds thereof will be held in accordance with the terms of these By-Laws.
- B. The duty of the Trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purposes elsewhere stated herein for the benefit of the

Co-Owners and their Mortgagees, in the following shares, but which shares need not be set forth on the records of the Trustee:

- (1) Proceeds on account of damage to Common Areas shall consist of an undivided share for each Co-Owner, such share being the same as the undivided share of such Co-Owner in the Common Areas appurtenant to his, her or its Unit.
- (2) Proceeds on account of damage to building and Units whether said damage is repaired or not shall be held for the Co-Owners thereof in proportion to the cost of repairing the damage suffered by each Co-Owner, which costs shall be determined by the Association, whether or not said insurance has been purchase by the Association or Co-Owners.
- (3) In the event a Mortgagee endorsement has been issued as to a Unit, the share of the Co-Owner shall be held in trust for the Mortgagee and the Co-Owner as their interest may appear; provided, however, that no Mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired.

C. Proceeds of Insurance policies purchased by the Association or Co-Owners received by the Trustee shall be distributed to or for the benefit of the beneficial Co-Owners in the following manner:

- (1) All expenses of the trustee shall be paid or provisions made for payment.
- (2) If the damaged property for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds after repairs shall be paid to defray the costs thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to Co-Owners and their Mortgagees being payable jointly to them. This is a covenant for the benefit of any Mortgagee of a Unit and may be enforced by it.
- (3) If it is determined in a manner elsewhere provided, that the damage for which the proceeds are paid shall not be reconstructed or repaired, the proceeds remaining after repairs shall be distributed to the beneficial Owner, remittances to Co-Owners and their Mortgagees being payable jointly to them. This is a covenant for the benefit of any Mortgagee of a Unit and may be enforced by it.

D. Reconstruction or Repair after Casualty.

A portion of the Property for which insurance has been obtained by the Association and which is damaged or destroyed must be repaired or replaced promptly by the Association unless: (i) repair or replacement is illegal under a state statute or local

health ordinance; or (ii) eighty percent (80%) of the Co-Owners, including the Co-Owner of a Unit which is not to be rebuilt, vote not to rebuild. The cost of repair or replacement in excess of insurance proceeds and reserve are considered a Common Expense. If the entire Property is not repaired or replaced, the insurance proceeds: (i) attributable to the damaged Common Areas must be used to restore the damaged area to a condition compatible with the remainder of the Property; (ii) attributable to Units and Limited Common Areas that are not rebuilt must be distributed to the Co-Owners of those Units and the Co-Owners of those Units to which Limited Common Areas were allocated, or to the lienholders, as their interests may appear; and (iii) remaining must be distributed to all of the Co-Owners or lienholders, as their interests may appear, in proportion to their Percentage Interest. If the Co-Owners vote not to rebuild a Unit, that Unit's Percentage Interest must be reallocated automatically upon the vote and the Association promptly shall prepare, execute, and record an amendment to this Master Deed reflecting the reallocation of the Percentage Interest.

- (1) The Trustee (if any) may rely upon a certificate of the Association to determine whether or not the damaged property is to be reconstructed or repaired or whether the Regime is to be waived.
- (2) Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair so as to place the damaged property in condition as good as that before the casualty.
- (3) Any reconstruction or repair must be substantially in accordance with the plans and specifications of the original improvements which are shown on the Exhibits attached to the Master Deed; or if not, then according to plans and specifications approved by the Board of Directors of the Association, and if the damaged property is one of the Buildings, also by the Co-Owners who own at least eighty (80%) percent of the Common Areas, including the Co-Owners of all damaged Units. The approvals herein required shall not be unreasonably withheld.

ARTICLE XI

MAINTENANCE

Section 1. Association Responsibilities. The Association shall maintain, repair, and replace as a Common Expense all Limited and General Common Areas, including, but not limited to the General Common Areas, contributing to the support of the building which portion shall include, but not be limited to load bearing columns and load bearing walls, roofs, etc; all conduits, ducts, plumbing, wiring, and other facilities for furnishing of the utility services that serve two (2) or more Units, or ingress and egress contained in any and all portions of the Limited or General Common Areas. All incidental damages caused to a Unit or Limited Common Area by such work by the Association shall be promptly repaired by the Association.

Section 2. Co-Owners Responsibilities. Except for maintenance requirements herein imposed upon the Association, the Co-Owner of any Unit shall at his, her or its own expense maintain and repair all interior of the Unit and any and all equipment, appliances, fixtures, windows or doors therein situate and its other appurtenances, including, without limitation, any porch, deck, patio, and/or balcony to such Unit reserved for exclusive use by the Co-Owner of a particular Unit in good order, condition, and in a clean and sanitary condition. Including or in addition to the foregoing, the Co-Owner of any Unit shall, at his, her or its own expense, maintain, repair or replace secondary electrical fixtures and lines, and heating and air conditioning equipment, whether within or without the Unit so long as it serves one Unit, light fixtures, refrigerators, hot water heaters, indoor/outdoor carpeting on balcony, porches or decks or patio, and/or other equipment that may be in or appurtenant to such Unit. Secondary electrical fixtures, lines, and plumbing lines mean those systems which serve one Unit alone. Primary electrical fixtures and lines (and plumbing lines) shall be repaired by the Association. The exterior portion of outside doors (including doorbells and door knockers if applicable), outside door frames, door runners, windows and screens adjacent to the Unit shall be the Co-Owners responsibility. The Co-Owner of any Unit shall also at his, her or its own expense, maintain any other Limited Common Areas which may be appurtenant to such Unit and reserved for his, her or its exclusive use in a clean, orderly, and sanitary condition; Provided, however, that it shall not be the responsibility of the Co-Owners to replace such items referred to above if the insurance policy or policies owned by the Association insure such casualties, in which event, the responsibility for replacement will be the Association's. If the casualty is due to the Co-Owner(s) negligence, then any deductible shall be paid by the Co-Owner(s) and be a lien on their Unit until paid. Repainting of the exterior windows, window frames and doors and replacing of decks, window frames, door frames and sliding door frames shall be common expenses of the Association.

Easements are reserved through each of the Units for the benefit of any adjoining Unit as may be required for structural repair and for electrical lines and conduits, heating, air conditioning and ventilating ducts, water lines, drain pipes and other appurtenances to such utility systems in order to adequately serve each of such.

There is reserved to the Association, or its delegate, the right of entry to any Unit and an easement for access therein, when and as necessary, in connection with any repairs, maintenance, or construction for which the Association is responsible, or for which any Unit Owner is responsible hereunder. Any damage caused by such entry shall be repaired at the expense of the Association. Provided, however, that if such entry is made to perform any obligations for which the Unit Owner is responsible, such entry and all work done shall be at the risk and expense of such Unit Owner.

The Board of Directors may charge each Unit Owner for the expense of all maintenance, repair or replacement to the Limited or General Common Areas rendered necessary by his act, neglect, or carelessness, or the act, neglect, or carelessness of any member of his, her or its family or employees, agents, licensees, or lessees. The payment and collection of any charge made pursuant to the foregoing provisions shall be in accordance with the terms providing for payment and collection of Assessments in these By-Laws and the Horizontal Property Act.

Section 3. Manner of Repair and Replacement. All repairs and replacements shall be substantially similar to the original construction and installation and shall be of first-class quality, but may be done with comparative building materials and equipment. The method of approving payment vouchers for all repairs and replacements shall be determined by the Board of Directors. Any repairs or replacements to the heating and air conditioning air handlers/compressors on the roof should be by contract or approved by the company providing the roof warranty.

ARTICLE XII

ARCHITECTURAL CONTROL

Section 1. Architectural Control Committee. Except for the original construction and except for purposes of proper maintenance and repair or as otherwise in these By-Laws provided it shall be prohibited to install, erect, attach, apply, paste, hinge, screw, nail, build, alter, plant, remove or construct any lighting, shades, screens, awnings, patio covers, decorations, walls, aerials, antennas, radio or television broadcasting or receiving devices, or make any change or otherwise alter (including any alteration in color) in any manner whatsoever the exterior of his/her or its Unit or upon any of the General Common Areas or Limited Common Areas within the project or to combine or otherwise join two or more Units, or to partition the same after combination, or to remove or alter any windows or exterior doors of any Unit, or to make any change or alteration within any Unit which will alter the structural integrity of the building or otherwise affect the property, interest or welfare of any other Co-Owner, materially increase the cost of operating or insuring the Condominium or impair any easement, until the complete plans and specifications, showing the location, nature, shape, height, form of change (including without limitation, any other information specified by the Board of Directors or its designated committee) shall have been submitted to and approved in writing as to safety, the effect of any alterations on the cost of maintaining and insuring the Condominium and harmony of design, color and location in relation to surrounding structures and topography, by the Board of Directors of the Association, or by an Architectural Control Committee designated by it.

Section 2. Architectural Control Committee – Operation. The Architectural Control Committee shall be composed of three (3) or more natural persons designated from time to time by the Board of Directors of the Association and such persons shall serve at the pleasure of the Board of Directors. In the event the Board of Directors fails to appoint an Architectural Control Committee, then the Board of Directors shall constitute the Committee. The affirmative vote of a majority of the members of the Architectural Control Committee shall be required in order to adopt or promulgate any rule or regulation, or to make any finding, determination, ruling or order, or to issue any permit, consent, authorization, approval or the like pursuant to the authority contained in this Article. In no event shall the powers and duties herein provided in any way alter or affect the ultimate control or powers of the Board of Directors as provided in these By-Laws.

Section 3. Approvals, Etc. Upon approval by the Architectural Control Committee of any plans and specifications submitted pursuant to the provisions of this Article, a copy of such plans and specifications, as approved, shall be deposited among the permanent records of such Committee and a copy of such plans and specifications bearing such approval, in writing,

shall be returned to the applicant submitting the same. In the event the Architectural Control Committee fails to approve or disapprove any plans and specifications which may be submitted to it pursuant to the provisions of this Article within ninety (90) days (other than those requiring Council approval) after such plans and specifications (and all materials and information required by the Architectural Control Committee) have been submitted to it in writing, then approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE XIII

PARLIAMENTARY RULES

Robert's Rules of Order (Latest Edition) shall govern the conduct of the Association's meeting when not in conflict with the Charter and the By-Laws of the Association, the Master Deed establishing the condominium or with the laws of the State of South Carolina.

ARTICLE XIV

AMENDMENTS

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

- A. Notice of the subject matter of a proposed Amendment shall be included in the notice of any meeting at which a proposed Amendment is considered.
- B. A resolution for the adoption of the proposed Amendment shall be presented to a meeting of the Property Owners Association. Such approval shall be by Co-Owners representing at least two-thirds (2/3) of the total basic value of the Property, as set forth in Exhibit "E" attached to the Master Deed.
- C. Proviso. Provided, however, that no Amendment shall discriminate against any Co-Owner nor against any Unit or class or group of Units unless the Co-Owners so affected shall consent. No amendment shall be made which is in conflict with the Act, the Charter of the Association or the Master Deed establishing the Condominium.
- D. Execution and Recording. A copy of each Amendment shall be attached to a certificate certifying that the Amendment was duly adopted, which certificate shall be executed by the Officers of the Association with formalities of a deed. The Amendment shall be effective when such certificate and a copy of the Amendment are recorded in the Office of the RMC for Charleston County, South Carolina.

ARTICLE XV

CORPORATE SEAL

The seal of the corporation shall consist of an embossed seal with the corporations name inscribed upon the seal.

ARTICLE XVI

CONFLICTS

These By-Laws are subordinate and subject to all provisions of the Master Deed and to the Horizontal Property Act. In the event of any conflict between these By-Laws and the Master Deed, the Master Deed shall control.

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BKA 585PG331

EXHIBIT "G"

**10-12 BEE STREET
HORIZONTAL PROPERTY REGIME**

CHARLESTON, SOUTH CAROLINA

CHARTER OF

**10-12 BEE STREET
PROPERTY OWNERS ASSOCIATION, INC.**

**10-12 BEE STREET
HORIZONTAL PROPERTY REGIME
CHARLESTON, SOUTH CAROLINA**

**CHARTER OF
10-12 BEE STREET
PROPERTY OWNERS ASSOCIATION, INC.**

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

ARTICLE I

NAME

The name of the corporation shall be 10-12 Bee Street Property Owners Association, Inc. For convenience, the corporation shall herein be referred to as the "Association".

ARTICLE II

PURPOSE

The Association is organized for the purpose of providing a form of administration for 10-12 Bee Street Horizontal Property Regime (hereinafter called "Regime" or "Condominium"), established by Bruce Carrell, managing member of Carrell Properties, LLC (hereinafter called "Grantor") pursuant to the Horizontal Property Act of South Carolina (hereinafter called the "Act") on lands located at 10-12 Bee Street, Charleston, South Carolina, being more particularly described in the Master Deed establishing the Regime.

ARTICLE III

POWERS

The powers of the Association shall include the following provision;

1. The Association shall have all of the common law and statutory powers of a non-profit corporation which are not in conflict with the laws of South Carolina or the terms of this Charter.
2. All of the powers and duties prescribed for the "Property Owners Association" set forth in the Act, and all such other powers and duties reasonable necessary to operate the Condominium pursuant to the Master Deed, the By-Laws, and this Charter shall be exercised exclusively by the Board of Directors, its agent,

contractor, or employees, subject only to approval by the Co-Owners when such is specifically required, including but not limited to the following:

- (a) To review and collect assessments against members as Co-Owners to defray the costs, expenses, and losses of the Condominium.
 - (b) To use its proceeds of assessments in the exercise of its powers and duties.
 - (c) To maintain, repair, replace, improve and operate the Condominium Property.
 - (d) To purchase insurance upon the Condominium Property and insurance for the protection of the Association and Co-Owners.
 - (e) To reconstruct improvements after casualty.
 - (f) To make and amend reasonable rules and regulations respecting the use of the Condominium Property; provided, however, that all such regulations and amendments to the Master Deed, By-Laws, and this Charter thereto shall be approved by members owning at least Two-Thirds (2/3) of the Common Areas of the Condominium before such shall become effective.
 - (g) To enforce by legal means the provisions of the Act, the Master Deed, and the Regulations promulgated for the use of the Condominium Property.
 - (h) To contract, if desired, for the management of the Condominium and to delegate to such contractor all powers and duties of the Association except such as are specifically required by the Master Deed to have approval of the Board of Directors of the Association of the Co-Owners.
 - (i) To employ personnel to perform the services required for property operation of the Condominium and to terminate such employment.
 - (j) To place and foreclose any lien for unpaid assessments in like manner as any mortgagee of real property, as provided in the By-Laws.
3. All funds and the titles of all properties, if any, acquired by the Association and the proceeds thereof shall be held for the Co-Owners in accordance with the provisions of the Act and the Master Deed and Exhibits thereto.
 4. The Association will not take steps which will serve to facilitate the transaction of specific business by its members or promote the private interest of any Co-Owner, or engage in any activity which would constitute a regular business of a kind ordinarily carried on for profit, and no part of the net earnings of the Association shall inure to the benefit of any private individual.

ARTICLE IV

MEMBERS

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

1. Co-Owners of Apartments or Units in 10-12 Bee Street Horizontal Property Regime, shall be a member of the Association, and no other persons or entities shall be entitled to membership. The Association shall have only as many memberships as there are Apartments or Units, with each Member having voting rights as set forth in the Master Deed and Exhibits thereto and in accordance with the Act. Voting rights will be exercised in the manner provided by the By-Laws of the Association.
2. Change of membership in the Association shall be established by recording in the Office of the RMC for Charleston County, South Carolina, of a deed or other instrument establishing a change of record title to an Apartment or Unit in the Condominium and the delivery to the Association of a certified copy of such instrument, the new Co-Owners designated by such instrument thereby becoming a Member of the Association. The membership of the prior Co-Owner shall be thereby terminated.

ARTICLE V

DIRECTORS

1. The affairs of the Association will be managed by a Board consisting of the number of Directors determined by the By-Laws, but not less than three Directors, and in the absence of such determination shall consist of three Directors.
2. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided in the By-Laws.
3. The first election of Directors shall not be held until either seventy-five (75%) percent of all of the Units of the Condominium have been sold by the Grantor or one (1) year from the recordation of the Master Deed, whichever shall first occur. The Directors herein named shall serve until the first election of directors, and any vacancies in their number occurring before the first election shall be filled by the remaining Directors.
4. The names and addresses of the members of the first Board of Directors, who shall hold office until their successors are elected and have qualified, will be elected according to the by laws.

ARTICLE VI

OFFICERS

The affairs of the Association shall be administered by the officers designated in the By-Laws. The officers shall be elected by the Board of Directors at its first meeting following the annual meeting of the Board of Directors. The names of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

Bruce Carrell
Sonya Carrell
Chris Fulks

President/Treasurer
Vice President
Secretary

ARTICLE VII

INDEMNIFICATION

The Association shall indemnify every officer and director of the Board of Directors against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any officer or director in connection with any actions, suit or other proceeding (including settlement of any suit or proceeding if approved by the then Board of Directors of the Association) to which he may be made a party by reason of being or having been an officer or director at the time such expenses are incurred. The officers and directors of the Association shall not be liable to the Co-Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The officers and directors of the Association shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be owners of Apartments) and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liabilities to others on account of any such contract of commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director of the Association or former officer or director of the Association may be entitled.

ARTICLE VIII

BY-LAWS

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

ARTICLE IX

TERM

The term of the Association shall be perpetual.

ARTICLE X

INCORPORATOR

The undersigned Petitioner of 10-12 Bee Street Property Owners Association, Inc., declares that he is authorized and directed to apply for incorporation in the manner and for the purposes as stated hereinabove.

NAME

ADDRESS

Bruce Carrell

P.O. Box 1169
Little River, SC 29566

ARTICLE XI

DISSOLUTION

Termination of the Condominium shall automatically dissolve this Association. It may also be dissolved in the manner provided by law. Upon dissolution those funds held by the Association for the Co-Owners shall be turned over to the Association's successor as governing entity of the Condominium, or if the Condominium be terminated, after payment of all debts and expenses, divided as provided according to the percentage ownership interests of the Co-Owners in the Common Areas and disbursed as provided in The Act and/or the Master Deed, provided however, the residual of any property of any nature owned by the Association not held by it on behalf of the Co-Owners or any of them, shall, if appropriate, be turned over to one or more organizations which, themselves, are exempt from Federal Income Tax as organizations described in Sections 501(c)(3) and 170 (c) of the Internal Revenue Code and from South Carolina Income Tax, or to the Federal, State or Local Government for exclusively public purposes.

The attached filing with the Secretary of State and shown as Exhibit H-1 and the terms set forth therein are incorporated herein by reference.

BKA 585PG337

EXHIBIT "H"

**10-12 BEE STREET
HORIZONTAL PROPERTY REGIME**

CHARLESTON, SOUTH CAROLINA

**ARTICLES OF INCORPORATION
10-12 BEE STREET
PROPERTY OWNERS ASSOCIATION, INC.**

CERTIFIED TO BE A TRUE AND CORRECT COPY
 AS TAKEN FROM AND COMPARED WITH THE
 ORIGINAL ON FILE IN THE OFFICE

STATE OF SOUTH CAROLINA
 SECRETARY OF STATE
 NONPROFIT CORPORATION
 ARTICLES OF INCORPORATION

TYPE OR PRINT CLEARLY IN BLACK INK

Mark Hammond
 SECRETARY OF STATE OF SOUTH CAROLINA

Pursuant to Section 33-31-202 of the South Carolina Code of Laws, as amended, the undersigned corporation submits the following information:

1. The name of the nonprofit corporation is:

10-12 Bee Street Property Owners Association, Inc.

2. The initial registered office of the nonprofit corporation is:

4422 LRI Lane, Little River, SC 29566

The name of the registered agent of the nonprofit corporation at that office is:

Mr. Bruce Carrell

3. Check (a), (b), or (c) whichever is applicable. Check only one box.

- a. The nonprofit corporation is a public benefit corporation.
- b. The nonprofit corporation is a religious corporation.
- c. The nonprofit corporation is a mutual benefit corporation.

4. Check (a) or (b), whichever is applicable:

- a. This corporation will have members.
- b. This corporation will not have members.

5. The address of the principal office of the nonprofit corporation is:

4422 LRI Lane, Little River, SC 29566

6. If this nonprofit corporation is either a public benefit or religious corporation (box "a" or "b" of ¶3 is checked), complete "a" and "b", whichever is applicable, to describe how the remaining assets of the corporation will be distributed upon dissolution of the corporation.

- a. Upon dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government or to a state or local government for a public purpose. Any such asset not so disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the corporation is then located exclusively for such purposes, or to such



organization or organizations as said court shall determine, which are organized and operated exclusively for such purposes.

- b. Upon dissolution of the corporation consistent with law, the remaining assets of the corporation shall be distributed to:
7. If the corporation is a mutual benefit corporation (box "c" of ¶ 3. is checked), complete either (a) or (b), whichever is applicable, to describe how the [remaining] assets of the corporation will be distributed upon dissolution of the corporation.
- a. Upon dissolution of the mutual benefit corporation, the [remaining] assets shall be distributed to its members, or if it has no members, to those persons to whom the corporation holds itself out as benefiting or serving.
 - b. Upon dissolution of the mutual benefit corporation the [remaining] assets, consistent with law, shall be distributed to:
8. The optional provisions which the nonprofit corporation elects to include in the articles of incorporation are as follows (See § 33-31-202(c) of the 1976 South Carolina Code of Laws, as amended, the applicable comments thereto, and the instructions to this form):

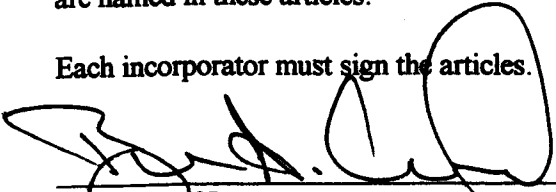
Unless a delayed effective date is specified, these articles will be effective when endorsed for filing by the Secretary of State. Specify any delayed effective date and time:

9. The name and address (with zip code) of each incorporator is as follows (only one is required):

<u>Name:</u>	<u>Address (with zip code)</u>
Bruce Carrell	4422 LRI Lane, Little River, SC 29566

10. Each original director of the nonprofit corporation must sign the articles but only if the directors are named in these articles:

11. Each incorporator must sign the articles.



 Signature of Incorporator

FILING INSTRUCTIONS

1. Two copies of this form, the original and either a duplicate original or a conformed copy, must be filed.
2. If space in this form is insufficient, please attach additional sheets containing a reference to the appropriate paragraph in this form, or prepare this using a computer disk which will allow for expansion of space on the form.
3. This form must be accompanied by the filing fee of \$25.00 payable to the Secretary of State.

Return to: Secretary of State
 P.O. Box 111350
 Columbia, SC 29211

4. If this organization is a Homeowners Association or a Political Association it must also be accompanied by the First Annual Report of Corporations and an additional \$25.00 fee is required.

NOTE

THE FILING OF THIS DOCUMENT DOES NOT, IN AND OF ITSELF, PROVIDE AN EXCLUSIVE RIGHT TO USE THIS CORPORATE NAME ON OR IN CONNECTION WITH ANY PRODUCT OR SERVICE. USE OF A NAME AS A TRADEMARK OR SERVICE MARK WILL REQUIRE FURTHER CLEARANCE AND REGISTRATION AND BE AFFECTED BY PRIOR USE OF THE MARK. FOR MORE INFORMATION, CONTACT THE TRADEMARKS DIVISION OF THE SECRETARY OF STATE'S OFFICE AT (803) 734-1728.

KA 585PG341

EXHIBIT "I"

**10-12 BEE STREET
HORIZONTAL PROPERTY REGIME**

CHARLESTON, SOUTH CAROLINA

PHYSICAL DISCLOSURE CERTIFICATE

BKA 585PG342

ROSEN AND ASSOCIATES, INC.
CONSULTING ENGINEERS

- CIVIL/STRUCTURAL DESIGN
- CONSTRUCTION MANAGEMENT/INSPECTION
- FACILITY ASSESSMENT

65 BROAD STREET, CHARLESTON, SC 29401-2989
(843) 577-4300 FAX: (843) 577-0007
Email: Roseneng@aol.com

April 6, 2006

Carrell Property
P.O. Drawer 1169
Little River, SC 29566

In Re: 12 Bee Street and 202 Ashley Avenue
Disclosure of Physical Condition

Gentlemen,

On the afternoon of April 3, 2006, I inspected the readily accessible portions of the common elements of 12 Bee Street and 202 Ashley Avenue.

The purpose of that inspection was to develop the attached Disclosure of Physical Condition Statement.

This inspection and report are done with the best of our experience and ability. However, we cannot be responsible for items we may have overlooked, concealed conditions, or defects that may develop later.

We believe this report reflects the condition of the property at the time of the inspection, based on visual evidence.

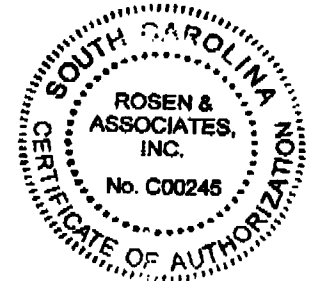
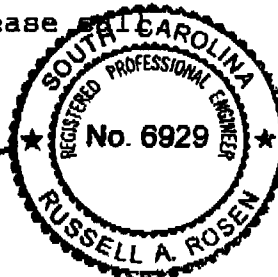
The inspection and this report do not constitute a guarantee of any portion of the property and no warranty is implied.

Unless specifically mentioned in this report, this inspection does not include any evaluation for lead based paint, asbestos, or indoor air quality.

Should you have any questions, please

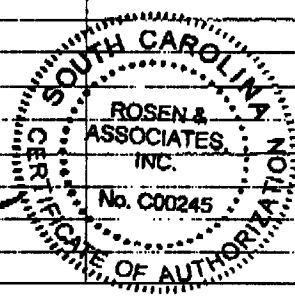
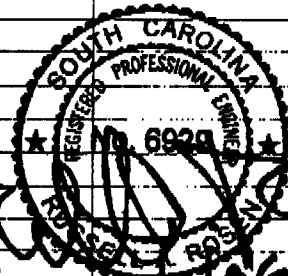
Very truly yours,

Russell A. Rosen, P. E.
RAR/mad
C:\DOC\Bee12_Ashley202Disclosure



BKA 585PG343

Disclosure of Physical Condition of Building - 12 Bee Street, 202 Ashley		
General Common Element	Present Condition	Estimated Remaining Useful Life
Exterior		
Brick	Satisfactory	*
Porches	Satisfactory	*
Roof(s)	Satisfactory	*
Other		
Exterior Stairs	Satisfactory	*
Interior(s)	Satisfactory	*
Hallways	Satisfactory	*
Attic(s)	Satisfactory	*
Crawl Space	Satisfactory	*
		* with normal maintenance and care these elements should last indefinitely
No recognized violations of appropriate building codes		
C:\ALLDOCS2\DOC\Bee and Ashley Disclosure Statement		



4/6/06

KA 585PG344



FILED

May 26, 2006
4:12:17 PM

KA 585PG268

Charlie Lybrand, Register
Charleston County, SC

RECORDER'S PAGE

NOTE: This page **MUST** remain with the original document

Filed By:

MM
SM

McNair Law Firm, P.A.
100 Calhoun St.
Charleston 29401

DESCRIPTION	AMOUNT	
		Mas/Con
Recording Fee	\$ 82.00	
State Fee	\$ -	
County Fee	\$ -	
Postage		
TOTAL	\$ 82.00	

RECEIVED FROM R.M.C.

JUN 14 2006

PEGGY A. MOSELEY
CHARLESTON COUNTY AUDITOR

PID VERIFIED BY ASSESSOR

REP *[Signature]*

DATE 6/13/06

\$ Amount (in thousands):

DRAWER:

C - slw

DO NOT STAMP BELOW THIS LINE