

STATE OF SOUTH CAROLINA )  
COUNTY OF YORK )

MASTER DEED AND ENABLING DECLARATION

DOGWOOD HILLS HORIZONTAL PROPERTY REGIME

ESTABLISHING A PLAN FOR CONDOMINIUM OWNERSHIP

H.H. CARROLL, JR.  
CLERK OF COURTS  
YORK COUNTY, S.C.  
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THIS DECLARATION made this 19th day of January, 1982 by Heritage Campgrounds and Christian Retreat, Inc., a South Carolina Corporation, hereinafter sometimes called "Declarant".

W I T N E S S E T H:

WHEREAS, Declarant desires and intends to subject the property hereinafter described and being known as the "Property" including the improvements constructed and to be constructed thereon to a regime under Title 27, Chapter 31 of the Code of Laws of South Carolina, 1976, as presently amended, known as "Horizontal Property Act" and referred to herein as the "Act";

WHEREAS, said Declarant hereby establishes by this Declaration and Master Deed a Horizontal Property Regime (hereinafter referred to as the "Regime") plan for the individual ownership of the real property estates consisting of the area or space contained in each of the dwellings and co-ownership by the individual and separate owners thereof, as tenants-in-common, of all of the remaining real property which is herein defined and referred to herein as the "General Common Elements", except those herein defined as "Limited Common Elements".

NOW, THEREFORE, Declarant hereby declares that the property described and shown in Exhibit "A" attached hereto and made a part hereof by reference, owned by Declarant, is hereby submitted and made subject to the form of ownership in the aforesaid Act and said property is held and shall be held, conveyed, hypothecated, encumbered, used, occupied and improved subject to the provisions of said Act and subject to the following covenants, conditions, restrictions, uses, limitations and obligations, all of which are declared and agreed to be in furtherance of a plan for the division of said property into condominium ownership and shall

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run with the land and shall be a burden and a benefit to Declarant, its successors and assigns and every person acquiring or owning an interest in the real property and improvements, its grantees, successors, heirs, executors, administrators, devisees, and assigns.

I. Purpose. Declarant hereby declares the property to be a regime known and identified as Dogwood Hills Horizontal Property Regime (hereinafter referred to as the "Regime" or "Dogwood Hills".) The Regime is also known as "Condominium".

II. Property Generally. The property described in Exhibit "A" constitutes the property being hereby subjected to the Act.

III. Definitions. In addition to any definitions appearing in this Declaration the following terms shall have the meaning set forth below:

A. "Act" means the Act of the General Assembly of South Carolina as Title 27, Chapter 31, of the Code of Laws of South Carolina 1976, as presently amended, known as the "Horizontal Property Act".

B. "Assessment" means a residence owner's share of the common expenses and limited common expenses which from time to time is assessed against a residence owner by the Association in the manner herein provided and other costs and expenses which from time to time are assessed against a residence owner in accordance with the terms of the Declaration.

C. "Association" means Council of Co-Owners as defined by the Horizontal Property Act and also means a non-profit corporation of all of the residence co-owners, in accordance with the Declaration and by-laws, and the corporate form by which the Council of Co-Owners shall operate and administer.

D. "Board of Directors" means the board of directors of the Association elected or appointed from time to time in the manner provided in the Declaration and the by-laws.

E. "Building" means a structure or structures, containing in the aggregate two or more dwellings, comprising a part of the property.

F. "By-Laws" means the by-laws of the Association annexed to the Declaration, as amended from time to time as therein provided.

✓ G. "Common areas" means all those portions of the property described on Exhibit "A" (a) not designated for residences or (b) not otherwise designated herein a part of a residence. "Common area and facilities" or "common area" also means all of the property not to be used for residences and includes, but is not limited to all recreational and community facilities which may be included within the property, stairs, steps, and landings outside of residence boundaries, the water meters, streets, landscaping, pavements, pipes, wires, conduits and other public utility lines, paved areas, contracts, easements, rights-of-way and contract rights as may be obtained by the Association (or by the Declarant in connection with this condominium) for services or access, and machinery, equipment and other tangible or intangible personal property which is owned by the Association and which is necessary or convenient to the existence, maintenance and safety of the condominium and also the following:

1. Easements through dwellings for conduits, ducts, plumbing, chimneys, wiring, and other facilities for the furnishing of utility services to dwellings and the common areas; provided, however, such easements through a dwelling shall be only according to the plans and specifications for the dwelling building, or as the building is constructed unless approved in writing by the dwelling owner.
2. An easement of support in every portion of a Dwelling which contributes to the support of a building.
3. Easements through the Dwelling and common areas for maintenance, repair and replacement of the dwelling and common areas.

"Common areas" also means and includes the elements described in the Horizontal Property Act, and in this Master Deed (including Exhibits), as "Common Elements", as "General Common Elements" and as "Limited Common Elements".

H. "Common expense" means the expenses for which the dwelling owners are liable to the association and include:

1. Expense of administration, maintenance, repairs and replacements of the common areas and facilities;
2. Expense of maintenance, repairs and replacement of exterior surfaces of residences required to be born by the Association;
3. Expenses determined by the Association to the common expenses and which are lawfully assessed against the residence owners by said Association;
4. Expenses declared to be common expenses, by provisions of the Act, this Declaration or the by-laws;
5. Any appropriate expenses incurred by the Association;
6. Expenses for water used by the Association; and,
7. Any valid charges against the Regime as a whole.

FINES?

I. "Common surplus" means the excess of receipts over expenses of the Association, including, but not limited to, assessments over the amount of common expenses.

J. "Condominium" means that form of ownership established by the provisions of the Act under which space intended for independent use is owned by various owners in fee simple absolute, and the parts of the property other than such independently owned spaces, are owned by such owners in undivided shares as tenants-in-common, which undivided shares are appurtenances to the respective independently owned spaces. "Condominium" shall also mean Horizontal Property Regime. "This condominium" and "Dogwood Hills" each mean all of the property submitted to the condominium form of ownership by the Declaration.

K. "Condominium documents" means the documents by which the regime is established and continued, including:

1. The Declaration, which sets forth the nature of the property rights in the condominium and the covenants running with the land which govern these rights. All other condominium documents shall be subject to the provisions of the Declaration.
2. The by-laws, a copy of which is hereto attached and made a part hereof as Exhibit     F    .

L. "Co-owner" means a person, firm, corporation, partnership, association, trust or other legal entity, or any combination

thereof, who owns a dwelling within the building. Co-owner also means owner.

M. "Council of co-owners" means all the co-owners; but a majority shall constitute a quorum for the adoption of decisions unless otherwise provided.

N. "Declaration" means this Declaration of Condominium of Dogwood Hills as it may hereafter be amended from time to time. "Declaration" shall also mean Master Deed.

O. "Declarant" means Fort Heritage Campgrounds and Christian Retreat, Inc. and any corporation, partnership or person who is an assignee thereof or successor thereto.

P. "Declarant's Management Period" means the period ending on date defined as in Article VIII, Paragraphs D and E herein.

Q. "Dwelling" means a part of the property intended for any type of independent use (whether it be for residential or business) including one or more rooms or enclosed spaces located on one or more floors (or parts thereof) in a building, and with a direct exit to a public street or highway, or to a common area leading to such street or highway. The windows and doors are part of the dwelling.

Dwelling shall further mean and comprise the eighteen (18) separate and numbered dwelling units in Phase I which are designated in Exhibit     B     to this Master Deed, excluding, however, all spaces and improvements lying beneath the undecorated and/or unfinished inner surfaces of the ceilings of each Dwelling Unit, and further excluding all spaces and improvements lying beneath the undecorated and/or unfinished inner surfaces of all interior loadbearing walls and/or unfinished loadbearing partitions, and further excluding all pipes, ducts, wires, conduits and other facilities running through any interior wall or partition for the furnishing of utility services to Dwelling and Common Elements.

Dwelling also means apartment, residence, and unit, as those are used in the Horizontal Property Act of the 1976 Code of Laws of South Carolina, as presently amended.

R. "General common elements" means and includes:

1. The land on which the building stands.
2. The foundations, main walls, roofs, halls, lobbies, stairways, and entrances and exits or communication ways, except as otherwise provided or stipulated.
3. The basements, flat roofs, yards and gardens, except as otherwise provided or stipulated.
4. The premises for the lodging of janitors or persons in charge of the property, except as otherwise provided or stipulated.
5. The compartments or installations of central services such as power, light, gas, cold and hot water, refrigeration, reservoirs, water tanks and pumps, and the like.
6. The garbage incinerators and, in general, all devices or installations existing for common use; and,
7. All other elements of the property rationally of common use or necessary to its existence, upkeep and safety.

S. "Insurance Trustee" means the Insurance Trustee referred to in Article I of the Declaration.

T. "Limited common elements" means and includes those common elements which are designated on the plot plan and are reserved for the use of a certain number of apartments to the exclusion of the other apartments. Other limited common elements shall be as follows:

1. Any patios or decks in any dwelling, and also any service area adjacent to each dwelling in which an air conditioning compressor is located;
2. The air space within mailboxes assigned to the dwelling;
3. All material, including, but not limited to, studs, sheetrock, plywood, carpet, paint, panelling, tile, vinyl or brick, attached to, or on, the inside surface of perimeter walls, floors and ceilings of the dwelling;
4. All doors, windows, screens, ventilation fans and vents located entirely within the dwelling or in the perimeter walls, floors or ceilings thereof; and;
5. All air handling units, ducts and components and all water, power, telephone, television and cable television, electricity, plumbing, gas and sewage lines located in the dwelling; provided, however, that the portion of said lines located in the common compartment for, or installation of, such lines shall be general common elements as described below.
6. All those that are agreed upon by the co-owners to be reserved for the use of a certain number of residences to the exclusion of the other residences, such as special corridors, stairways, garages, sanitary services common to

the residences of a particular floor, and the like. All residential owners having decks, balconys, or patios shall be responsible for the maintenance of said limited common elements along with any heating and air conditioning condenser units or plumbing or electrical outlets or outside lights for that particular residence. The back stair halls will serve as limited common elements.

U. "Majority" or "majority of residence owners or co-owners" means Fifty-One (51) per cent or more of the basic value of the property as a whole in accordance with the percentages established in Exhibit     C    .

V. "Manager" means the person designated, appointed or elected from time to time as manager of the Association in accordance with the provisions of the Declaration and the by-laws.

W. "Master Deed" means the deed establishing the horizontal property regime. It also means Declaration.

X. "Mortgage" means any mortgage, deed of trust or other similar device used for the purpose of conveying real property or subjecting real property to lien or encumbrance as security for indebtedness.

Y. "Mortgagee" means the holder of indebtedness secured by a Mortgage.

Z. "Mortgage indebtedness" means indebtedness the payment of which is secured by a Mortgage.

AA. "Person" means an individual, corporation, partnership, association, trustee, or other legal entity, or any combination thereof.

BB. "Property" means that property submitted or later submitted to the provisions of the Act by this Declaration or by permitted amendments, and includes the land, the building, and buildings, all improvements and structures thereon, and all easements, rights, and appurtenances belonging thereto.

CC. "Residence" means a part of the property consisting of a residence unit, as shown by the plans and plats of survey filed by the Declarant with this Declaration or amendments thereto or as designated as part of a residence by this Declaration or amendments. Residence also means apartment or unit or dwelling.

DD. "Residence Number" means the number designating a residence in the Declaration or any amendment thereto.

EE. "Residence Owner" means the person or persons owning a residence in fee simple absolute and an undivided interest in the fee simple estate of the common areas, limited common areas and facilities in the percentage determined pursuant to this Declaration. Residence owner also means co-owner or owner.

FF. "Phase One" means the portion of the subject property shown on Exhibit A-1.

GG. "Future Phases" means the remaining portion of the subject property described in Exhibit "A" excluding that described in Exhibit A-1.

IV. Plot Plan and Floor Plans. A plot plan, showing the property and the layout, location, residences, numbers and dimensions of the residences and the common area and limited common area identified in Exhibit "A" is incorporated herein by reference and submitted herewith to the York County Clerk of Court for filing and recording pursuant to the Act. The plat shall be recorded in the York County Clerk of Court's office. Floor plans are shown in Exhibit D incorporated herein by reference.

V. Restrictions. For the purpose of insuring maximum enjoyment of the condominium property by all of the residences, the use of the property of the condominium shall be in accordance with the following provisions:

A. The condominium property shall be used only for single family residences, and for furnishing of services and facilities herein provided for the enjoyment of such residences. Each of the residences for which provision is made by the condominium documents shall be occupied only by a single family as its residence and for no other purpose; provided, however, that so long as Declarant shall retain any interest in the regime it may utilize a dwelling or dwellings of its choice from time to time, for sales, office, model, or other usage for the purpose of selling dwellings in said regime. Further still, Declarant may assign this commercial usage right to

such other persons or entities as it may choose; provided, however, that when all dwellings have been sold, this right of commercial usage shall immediately cease.

B. No business shall be allowed upon the condominium property, nor any use or practice which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents. All of the property shall be kept in a clean and sanitary condition and no rubbish, refuse or garbage allowed to accumulate nor any fire hazard allowed to exist.

C. No immoral, improper, offensive or unlawful use shall be made of any dwelling or of the Common Elements, nor any part thereof, and all laws, zoning ordinances and regulations of all governmental authorities having jurisdiction of the Regime shall be observed. No owner of any Dwelling shall permit or suffer anything to be done or kept in his Dwelling, or on the Common Elements, which will increase the rate of insurance on the Regime, or which will obstruct or interfere with the rights of other occupants of the building or annoy them by unreasonable noises, nor shall any such owner undertake any use or practice which shall create and constitute a nuisance to any other owner of a Dwelling, or which interferes with the peaceful possession and proper use of any other Dwelling or the Common Elements.

D. In case of any emergency originating in or threatening any Dwelling, regardless of whether the owner is present at the time of such emergency, the Board of Directors of the Association or any other person authorized by it, or the building Superintendent or Managing Agent, shall have the right to enter such dwelling for the purpose of remedying or abating the cause of such emergency, and such right of entry shall be immediate, and to facilitate entry in the event of any such emergency, the owner of each Dwelling, if required by the Association, shall deposit under the control of the Association a key to such Dwelling.

E. The use of Common Elements by the owner or owners of all Dwellings, and all other parties authorized to use the same, shall

be at all times subject to such reasonable rules and regulations as may be prescribed and established governing such use, or which may hereafter be prescribed and established by the Association.

F. Entire residences may be rented (the terms rent shall include lease or sublease). However, with the exception of a lender in possession of a condominium unit following a default in a first mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure, no unit owner shall be permitted to lease his unit for transient or hotel purposes. No unit owner may lease less than the entire unit. Any lease agreement shall be required to provide that the terms of the lease shall be subject in all respects to the provisions of the Declaration and the By-laws and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease. All leases shall be required to be in writing.

G. No Dwelling may be divided or subdivided into a smaller Dwelling Unit nor shall any Dwelling, or portion thereof, be added to or incorporated into any other Dwelling.

H. Each unit owner agrees to cause his lessee and/or renter and the persons living with him, or his lessee/renters to comply with all condominium rules and regulations and will complete the "Renter's Agreement" form furnished by the Association. Lessee and/or renters shall, also, be required to sign and date a copy of the "Rules and Regulations" to certify that they understand and will abide by the rules of the Association.

I. Right of First Refusal. With the exception of transfers of ownership of any dwelling by one spouse to another should the owner of any dwelling be desirous of selling such dwelling, Association is hereby given and granted the right of first refusal to purchase such dwelling on the terms and conditions herein stated and no owner of a dwelling shall sell the same to any party without first giving Association notice in writing of such sale as herein provided, thereby giving Association the opportunity to determine whether it will exercise the right of first refusal to purchase said dwelling on the same terms and conditions as those contained in any bonafide offer which the owner of such dwelling may have received for the

purchase of said dwelling. Whenever the owner of any dwelling has received a bonafide offer to purchase his dwelling and is desirous of accepting such bonafide offer, a bonafide offer being defined herein as an offer in writing, binding upon the offerer and containing all of the pertinent terms and conditions of such sale, and accompanied by an earnest money deposit in an amount equal to at least ten (10%) percent of the purchase price. If the same is an offer for the purchase of such dwelling, the owner of such dwelling shall notify the Board of Managers of Association in writing by registered or certified mail sent to the offices of said Association or by personal delivery made to the President or Secretary of said Association of his desire to accept such offer for the purpose of his dwelling stating the name, address, business occupation or employment, if any, of the offerer, an executed copy of the bonafide offer for such purchase to be enclosed with such notice. If Association is desirous of exercising its option to purchase said dwelling on the same terms and conditions as are contained in said bonafide offer, then Association shall notify the owner of said dwelling desiring to sell the same of the exercise by Association of its election to so purchase said dwelling. Such notice to be in writing and posted by registered or certified mail to said owner within thirty (30) days from receipt by Association of the owner's notice to said Association as hereinabove required or said notice in writing may be personally delivered to said owner within said thirty (30) day period. If Association has elected to purchase said dwelling, then upon notifying the owner of such dwelling of its election to purchase said dwelling, Association shall execute a contract to purchase and it shall consummate such contract to purchase all in the same terms and conditions as those contained in said bonafide offer. When any owner of a dwelling has notified Association as above provided and has desired to sell his dwelling, such owner shall be free to consummate such sale of his dwelling unless within thirty (30) days after the owner has delivered his required notice to Association, Association has notified said owner

of its intention to exercise its right of first refusal to purchase such dwelling. However, in said event, the owner of such dwelling shall not sell said dwelling to any party other than the party designated to the Board of Managers of Association in the afore-described and required notice nor for any lower purchase price nor on any more favorable terms and conditions than those originally contained in said bonafide offer presented to Association without again giving Association right of first refusal to purchase such dwelling in the manner above provided.

If the Board of Managers of Association shall so elect, it may cause its right of first refusal to purchase any dwelling to be exercised in its name for itself or for the party approved by said Board of Managers or said Board of Managers of Association may elect to cause said dwelling to be purchased directly in the name of a party approved by it which party shall enter into a contract to purchase and consummate such contract to purchase said dwelling in the same manner as would Association upon its exercise of said right of first refusal to purchase such dwelling. Whenever such right of first refusal granted to Association is to be exercised in the name of a party approved by Association, notice of such election as required herein shall be executed by Association and the party approved by the Board of Managers of Association.

In the event that the owner of a dwelling shall sell such dwelling without giving written notice to Association as herein provided to the end that said Board of Managers of Association is not afforded the opportunity to determine whether or not it will elect to purchase said dwelling prior to the consummation of such purchase and on the terms and provisions thereof, then the said Association shall have the right to redeem said dwelling from such sale transaction by refunding unto the purchaser of such dwelling the purchase price paid therefore in which event the purchase of such dwelling shall convey the same to the Association or to a party designated and approved by the Association. The right of redemption granted herein shall exist for a period of six (6) months from the

date on which such sale may be consummated without prior notice to the Board of Managers of Association as required herein, but such dwelling may not be redeemed by the Association from said sale transaction after the expiration of said six (6) month period. In the event that such sale of a dwelling has been accomplished without the prior notice to the Board of Managers of Association as required herein and without affording said Board of Managers of Association the opportunity to determine whether or not it will exercise its first right to purchase such dwelling on the terms and conditions offered, then the purchaser in such transaction may notify the Board of Managers of Association of his purchase of such dwelling. Such notice to be in writing and to state the name and address and business occupation or employment, if any, of such purchaser in the terms and conditions of such purchase. Such notice to be delivered to Association in the same manner and such notice is required to be given prior to consummation of such sale transaction. Thereafter, the Board of Managers of Association shall have twenty (20) days from receipt of such notice within which to exercise the right of redemption granted to Association and to accomplish such redemption. Failure to exercise said right of redemption and to accomplish the redemption of said purchase within said twenty (20) day period of time, provided the same is not obstructed by the party from whom such redemption must be made, right of redemption granted to Association shall terminate and expire as to said purchase transaction.

In the event of any default on the part of any owner under any first mortgage made in good faith and for value which entitles the holder thereof to foreclose same, any sale under such foreclosure including delivery of a deed to the first mortgagee in lieu of such foreclosure shall be made free and clear of the provisions of this article and the purchaser or grantee under such deed in lieu of foreclosure of such dwelling shall be thereupon and thereafter subject to the provisions of this Declaration. If the purchaser filing such foreclosure sale or grantee under deed given in lieu of

such foreclosure shall be then holder of the first mortgage or its nominee, the said holder or nominee may thereafter sale and convey the dwelling free and clear of the provisions of this article but its grantee shall thereupon and thereafter be subject to all the provisions thereof.

The transfer of a deceased joint tenant's interest to the surviving joint tenant or the transfer of a deceased's interest to a devisee by Will or his heirs at law under intestacy laws shall not be subject to the provisions of this article.

If an owner of a dwelling can establish to the satisfaction of the Association that the proposed transfer is not a sale or lease, then such transfer shall not be subject to the provisions of this article.

VI. Residences. The residence shall be constituted as follows:

A. Each residence, together with its undivided interest in the common areas and limited common area and facilities, shall for all purposes constitute real property which may be owned in fee simple and which may be conveyed, transferred and encumbered in the same manner as any other real property, subject to the provisions of the condominium documents.

B. Each residence owner shall be entitled to the exclusive ownership and possession of his residence, subject to the provisions of the Act and the condominium documents.

C. Each residence shall comprise the separate identified residences which are designated in Exhibit     A     in this Declaration. Each unit is composed of the interior cubic space, fixtures, appliances, furnishings, walls, floors, ceiling, and building materials enclosed within the following boundaries:

1. The upper boundaries of the condominium shall extend to the upper surface of the wall sheathing forming the ceiling of the condominium. The lower boundaries of the condominium shall extend to the bottom of the granular fill beneath the structural foundation underlying the lowest level of the condominium.

2. The perimetrical boundaries of the condominium shall extend to the rear surface of the wall sheathing to which the centerline of the 1" air space adjacent to the condominium.

3. The boundaries of each condominium shall extend also to include the area enclosed or bounded by the screens, fences, patio, which is an integral and exclusive part of that particular unit. If any such area is not thus bounded or enclosed, the boundaries of the unit shall be extended to include the area defined or actually covered by any such patio area.

4. Each unit shall also encompass and include and each unit owner shall be responsible for maintenance and repair of the following: (i) the doorways, windows, vents, and other structural elements in the walls, floors, and ceilings of the unit which are regarded as enclosed of space; (ii) the doors opening into the unit and into any mechanical area or courtyard integral to the unit including the frames, casings, hinges, handles, and other fixtures which are part of the doors; (iii) the window glasses, screens, frames, walls and casings which are part of the windows opening from the unit; (iv) the metal flue and the plumbing mechanical vents which exclusively serve the unit; (v) the appliances, air conditioning and heating units, hot water heaters, lavatories, bath tubs, toilets, carpeting, floor covering, flooring, trim, ceilings, walls, framing, floor joists, trusses, beams, insulation, structural slab and fill, patio concrete and other fixtures, furnishings and building materials which are part of the unit when delivered to the initial unit owner; (vi) all pipes, wires, conduits, ducts, and other plumbing, mechanical and electrical appurtenances which are integral and exclusive to the unit, including lamps attached to the exterior of the unit, but including the water and sewer pipes serving and located underneath the unit. The Condominium Association shall maintain the water and sewer lines exterior to the unit, except for damage or sewer line plugging determined to be caused by the unit owner.

D. The ownership of each residence shall include, and there shall pass with each residence as appurtenances thereto whether or not separately described, all of the rights, eitle and interest of a

residence owner in the condominium property, which shall include but not be limited to:

1. Common Area, Limited Common Area and Facilities. A residence owner's undivided percentage interest in the common area, limited common areas and facilities (General Common Elements and Limited Common Elements).

2. Association Membership. Such membership shall include the right to vote on all matters which under the Declaration (Master Deed) and by-laws are required or authorized to be decided by residence owners. The Association shall have one class of voting membership which shall consist of all residence owners including the Declarant. Such residence owners shall be entitled to the percentage stock ownership equal to the percentage share of the common area and facilities (common elements), limited common area (limited common elements) and the right to vote according to said percentage. When more than one person holds such interest in any residence the vote for such residence shall be exercised as they among themselves determine. In no event shall more than the percentage of ownership vote be cast with respect to any residence.

3. The residence owner's undivided percentage interest in the common area, limited common areas and facilities at any particular time shall be the percentage allocated to the respective residences as set forth in the schedule attached hereto as Exhibit     C     and by reference incorporated herein.

B. Repairs, Maintenance and Improvements. The Association shall provide exterior maintenance upon each residence as follows: stain, (or paint as the case may be) repair, replace and care for exterior building surfaces, stoops and outside steps, but not including glass surfaces or doors (except for paint to outside of exterior doors). Association shall also provide for maintenance of all conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services, which are located within common elements or limited common elements bounding each residence. In the event that the Board of Directors shall determine that the need for maintenance or repairs by the Association as provided for in this ~~paragraph~~ is caused through the willful or negligent act of a residence owner, his lessee or their family, guests or invitees and not covered or paid for by insurance, the costs of such maintenance or repairs shall be added to and become a part of the assessment to which such residence owner is subject.

Whenever it is necessary to enter any Dwelling for the purpose of performing any maintenance, alteration or repair to any portion of the Common Elements, the owner of each Dwelling shall permit other owners or their representatives, or the duly constituted and authorized Agent of the Association, to enter such Dwelling, provided that such entry shall be made only at reasonable times and with reasonable advance notice. Maintenance of a residence shall otherwise be the responsibility of the residence owner, which responsibility shall be governed by and shall include but not be limited to the following:

1. Each residence owner shall maintain, repair and replace, at his expense, all portions of the residence, including all conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services, which are contained within the residence to be done with as little disturbance to other residence owners as reasonably possible. Included in said maintenance, where applicable, would be heating and air conditioning units, condensers, refrigerators, stoves, hot water heaters, dishwashers, and other appliances, upkeep and replacement of carpeting, windows and doors. Said owner shall also be responsible for maintenance and repair to his porch or balcony. Said owner may enclose said porch or balcony at his expense only after first securing written permission of Association Directors. Said Directors may require submission of plans, specifications and other information to insure suitability and harmony with the exterior of building. Where in order to make repairs to his residence it is reasonably necessary or practically desirable for the residence owner to go in or upon other residence or to do damage to other residence he shall have that right provided such is done with as little inconvenience to the residence owner of such other residence and provided further that all damage to such other residence is repaired and restored as quickly as possible at the sole expense of the residence owner whose repair work made necessary such damage and provided further that reasonable assurance and security for such repair and restoration is given by the repairing residence owner to the residence owner whose residence is to be so damaged. All such maintenance, repair and replacement shall be subject to all of the requirements and shall be performed in accordance with the standards of all governmental bodies or agencies having jurisdiction thereof.

2. No residence owner shall paint or otherwise decorate, or change, the appearance of, any portion of the exterior of the residence except as provided in this Declaration or the By-Laws of the Association.

3. No residence owner shall make any alteration or addition to, or service any parts of, or do any work which would jeopardize the safety or soundness of, any portion of the residence contributing to the support of the residence, which supporting portions shall include but not be limited

to the outside walls of the residence and any loadbearing walls or columns within or without the residence.

4. No residence owner shall be required or authorized to repair, reconstruct or rebuild all or any part of his residence under any circumstances in which the responsibility for such repair, reconstruction or rebuilding is specifically placed upon the Association under other paragraphs of this Declaration. In the event a residence owner purchases adjoining units (vertical or horizontal), he may combine the same into one residence, provided he first secures the written consent of the Board of Directors which shall not be unreasonably withheld. The Directors may first require the submission of plans, specifications and other data to insure that the structure of the building is not adversely affected and that no other residence owners would be damaged. After said information has been furnished, the Directors shall give written approval, or disapproval, within thirty (30) days. The Directors shall periodically inspect the work and render final approval after all work has been completed, inspected and approved. If said adjoining units are combined the space where the walls were removed shall cease to be common or limited common area and shall then be the sole responsibility of the owner. Should the owner desire to again separate the units, the same procedure, including Directors approval, shall be required.

5. Notwithstanding anything to the contrary contained in this Declaration, and for the benefit of the residence owners as a group, the Association may, but is not required to, do anything that a residence owner is required to do hereunder (including, without limitation, residence repair and window replacement):

- (a) in the discretion of the Manager, in the case of an emergency;
- (b) in the discretion of the Board of Directors, in the case of convenience for the Association; and;
- (c) in the discretion of the Board of Directors, in the case that the residence owner fails to perform his duty.

Action by the Association under this subparagraph shall be at the cost and expense of the residence owner who will be assessed therefor by the Association.

#### VII, Common Area and Limited Common Area Facilities.

A. Ownership and use of the common areas and limited common areas shall be governed by the following provisions:

1. The ownership of the percentage of undivided interest of a residence owner in the common areas, limited common area and facilities shall be deemed to be conveyed or encumbered or to otherwise pass with the residence whether or not expressly mentioned or described in a conveyance or other instrument describing the residence, and may not be separate from the residence. Any instrument conveying, devising, encumbering or otherwise dealing with any Dwelling which describes said Dwelling by the Dwelling Unit Number assigned thereto in Exhibit "A" without limitation or exception, shall be deemed and construed to affect the entire Dwelling and its appurtenant undivided interest in

the Common Elements. Nothing herein contained shall be construed as limiting or preventing ownership of any Dwelling and its appurtenant undivided interest in the Common Elements by more than one person or entity as tenants-in-common or as joint tenants.

2. The common area, limited common areas and facilities shall remain undivided and no residence owner nor any other person shall bring any action for partition or division of the whole or part of the common area and facilities except as provided in the Act or otherwise specifically provided in this Declaration. Any conveyance, mortgage or other instrument which purports to affect the conveyance devise or encumbrances or which purports to grant any right, interest or lien in, to, or upon, a Dwelling, shall be null, void and of no effect insofar as the same purports to affect any interest in a Dwelling and its appurtenant undivided interest in Common Elements, unless the same purports to convey, devise, encumber or otherwise trade or deal with the entire Dwelling.

3. Subject to any specific limitations contained herein and any rules duly adopted by the Association, each residence owner and the Association may use the common areas, limited common areas (subject to terms herein) and facilities for the purposes for which they are intended, but no such use shall hinder or encroach upon the lawful rights of the other residence owners.

4. The maintenance, operation and the groundskeeping service (including landscaping) of the common areas, limited common area and facilities shall be the responsibility and the expense of the Association, except as otherwise provided herein.

5. The Common Elements shall be, and the same are hereby declared to be subject to a perpetual non-exclusive easement in favor of all of the owners of Dwellings in the Regime for their use and the use of their immediate families, guests, and invitees, for all proper and normal purposes, and for the furnishing of services and facilities for which the same or reasonably intended, for the enjoyment of said owners of Dwellings. Notwithstanding anything above provided in this Article, until management transfer, Heritage Village Church and Missionary Fellowship, Inc. shall have the right to establish the rules and regulations pursuant to which the owner or owners of any Dwelling may be entitled to the exclusive use of any parking space or spaces.

6. If any portion of the Common Elements now encroaches upon any condominium Dwelling or if any condominium Dwelling now encroaches upon any other condominium Dwelling or upon any portion of the Common Elements as a result of the construction or repair of the building or if any such encroachment shall occur hereafter as a result of settlement or shifting of any building or otherwise, a valid easement for the encroachment and for the maintenance of the same, so long as the building stands, shall exist. In the event any building, any condominium Dwelling, any adjoining condominium Dwelling, or any adjoining Common Element shall be partially or totally destroyed as the result of fire or other casualty or as the result of condemnation or eminent domain proceedings and the reconstructed encroachments of parts of the Common Elements upon any condominium Dwelling or over any condominium

Dwelling, upon any other condominium Dwelling or upon any portion of the Common Elements due to such reconstruction shall be permitted and valid easements for such encroachments and maintenance thereof shall exist in so long as the building shall stand.

B. Parking. Use of parking facilities shall be governed by the following provisions:

1. The Property contains sufficient parking spaces to accommodate at least one automobile for each unit and each unit owner has the right to use a space for parking his automobile. It is not contemplated by Declarant to lease any parking spaces or common elements to unit owners.

2. Only a passenger automobile in operating conditions with a then current and effective license tag and inspection sticker may be parked upon or in parking areas and spaces, and the Directors may cause property stored or parked in violation hereof removed at the expense of the residence owner who parked or stored the same or whose lessee, family member, invitee, or lessee's family member or invitee parked or stored the same or at the expense of the residence owner on whose behalf the same is parked or stored or who caused or permitted such parking or storage. The cost of removal and further storage shall be assessed against the residence owner liable for such costs hereunder. The Directors of the Association may promulgate additional rules and regulations governing parking that may be just and reasonable.

3. Should the Directors of the Association determine or the Zoning Administrator of Columbia, South Carolina, or a similar governmental authority require that additional parking facilities are needed and/or present parking facilities must be relocated, then and in either event, the Directors of the Association hereby reserve a continuing easement over the common area in order that they may design, construct and provide additional and/or relocated parking facilities. Said parking facilities shall not interfere with the use of all buildings and any other improvements located on the property.

VIII. Association. To efficiently and effectively provide for the administration of the Regime by the owners of Dwellings, a non-profit South Carolina Corporation, known and designated as Dogwood Hills Condominium Association, Inc. has been organized and said corporation shall administer the operation and management of the Regime and undertake and perform all acts and duties incident thereto in accordance with the terms, provisions and conditions of this Master Deed, and in accordance with the terms of the Articles of Incorporation of Dogwood Hills Condominium Association, Inc., (hereinafter referred to as the Association or the Regime) and By-Laws of said Association are annexed hereto and expressly made a part hereof as Exhibit \_\_\_\_\_ F \_\_\_\_\_, respectively. The owner

or owners of each Dwelling shall automatically become members of the Association upon acquisition of an ownership interest in any Dwelling and its appurtenant undivided interest in Common Elements, and the membership of such owner or owners shall terminate automatically upon each owner or owners being divested of such ownership interest in such Dwelling, regardless of the means by which such ownership may be divested. No person, firm or corporation holding any lien, mortgage or other encumbrance upon any Dwelling shall be entitled, by virtue of such lien, mortgage or other encumbrance, to membership in the Association, or to any of the rights or privileges of such membership. In the administration of the operation and management of the Regime, said Association shall have and is hereby granted the authority and power to enforce the provisions of this Master Deed, levy and collect assessments in the manner hereinafter provided, and to adopt, promulgate and enforce such rules and regulations governing the use of the Dwellings and the Common Elements, as the Board of Directors of the Association may deem to be in the best interest of the Regime. Notwithstanding anything to the contrary contained herein:

A. The Declarant shall have and exercise all rights, powers, remedies, duties, and privileges of the Association, Board of Directors, and Manager all of which may either be delegated by the Declarant to a Manager designated by the Declarant which may be a person controlling, controlled by, or under some common control with the Declarant until control of the Association becomes vested in the purchaser of the units. Consequently all references to "Directors", "Board of Directors", "Association" or "Manager" shall be applicable to Declarant prior to the transfer of management as set out in Paragraphs D and E of this Article.

B. The Declarant will manage the condominium, provided, however, the management by Declarant or any agreement for professional management may be terminated for cause on 30 days

written notice and the terms of any such contract may not exceed one year, renewable for successive one-year periods.

C. Each residence owner will pay monthly to the Association, as such residence owner's share of common expenses, an amount from time to time established and charged by the Declarant to be such residence owner's monthly pro-rata part of common expenses based upon the Declarant's estimate of cost of management, administration, services, and common expense plus a reasonable management fee to the Declarant.

D. Within Sixty (60) days following the completion of the transfer of title to units representing Ninety (90%) percent of the votes of all unit owners, the Declarant shall call a meeting of the Association to be held within ten (10) days following the call at which meeting the Association will elect Directors, and the Declarant will render a report on the condominium, turn over management and the books, records and accounts (which shall be in balance) of the Association, to the Association and its Directors. The Declarant shall also for all purposes, have all the rights, powers, privileges, duties and obligations of a residence owner and be a member of the Association so long as the Declarant owns one or more residences and to the extent (including, without limitation, obligation for common expenses to the extent provided in this Declaration, and an undivided percentage interests in the common area and facilities) of the total of all appropriate undivided percentage interests for residences owned by the Declarant and a vote according to the percentage ownership for each residence then owned by the Declarant.

E. Control of the Association will become vested in the purchasers of units within not more than 120-days after the completion of transfer to purchasers of title to units representing Ninety (90%) percent of the votes of all unit owners.

F. After vesting of control by the Association, any Management Agreement for the Project will be terminable by the Association for

cause upon Thirty (30) days written notice thereof, and the term of any such agreement may not exceed one year, renewable by agreement of the parties for successive one-year periods.

IX. [REDACTED] Assessments against the residence owners shall be determined by the Board of Directors and shall be governed by the following provisions, provided, however, notwithstanding anything to the contrary herein, no unit owner will ever be assessed a percentage of the common expenses in excess of his percentage undivided interest.

A. Share of Expense.

1. Common Expenses. Common expenses are those which under this Declaration are to be borne by all co-owners and shall be the liability of all co-owners, but every residence owner shall be liable for only that fractional interest of common expenses equal to that residence owner's percentage undivided interest of ownership in the common area and facilities at the time the common expense is incurred. Should Association be the owner of any Dwelling or Dwellings, the assessment which would otherwise be due and payable to Association by the owner of such Dwelling or Dwellings, reduced by an amount of income which may be derived from the leasing of such Dwelling or Dwellings by Association, shall be apportioned and assessment therefor levied ratably among the owners of all Dwellings which are not owned by Association, based upon their proportionate interests in the Common Elements exclusive of the interests therein appurtenant to any Dwelling or Dwellings owed by Association.

2. Individual Expense. Each residence owner shall be liable for all expenses attributable to his ownership, use or occupancy of his residence, except only the common expenses above stated for which the Association is liable. Such individual expense shall include but not be limited to taxes on the residence and undivided interest in the common area and facilities and the electricity and gas used by the residence.

B. Accounts. All sums collected from assessments (except for reserves which shall be maintained in a separate account and not used for operation) may be mingled in a single fund but they shall be held in trust for the residence owners in the respective shares in which they are paid, and shall be credited to accounts from which shall be paid the expenses for which the respective assessments are made. Such accounts shall be a common expense account to which shall be credited collections of assessments for common expenses.

The residence owners shall not be entitled to receive any pro-rata share of the assessment funds upon the sale or transfer of the residence.

C. Assessments for Recurring Expense. Assessments for recurring expense for each expense account shall include the estimated expenses chargeable to the account. Assessment for recurring expenses shall be made for the remainder of the calendar year in which this Declaration is filed as soon as practicable after this Declaration is filed, and for each calendar year thereafter annually in advance. Such assessments shall be due in equal consecutive monthly payments on the first day of each month of the year for which the assessments are made. If an annual assessment is not made as required, a payment in the amount required by the last prior assessment shall be due upon each assessment payment due until changed by a new assessment.

[REDACTED]

[REDACTED]

[REDACTED]

D. Assessment for Reserve. Upon the purchase of each unit from the Declarant, or at any time thereafter, at the request and at the option of the Board of Directors, each unit owner, shall deposit with the Manager of the Property, or as may be otherwise directed by the Board, an amount equal to double the monthly assessment relating to such owner's unit. Such amount shall be held, together with the amounts similarly deposited by the other unit owners, as an operating reserve for common expenses and shall be used and applied from time to time as may be needed toward meeting deficits and for such other common purposes as the board may deem necessary. To the extent that the said operating reserve may be depleted, or in the judgment of the board may be inadequate, the board may increase the same by an assessment to the members in the proportion of their ownership interest in the Common Elements. The said operating

reserve on hand from time to time shall not be refunded to a unit owner in the event he sells his unit.

E. The Board of Directors, in established an Annual Budget pursuant to this Article herein for operation, management and maintenance of the Regime shall include therein a sum to be collected and maintained as a reserve fund for replacement of Common Elements, which reserve fund shall be for the purposes of enabling Association to replace structural elements and mechanical equipment constituting a part of the Common Elements as well as the replacement of personal property which may constitute a portion of the Common Elements held for the joint use and benefit of all of the owners of all Dwellings. The amount to be allocated to such Reserve Fund for Replacements shall be established by said Board of Directors so as to accrue and maintain at all times a sum reasonably necessary to anticipate the need for replacements of said Common Elements. The amount collected and allocated to the Reserve Fund for Replacements from time to time shall be maintained in separate account by Association, although nothing herein contained shall limit Association from applying any monies in such Reserve Fund for Replacements to meet other needs or requirements of Association in operating or managing the Regime in the event of emergencies, or in the event that the sums collected from the owners of Dwellings are insufficient to meet the then fiscal financial requirements of Association, but it shall not be a requirement that these monies be used for such latter purposes, as a separate assessment may be levied therefor if deemed to be preferable by the Board of Directors of Association in the sole discretion of said Board of Directors.

F. Assessments for Emergencies. Assessments for expenses of emergencies for each expenses account which cannot be paid from the assessments for recurring expenses shall be made only after notice of the need therefor to the residence owners. Ten days after such notice, and failing disapproval in writing by owners of a majority of the total vote of the Association, the assessment shall become

affective, and it shall be due after thirty days notice thereof in such manner as the Board may require.

G. Assessment for Liens. All liens of any nature, including taxes and special assessments levied by governmental authority, which are lien upon more than one residence or on common area or common facility shall be paid by the Association as a common expense and shall be assessed against the residences in the same percentage as other common expenses are assessed.

H. Assessment Roll. The assessment for expenses for each expense account shall be set forth upon a rollof the residences which shall be

[REDACTED]

I. Liability of Assessments. A residence owner will not be liable for the obligations of any other residence owner. A residence owner shall be liable for all assessments coming due while he is the owner of a residence and his grantees shall be jointly and severally liable for all unpaid assessments due and payable at teh time of a conveyance but without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefor. Such liability may not be avoided by waiver of the use and enjoyment of any limited common or common elements, or by abandonment of the residence for which the assessments are made. In the event of the foreclosure of any mortgage upon a residence, conveyance of any such residence in lieu of such foreclosure, or judicial sale of any such residence, the person first acquiring title to such residence by reason of such foreclosure sale, deed in lieu of foreclosure, or judicial sale shall be liable only for assessments coming due thereafter or for that portion of due assessments pro-rated to the period after the date of such transaction to all residence including the mortgaged unit.

J. Lien for Assessments. The unpaid portion of an assessment which is due shall be secured by a lien upon the residence, and all appurtenances thereto.

K. Collection. In addition to the other remedies provided by law, the Association may enforce collection as hereinafter provided:

1. Interest; Application of Payments. Assessments and installments thereon paid on or before ten days after the date when due shall not bear interest, but all sums not paid on or before ten days after the date when due shall bear interest at the rate of eight (8%) per centum per annum from the date when due until paid. All payments on account shall be first applied to interest and then to the assessment payment first due. All interest collected on principal due the common expense account shall be credited to said account. If said delinquent account is turned over to an attorney for collection a reasonable attorney's fee plus cost shall be added to said account.

2. Suit. The Association may enforce collection of delinquent assessment accounts by suit at law or by foreclosure of the liens securing the assessments, or by any other legal proceeding, and in either event the Association shall be entitled to recover the payments which are delinquent at the time of judgment or decree together with interest thereon at the rate of eight (8%) per centum per annum and all costs incident to the collection and proceedings, including reasonable attorney's fees. The lien granted to Association may be foreclosed in the same manner as mortgages may be foreclosed in the State of South Carolina, and in any suit for the foreclosure of said lien, the Association shall be entitled to rental from the owner of any Dwelling from the date on which the payment of any assessment or installment thereof became delinquent and shall be entitled to the appointment of a Receiver for said Dwelling. The rental required to be paid shall be equal to the rental charged on comparable type of Dwelling Units in Columbia, South Carolina. The lien granted to the Association shall further secure such advances for taxes, and payments on account of superior mortgages, liens, or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien, and the Association shall further be entitled to interest at the rate of eight (8%) per centum per annum on any such advances made for such purpose. The lien herein granted unto Association shall be effective from and after the time of recording in the York County Clerk of Court's Office, South Carolina, a claim of Lien stating the description of the Dwelling encumbered thereby, the name of the record owner, the amount due and the date when due, and the lien shall continue in effect until all sums secured by said lien, as herein provided, shall have been fully paid. Such claims of lien shall include only assessments which are due and payable when the claim of lien is recorded, plus interest, costs attorney's fees, advances to pay taxes and prior encumbrances and interest thereon, all as above provided. Such claims of lien shall be signed and verified by an officer or agent of the Association. Upon full payment of all sums secured by such claim of lien, the same

shall be satisfied of record. The claim of lien filed by the Association shall be subordinate to the lien of any mortgage or any other lien recorded prior to the time of recording of the Association's Claim of Lien. Institution of a suit at law to attempt to effect collection of the payment of any delinquent assessment shall not be deemed to be an election by Association which shall prevent its thereafter seeking enforcement of the collection of any sums remaining owing to it by foreclosure, nor shall proceeding by foreclosure to attempt to effect such collection be deemed to be an election precluding the institution of suit at law to attempt to effect collection of any sums then remaining owing to it.

3. Member's Loss of Vote. Notwithstanding anything to the contrary contained herein, and if such suspension is not prohibited by law, a residence owner's right to vote as a member of the Association shall be suspended as long as he is delinquent in his obligations to the Association.

4. Mandatory Assessment Collection. All assessments, and all interest accrued thereon, must be collected by the Association by whatever lawful means are necessary; provided, [REDACTED]

L. The Board of Directors of Association shall establish an Annual Budget in advance for each fiscal year which shall correspond to the calendar year, and such Budget shall project all expenses for the forthcoming year which may be required for the proper operating, management and maintenance of the Regime, [REDACTED] such Budget to take into account projected anticipated income which is to be applied in reduction of the amount required to be collected as an assessment each year. Upon adoption of such Annual Budget by the Board of Directors of Association, copies of said Budget shall be delivered to each owner of a Dwelling and the assessment for said year shall be established based upon such Budget, although the delivery of a copy of said Budget to each owner shall not affect the ability of any owner for such assessment.

M. All monies collected by Association shall be treated as the separate property of the said Association, and such monies may be applied by the said Association to the payment of any expense of operating and managing the Regime, or to the proper undertaking of

all acts and duties imposed upon it by virtue of this Master Deed and the Articles of Incorporation and By-laws of said Association and as the monies for any assessment are paid unto Association by any owner of a Dwelling the same may be co-mingled with the monies paid to the said Association by the other owner of Dwellings. Although all funds and other assets of Association, and any increments thereto of profits derived therefrom or from the leasing or use of Common Elements, shall be held for the benefit of the members of Association, who shall own any common surplus in the proportions of their percentage of undivided interest in the Regime, no member of said Association shall have the right to assign, hypothecate, pledge or in any manner transfer this membership interest herein, except as an appurtenance to his Dwelling.

N. Whenever any Dwelling may be sold or mortgaged by the owner thereof, which sale shall be concluded only upon compliance with other provisions of this Master Deed, Association, upon written request of the owner of such Dwelling, shall furnish to the proposed purchaser or mortgagee, a statement verifying the status of payment of any assessment which shall be due and payable to Association by the owner of such Dwelling. Such statement shall be executed by any Officer of the Association and any purchaser or mortgagee may rely upon such statement in concluding the proposed purchaser or mortgage transaction, and Association shall be bound by such statement.

In the event that a Dwelling is to be sold or mortgaged at the time when payment of any assessment against the owner of said Dwelling and Such Dwelling due to Association shall be in default (whether or not a claim of lien has been recorded by the Association) then the proceeds of such purchaser or mortgage proceeds, shall be applied by the purchaser or mortgagee first to payment of any then delinquent assessment or installment thereof due to Association before the payment of any proceeds of purchase or mortgage proceeds to the owner of any Dwelling who is responsible for payment of such delinquent assessment.



B. Public liability and property damage insurance in such amounts and in such form as shall be required by Association to protect said Association and the owners of all dwellings, including but not limited to, water damage, legal liability, hired automobiles, non-owned automobiles, and off-premises employee coverage. Such insurance policy shall contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of a family unit owner because of negligent acts of the Association of owners or other unit owners. Coverage shall be for at least \$1,000,000.00 per occurrence for personal injury and/or property damage.

C. Workmen's compensation insurance to meet the requirements of law.

D. Such other insurance coverage, other than title insurance, as the Board of Directors of Association, in its sole discretion, may determine from time to time to be in the best interests of Association, and the owners of all of the Dwellings or as an institutional type lender may reasonably require so long as it is the owner of a mortgage on any Dwelling.

All liability insurance maintained by Association shall contain cross liability endorsements to cover liability of all owners of Dwellings as a group to each dwelling owner.

All insurance coverage authorized to be purchased shall be purchased by Association or itself and for the benefit of all of the owners of Dwellings. The costs of obtaining the insurance coverage authorized above is declared to be a common expense as are any other fees and expenses incurred which may be necessary or incidental to carrying out the provisions hereof.

All policies of casualty insurance covering the Regime shall provide for the insurance proceeds covering any loss to be payable to the Insurance Trustee hereinafter provided, or its successors, and the insurance proceeds from any loss shall be held for the use and benefit of Association and all of the owners of Dwellings and

their respective Mortgagees, as their interests may appear, and all insurance proceeds shall be applied or distributed in the manner herein provided. The Association is hereby declared to be and is appointed as Authorized Agent for all of the owners of all Dwellings for the purpose of negotiating and agreeing to a settlement as to the value and extent of any loss which may be covered under any policy of casualty insurance, and is granted full right and authority to execute in favor of any insurer a release of liability arising out of any occurrence covered by any policy or policies of casualty insurance and resulting in loss of or damage to insurance property.

So long as any lending institution, association, corporation, entity or individual or the assignee of its rights (which assignment shall be evidenced by a recordable document, a certified copy of which shall be furnished the Association), hereinafter referred to as Lender, is the holder of a mortgage on any Dwelling in the Regime, said Lender shall have the right to approve the company or companies with whom the Association shall place its casualty insurance coverage, and such casualty insurance coverage shall only be placed by Association with such company or companies as are approved by such Lender. At such time as Lender shall not hold a mortgage on any Dwellings, then the company or companies with whom such casualty insurance may be placed shall be selected by Association, and all parties beneficially interested in such insurance coverage shall be bound by such selection of insurance company or companies made by Association.

The Association shall have the right to designate the Insurance Trustee and all parties beneficially interested in such insurance coverage shall be bound thereby.

The Insurance Trustee shall be a banking institution having trust powers and licensed to do business in the State of South Carolina. The Insurance Trustee shall not be liable for the payment of premiums nor for the renewal of any policy or policies of

casualty insurance, nor for the sufficiency of coverage, nor for the form or content of the policies, nor for the failure to collect any insurance proceeds.

The sole duty of the Insurance Trustee shall be to receive such proceeds of casualty insurance as are paid and to hold same in trust for the purposes herein stated, and for the benefit of Association and the owners of all Dwellings and their respective mortgagees, such insurance proceeds to be disbursed and paid by the Insurance Trustee as hereinafter provided. Association, as a common expense, shall pay a reasonable fee to said Insurance Trustee for its services rendered hereunder, and shall pay such costs and expenses as said Insurance Trustee may incur in the performance of any duties and obligations imposed upon it hereunder. Said Insurance Trustee shall be liable only for its willful misconduct, bad faith or gross negligence, and then for only such monies which come into the possession of said Insurance Trustee. Wherever the Insurance Trustee may be required to make distribution of insurance proceeds to owners of Dwellings and their Mortgagees, as their respective interests may appear, the Insurance Trustee may rely upon a Certificate of the President and Secretary of Association, executed under oath, and which Certificate will be provided to said Insurance Trustee upon request of said Insurance Trustee made to Association, such Certificate to certify unto said Insurance Trustee the name or names of the owners of each Dwelling, the name or names of the Mortgagee or Mortgagees who may hold a mortgage or mortgages encumbering each Dwelling, and the respective percentages of any distribution which may be required to be made to the owner or owners of any Dwelling or Dwellings, and his, her or their respective Mortgagee or Mortgagees, as their respective interests may appear. Where any insurance proceeds are paid to the Insurance Trustee for any casualty loss, the holder or holders of any mortgage or mortgages encumbering a Dwelling shall not have the right to determine or participate in the determination of repair or

replacement of any loss or damage, and shall not have the right to elect to apply insurance proceeds to the reduction of any mortgage or mortgages, unless such insurance proceeds represent a distribution to the owner or owners of any Dwelling or Dwellings, and their respective mortgagees, after such insurance proceeds have been first applied to repair, replacement or reconstruction of any loss or damage, or unless such casualty insurance proceeds are authorized to be distributed to the owner or owners of any Dwelling or Dwellings, and their respective mortgagee or mortgagees, by reason of loss of or damage to personal property constituting a part of Common Elements and as to which a determination is made not to repair, replace or restore such personal property, or unless the proceeds of insurance collectible are insufficient to repair or restore the loss or damage and the Association fails to deposit with the Insurance Trustee a sum which together with the proceeds received or to be received will enable said Insurance Trustee to completely pay for the repair, replacement or reconstruction of any loss or damage, as the case may be, as hereinafter provided for. So long as Lender shall have the right to approve the company or companies with whom said casualty insurance coverage is placed, Lender shall also have the right to approve the amount of such insurance coverage to be maintained.

In the event of the loss of or damage to Common Elements, real or personal which loss or damage is covered by the casualty insurance, the proceeds paid to the Insurance Trustee to cover such loss or damage shall be applied to the repair, replacement or reconstruction of such loss or damage. If the insurance proceeds are in excess of the cost of the repair, replacement or reconstruction of such Common Elements, then such excess insurance proceeds shall be paid by the Insurance Trustee to the owners of all of the Dwellings and their respective Mortgagees, the distribution to be separately made to the owner of each Dwelling and his respective mortgagee or mortgagees, as their interests may appear,

in such proportion that the share of such excess insurance proceeds paid to the owner of each Dwelling and his said mortgagee or mortgagees, if any, shall bear the same ratio to the total excess insurance proceeds as does the undivided interest in Common Elements appurtenant to each Dwelling bear to the total undivided interests in Common Elements appurtenant to all Dwellings. If it appears that these insurance proceeds covering the casualty loss or damage payable to the Insurance Trustee are not sufficient to pay for the repair, replacement or reconstruction of the loss or damage, or that the insurance proceeds when collected will not be so sufficient, then the Association shall deposit with the Insurance Trustee a sum which, together with the insurance proceeds received or to be received, will enable said Insurance Trustee to completely pay for the repair, replacement or reconstruction of any loss or damage, as the case may be. The monies to be deposited by the Association with the Insurance Trustee, in said latter event, may be paid by the Association out of its Reserve for Replacements Fund, and if the amount in such Reserve for Replacements Fund is not sufficient, then the Association shall levy and collect an assessment against the owners of all Dwellings and said Dwellings in an amount which shall provide the funds required to pay for said repair, replacement or reconstruction.

In the event of the loss of or damage to Common Elements and any Dwelling or Dwellings which loss or damage is covered by the casualty insurance, the proceeds paid to the Insurance Trustee to cover such loss or damage shall be first applied to the repair, replacements or reconstruction, as the case may be, of Common Elements, real or personal, and then any remaining insurance proceeds shall be applied to the repair, replacement or reconstruction of any Dwelling or Dwellings which may have sustained any loss or damage so covered. If the insurance proceeds are in excess of the cost of the repair, replacement or reconstruction of the Common Elements and of the Dwellings, and the insurance proceeds

shall be paid and distributed by the Insurance Trustee to the owners of all Dwellings, and to their mortgagee or mortgagees, as their respective interests may appear, such distribution to be made in the manner and in the proportions as are provided hereinbefore. If it appears that the insurance proceeds covering the casualty loss or damage payable to the Insurance Trustee are not sufficient to pay for the repair, replacement or reconstruction of the loss or damage, or that the insurance proceeds when collected will not be so sufficient, then the Board of Directors of the Association shall, based upon reliable and detailed estimates obtained by it from competent and qualified parties, determine and allocate the cost of repair, replacement or reconstruction between the Common Elements and the Dwelling or Dwellings, sustaining any loss or damage. If the proceeds of said casualty insurance are sufficient to pay for the repair, replacement or reconstruction of any loss of or damage to Common Elements, but should the same not be sufficient to repair, replace or reconstruct any loss of or damage to any Dwelling or Dwellings, the Association shall levy and collect an assessment from the owner or owners of the Dwelling or Dwellings sustaining any loss or damage, and the assessment so collected from said owner or owners shall be deposited with said Insurance Trustee so that the sum on deposit with said Insurance Trustee shall be sufficient to completely pay for the repair, replacement or reconstruction of all Common Elements and Dwelling or Dwellings. In said latter event, the assessment to be levied and collected from the owner or owners of each Dwelling or Dwellings sustaining loss or damage shall be apportioned between such owner or owners in such manner that the assessment levied against each owner of a Dwelling and his Dwelling shall bear the same proportion to the total assessment levied against all of said owners of Dwellings sustained loss or damage as does the cost of repair, replacement or reconstruction of each owner's Dwelling bear to the cost applicable to all of said Dwellings sustaining loss or damage. If the casualty insurance

proceeds payable to the Insurance Trustee in the event of the loss of or damage to Common Elements and Dwelling or Dwellings is not in an amount which will pay for the complete repair, replacement or reconstruction of the Common Elements, it being recognized that such insurance proceeds are to be first applied to payment for repair, replacement or reconstruction of said Common Elements before being applied to the repair, replacement or reconstruction of a Dwelling or Dwellings, then the cost to repair, replace or reconstruct said Common Elements in excess of available casualty insurance proceeds shall be levied and collected as an assessment from all of the owners of all Dwellings in the same manner as would such assessment be levied and collected had the loss or damage sustained been solely to Common Elements and the casualty insurance proceeds been not sufficient to cover the cost of repair, replacement or reconstruction; and the cost or repair, replacement or reconstruction of said Dwelling or Dwellings sustaining loss or damage shall then be levied and collected by assessment of the owner or owners of Dwelling or Dwellings sustaining the loss or damage in the same manner as is above provided for the apportionment of such assessment between the owner or owners of Dwelling or Dwellings sustained such loss or damage.

In the event of loss of or damage to property covered by such casualty insurance, the Association shall, within sixty (60) days after any such occurrence, obtain reliable and detailed estimates of the cost to place the damaged property in condition as good as that before such loss or damage, such estimates to contain and include the cost of any professional fees and premium for such Bond as the Board of Directors of the Association may deem to be in the best interests of the membership of the Association. Wherever it shall appear that the insurance proceeds payable for such loss or damage will not be sufficient to defray the cost of the repair, replacement or reconstruction thereof, the additional monies required to completely pay for such repair, replacement or reconstruction of

said loss or damage, whether to be paid by all of the owners of Dwellings or only by the owner or owners of any Dwelling or Dwellings sustaining loss or damage, or both, shall be deposited with said Insurance Trustee not later than thirty (30) days from the date on which said Insurance Trustee shall receive the monies payable under the policy or policies of casualty insurance.

In the event of the loss or damage to personal property belonging to the Association, the insurance proceeds, when received by the Insurance Trustee, shall be paid to the Association. In the event of the loss of or damage to personal property constituting a portion of the Common Elements, and should the Board of Directors of the Association determine not to replace such personal property as may be lost or damaged, then the insurance proceeds received by the Insurance Trustee shall be paid to all of the owners of all Dwellings and their respective mortgagee or mortgagees, as their interests may appear, in the manner and in the proportions hereinbefore provided for the distribution of excess insurance proceeds. Notwithstanding any provision herein, Sections 27-31-240 through 27-31-260 at the Code of Laws for South Carolina (1976) shall be controlling.

E. The residence owners may carry at their own initiative and expense the following policies:

1. A building additions and alterations endorsement to the residences policy in this Article for the exclusive benefit of the residence owner.
2. A tenant's home owner policy covering casualty to contents, burglary and other risks.
3. A personal liability and property damage policy for the residence owner's protection.

XII. Structural Changes, Exterior Changes and Additions. In the event that structural changes or additions be made to the common area and facilities, the following provisions will control:

A. Required vote. If the vote to make any such change or addition is at least 75% or more of the total vote of the Association, the proposed change or addition shall be made, and the

cost thereof shall be borne by the residence owner in the respective percentages of undivided interest in the common area and facilities.

B. Excessive additional cost. If the cost of such change or addition is greater than 15% of the total value of the property in condominium, any residence owner who votes against the change or addition but was required to bear a proportionate amount of the cost may require the Association to buy his residence at a fair price. The term "total value" means the value determined by an appraisal of the whole condominium including residences and common area, limited common area and facilities and without deduction on account of debts secured thereby, conducted by an appraiser designated by the Association who is a member of or is licensed or sanctioned by the American Institute of Real Estate Appraisers or other similar professional society of real estate appraisers, which appraisal shall be at the expense of the dissenting owners. The closing shall occur within thirty (30) days following the report of such appraiser. The purchase price shall be paid by assumption of any existing mortgage indebtedness if the holder thereof consents, and the balance thereof, if any, in cash. Buyer and Seller would pay their respective normal and customary closing costs.

C. In the event a residence owner desires to make a structural change in his residence, he may do so only at his own expenses and only after prior approval of at least 75% of members of the Board of Directors and the consent of all abutting residence owners, which consent of such residence owners shall not be unreasonably withheld. However, he may combine his two adjoining units if he meets the requirements set out in Article VI, Paragraph E.4.

XIII. Taxes and Special Assessments. In the event that any taxing authority having jurisdiction over the Regime shall levy or assess any Tax or Special Assessment against the Regime, as a whole, as opposed to levying and assessing such Tax or Special Assessment against each Dwelling and its appurtenant undivided interest in

Common Elements as now provided by law, then such Tax or Special Assessment as levied shall be paid as a common expense by the Association and any Taxes or Special Assessments which are to be so levied shall be included, whenever possible, in the estimated Annual Budget of the Association against all of the owners of all Dwellings and said Dwellings if not included in said Annual Budget. The amount of any Tax or Special Assessment paid or to be paid by the Association in the event that such Tax or Special Assessment is levied against the Regime as a whole, instead of against each separate Dwelling and its appurtenant undivided interest in the Common Elements, shall be apportioned among the owners of all Dwellings so that the amount of such Tax or Special Assessment which bears the same ratio to said total Tax or Special Assessment as the undivided interest in the Common Elements appurtenant to each Dwelling bears to the total undivided interest in the Common Elements appurtenant to all Dwellings. In the event that any Tax or Special Assessment shall be levied against the Regime in its entirety, without apportionment by the taxing authority to the Dwellings and appurtenant undivided interests in the Common Elements, then the assessment by the Association which shall include the proportionate share of such Tax or Special Assessment attributable to each Dwelling and its appurtenant undivided interest in the Common Elements shall separately specify and identify the amount of such assessment attributable to such Tax or Special Assessments, and the amount of such Tax or Special Assessment so designated, after it has been paid by the Association, shall be and constitute a lien prior to all mortgages and encumbrances upon any Dwelling and its appurtenant undivided interest in the Common Elements, regardless of the date of the attachment and/or recording of such mortgage or encumbrance, to the same extent as though such Tax or Special Assessment has been separately levied by the taxing authority upon each Dwelling and its appurtenant undivided interest in the Common Elements.

All personal property taxes levied or assessed against personal property owned by the Association shall be paid by said Association and shall be included as a common expense in the Annual Budget of the Association.

XIV. Amendment. An amendment or amendments to this Master Deed may be proposed by the Board of Directors of Association acting upon a vote of the majority of the Directors, or by the members of Association owning a majority of the Dwellings in the Regime, whether meeting as members or by instrument in writing signed by them. Upon any amendment or amendments to the Master Deed being proposed by said Board of Directors or members, such proposed amendment or amendments shall be transmitted to the President of Association, or other Officer of Association in the absence of the President, who shall thereupon call a Special Meeting of the members of Association for a date not sooner than twenty (20) days nor later than sixty (60) days from receipt by him of the proposed amendment or amendments, and it shall be the duty of the Secretary to give each member written or printed notice of such Special Meeting, stating the time and place thereof, and reciting the proposed amendment or amendments in reasonable detailed form, which notice shall be mailed not less than ten (10) days nor more than thirty (30) days before the date set for such Special Meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States Mail addressed to the member at his Post Office address as it appears on the records of Association, the postage thereon prepaid. Any member may, by written waiver of notice signed by such member, waive such notice and such waiver, when filed in the records of Association, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such member. At such meeting, the amendment or amendments proposed must be approved by an affirmative vote of all the members owning a Dwelling in the Regime in order for such amendment or amendments to become effective. Thereupon, such amendment or amendments of this

Master Deed shall be transcribed and certified by the President and Secretary of Association as having been duly adopted, and the original or an executed copy of such amendment or amendments to certified and executed with the same formalities as a Deed shall be recorded in the Public Records of York County, South Carolina, within ten (10) days from the date on which the same became effective, such amendment or amendments to specifically refer to the recording date identifying the Master Deed. Thereafter, a copy of said amendment or amendments in the form in which the same were placed of record by the Officers of Association shall be delivered to all of the owners of all Dwelling and mailed to the mortgagees listed in the Registry required to be maintained by Article IV hereof, but delivery and mailing of a copy thereof shall not be a condition precedent to the effectiveness of such amendment or amendments. At any meeting held to consider such amendment or amendments, the written vote of any member of Association shall be recognized if such member if not in attendance at such meeting or represented there at by proxy, provided such written notice is delivered to the Secretary of Association at or prior to such meeting. Furthermore, no amendment to this Master Deed shall be adopted which would operate to affect the validity or priority of any Mortgage held by a Mortgagee which would alter, amend or modify in any manner whatsoever the rights, powers and privileges granted and reserved herein in favor of any Mortgagee without the consent of all such mortgagees.

XV. Termination. The condominium shall be terminated, and the property removed from the provisions of the Act, in the following manner:

A. The termination of the condominium may be affected by unanimous agreement of the residence owners and all of the parties holding mortgage liens or other encumbrances against any of said dwellings, which agreement shall be evidenced by an instrument or instruments executed in the manner required for conveyances of land.

The termination shall become effective when such agreement has been recorded in the Office of the Clerk of Court for York County, South Carolina.

B. In the event it is determined in the manner provided in this Declaration that the condominium property shall not be reconstructed after casualty, the condominium will be terminated and the condominium documents revoked, unless the Act shall have been amended to allow continuation of the condominium in such circumstances and corresponding amendments to this Declaration shall have been effected. The determination not to reconstruct after casualty resulting in termination of the condominium shall be evidenced by a certificate of any two of the officers of the Association certifying as to facts effecting the termination, which certificate shall become effective upon being recorded in the Office of the Clerk of Court for York County.

C. After termination of the condominium the rights of the residence owners and their respective mortgages and lienees shall be determined in the manner provided in Article XI of this Declaration.


XVI. Covenants Running with the Land and Encroachments. All provisions of the condominium documents shall be construed to be covenants running with the land, and with every part thereof and interest therein, including but not limited to every residence and the appurtenances thereto; and every residence owner and claimant of the land or any part thereof or interest therein, and his heirs, executors, administrators, successors and assigns shall be bound by all of the provisions of the condominium documents. An easement shall also exist for the maintenance, repair and replacement of any common facilities which may be attached to or encroach upon a Dwelling Unit. Further, minor encroachments resulting from the rebuilding of a Dwelling Unit or common facility which has been permitted and an easement for said encroachments and maintenance, repair and replacement thereof shall exist; further, an easement

shall also exist for changes in and/or additions to parking facilities as may be needed or required; all as provided herein.

XVII. Condominium Deeds. The form of deed by which the Developer will convey a residence shall be substantially in the form attached hereto as Exhibit       G      .

XVIII. Severability. In the event that any of the terms, provisions or covenants of this Master Deed are held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding shall not affect, alter, modify or impair in any manner whatsoever any of the other terms, provisions or covenants hereof or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable.

XIX. Additional Provisions Relating Primarily to Mortgagees. The following provisions, in addition to provisions set forth elsewhere in the condominium documents, shall be applicable to the holders of first mortgages as well as Owners of the individual residences contained in the condominium.

 Association shall at all times maintain a Register setting forth the names of the owners of all of the Dwellings, and in the event of the sale or transfer of any Dwelling to a third party, the purchaser or transferee shall notify Association in writing of his interest in such Dwelling together with such recording information as shall be pertinent to identify the instrument by which such purchaser or transferee has acquired his interest in any Dwelling. Further the owner of each Dwelling shall at all times notify Association of the names of the parties holding any mortgage or mortgages on any Dwelling, the amount of such mortgage or mortgages, and the recording information which shall be pertinent to identify the mortgage or mortgages. The holder of any mortgage or mortgages upon any Dwelling may, if he so desires, notify Association of the existence of any mortgage or mortgages held by such party on any Dwelling, and upon receipt of such notice, Association shall register in its records all pertinent information pertaining to the same.

B. The holder of any such mortgage shall be entitled to written notification from the Association at least thirty (30) days prior to the effective date of any change in the condominium documents or regulations adopted pursuant thereto.

C. The holder of any such mortgage shall be entitled to written notification from the Association of any default by the residence owner of the residence covered by such mortgage in the performance of the obligations of such residence owner under the condominium documents or the regulations adopted pursuant thereto which is not cured within 60 days, provided that the Association shall have furnished written notice of the address to which such notification shall be sent.

D. Unless all holders of first mortgages on individual residences have given their prior written approval, the Association and Board of Directors, as the case may be, shall not (i) change the pro-rata interest or obligation of any residence for purposes of levying assessments and charges and determining shares of the common elements and limited common elements and proceeds of the project, (ii) partition or subdivide any residence or the common elements or limited common elements of the condominium, except as may occur by operation of law, nor (iii) by act of omission seek to abandon the condominium status of the condominium except as provided by statute in the case of failure to repair, reconstruct or rebuild the residences and common elements and limited common elements of the condominium project following damage or destruction to all or part of the condominium property, (iv) use hazard insurance proceeds for losses to any condominium property (whether to residences or to common elements of limited common elements) for other than the repair, replacement or reconstruction of such improvements, except as provided by statute in case of substantial loss to the residences and/or common elements of the project.

E. First mortgagees shall have the right to examine the books and records of the condominium owners Association or the condominium project.

F. In the event any mortgage is owned by the Federal Home Loan Mortgage Corporation (FHLMC), the owners Association agrees to give FHLMC notice in writing of any loss to, or taking of, the common elements or limited common elements of the condominium project if such loss or taking exceeds \$10,000.00 or to give FHLMC notice in writing of any damage exceeding \$1,000.00 to a residence covered by a mortgage purchased in whole or in part by FHLMC.

G. The prior written approval of each institutional holder of a first mortgage lien on units in the Project will be required for at least the following:

1. The abandonment or termination of the Project, except for abandonment or termination provided by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;
2. Any material amendment to the Declaration or the By-laws of the Owners Association, including, but not limited to, any amendment which would change the percentage interests of the unit owners in the Project;

H. Any lien which the Owners Association may have on any unit in the Project for the payment of common expense assessments, attorneys fees or costs, attributable to such unit will be subordinate to the lien or equivalent security interest of any first mortgage on the unit recorded prior to the date of any such common expense assessments become due.

I. Any institutional holder of a first mortgage on a unit in the Project will, upon request, be entitled to: (a) inspect the books and records of the Project during normal business hours; and (b) receive an annual audited financial statement of the Project with 90 days following the end of any fiscal year of the Project; and (c) written notice of all meetings of the Owners Association and be permitted to designate a representative to attend all such meetings.

J. In the event of substantial damage to or destruction of any unit or any part of the common elements, the institutional holder of any first mortgage on a unit will be entitled to timely written notice of any such damage or destruction and no provisions of any document establishing the Project will entitle the owner of a unit

or other party to priority over such institutional holder with respect to the distribution to such unit of any insurance proceeds.

K. If any unit or portion thereof or the common elements or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, then the institutional holder of any first mortgage on a unit will be entitled to timely written notice of any such proceeding or proposed acquisition and no provision of any document established the Project will entitle the owner of a unit or other party to priority over such institutional holder with respect to the distribution to such unit of the proceeds of any award or settlement.

L. In the event any portion of the common elements encroaches upon any unit or any unit encroaches upon the common elements, as a result of the construction, reconstruction, repair, shifting, settlement or movement of any portion of the Project, a valid easement for the encroachment and for the maintenance of the same shall exist so long as the encroachment exists.

M. The legal estate of each unit owner will be held in fee simple.

N. The right of a unit owner to sell, transfer, or otherwise convey the owner's unit will be subject to a right of first refusal in favor of the Owner's Association as provided in Article V, Paragraph I.

O. The failure of any unit owner to comply with the provisions of the Declaration, By-laws and Articles of Incorporation will give rise to a cause of action in the Owner's Association and any aggrieved unit owner for the recovery of damages, or for injunctive relief, or both.

P. Each holder of a first mortgage lien on a unit who comes into possession of the unit by virtue of foreclosure of the mortgage, or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, will take the unit free of any claims for unpaid assessments and charges against the unit which

accrue prior to the time such holder comes into possession of the unit, except for claims for a pro-rata share of such assessments or charges resulting from a pro-rata reallocation of such assessments or charges to all Project units including the mortgaged unit.

Q. The Board hereby agrees to give the Federal Home Loan Mortgage Corporation (FHLMC) care of the Servicer of any mortgage in said Regime owned by FHLMC at Servicer's address, notice in writing of any damage to a condominium unit in said Regime covered by a mortgage purchased in whole or in part by FHLMC in excess of \$1,000.00.

XX. Condemnation.

A. Partial Taking Without Direct Effect on Units. If part of the property shall be taken or condemned by any authority having the power of eminent domain, such that no Unit nor any part thereof is taken, and no part of a Limited Common Area to which a Unit has exclusive use is taken, then all compensation and damages for and on account of the taking of the Common Areas, exclusive of compensation for consequential damages to certain affected Units, shall be payable to the Board of Directors as Trustee for all Unit Owners and mortgagees according to the loss or damages to their respective interests in such Common Areas. The Association acting through its Board of Directors, shall have the right to act on behalf of the Unit Owners with respect to the negotiation and litigation of the issues with respect to the taking and compensation affecting the Common Areas, without limitation to the right of the Unit Owners, or any Mortgagees of any one or more Units, to represent their own interests. Such proceeds shall, subject to the prior rights of such Mortgagees, be used in accordance with the provisions of the Master Deed. Nothing herein is to prevent Unit Owners whose Units are specifically affected by the taking or condemnation proceedings from joining in such proceeding and petitioning on their own behalf for consequential damages relating to loss of value of the affected Units, or personal improvements therein, exclusive of damages relating to Common Areas. In the event that the condemnation award

does not allocate consequential damages to specific Unit Owners, but by its terms includes an award for reduction in value of Units without such allocation, the award shall be divided between affected Unit Owners, subject to the rights of Mortgagees of such Units, and the Board of Directors as Trustees as aforesaid as the interests may appear by arbitration in accordance with the rules then obtaining of the American Arbitration Association.

B. Partial or Total Taking Directly Affecting Units. If part or all of the property shall be taken or condemned by any authority having the power of eminent domain, such that any Unit or a part thereof (including a Limited Common Area) is taken, the Association shall act on behalf of the Unit Owners with respect to Common Area as provided herein, without limitation on the right of any mortgagee of any one or more Units to represent their own interests, and the proceeds shall be payable as outlined therein. The Unit Owners directly affected by such taking and their respective mortgagees shall represent and negotiate for themselves with respect to the damages affecting their respective Units (including the taking of a Limited Common Area). The awards so made shall, subject to the prior rights of Mortgagees, be used and distributed by the Trustee first to restore the units and common buildings or facilities on the remaining land of the Condominium in the same manner as provided for restoration under the Master Deed to the extent possible, attempting to rebuild buildings containing new Units of the same number, size and basic plan as the Units taken, with any excess award distributed in accordance with the provisions of the Master Deed. In the event that the Board of Directors determines that such taking so removes land and building containing Units that they cannot effectively be restored or replaced substantially in compliance with the building plans, and unless seventy-five (75%) per cent of the Unit Owners and holder of first mortgages encumbering seventy-five (75%) per cent of the undivided interest in the Common Areas subject to mortgages vote to accept an alternative plan, then the Association shall submit the issue to arbitration in accordance with the rules then obtaining of

the American Arbitration Association for remedies with respect to the continued existence or reform of the Condominium, with the division of the award as to the taken and remaining Units, and such other remedies as may be required, provided that no such award shall impair the validity or priority of or affect any rights or remedies of any Mortgagee or Declarant.

XXI. Remedies in Event of Default. The owner or owners of each dwelling shall be governed by and shall comply with the provisions of this Master Deed, and the Articles of Incorporation and the By-Laws of Association and its rules and regulations as any of the same are now constituted or as they may be adopted and/or amended from time to time. A default by the owner or owners of any Dwelling shall entitle Association or the owner or owners of other Dwelling or Dwellings to the following relief:

A. Failure to comply with any of the terms of this Master Deed or other restrictions and regulations contained in the Articles of Incorporation, By-Laws of Association, or its rules and regulations, shall be grounds for relief which may include without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien or any combination thereof and which relief may be sought by Association or if appropriate, by an aggrieved owner of a Dwelling.

B. The owner or owners of each Dwelling shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any member of his family, or his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of a Dwelling or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation.

C. In any proceeding arising because of an alleged default by the owner of any Dwelling, the Association, if successful, shall be

entitled to recover the costs of the proceedings, and such reasonable attorney's fees as may be determined by the Court, but in no event shall the owner of any Dwelling be entitled to such attorney's fees.

D. The failure of Association or of the owner of a Dwelling to enforce any right, provision, covenant or condition which may be granted by this Master Deed or other above mentioned documents shall not constitute a waiver of the right of Association or of the owner of a Dwelling to enforce such right, provision, covenant or condition in the future.

XXII. Amendment of Master Deed to Include Futura Phases.

A. Right to Amend to Include Future Phases. Fort Heritage Campgrounds and Christian Retreat, Inc. reserves the right to amend this Master Deed in order to incorporate future phases including the Condominium Units, buildings, and other improvements to be constructed upon such land. In the event that this Master Deed is amended to include Future Phases, an Amendatory Declaration will be filed of record by Fort Heritage Campgrounds and Christian Retreat, Inc. containing the plot plan and architect's certificate for Future Phases. Fort Heritage Campgrounds and Christian Retreat, Inc. plans to build not more than two hundred (200) units on the 26.54 acre tract described in Exhibit "A". This will be accomplished by the addition of at least two (2) more phases having a maximum of eighty (80) units per phase. The new phases will contain buildings having units with the floor plans as shown in Exhibit D along with floor plans to be filed in an Amendatory Declaration. There are plans to have certain buildings with sixteen (16) smaller units. The maximum number of units for the entire regime is two hundred (200). Election as to whether or not Fort Heritage Campgrounds and Christian Retreat, Inc. will proceed with each stage of development will be on or before January 1, 1988. The proposed additional common elements will not substantially increase the proportionate amount of the common expenses payable by the existing unit owners. A chart showing the percentage interest in the common elements of

each unit owner if Fort Heritage Campgrounds and Christian Retreat, Inc. proceeds with all stages of development is shown on Exhibit C. Future Phases will be submitted thereby to the provisions of this Master Deed and the Horizontal Property Act, and the following modifications will be made to this Master Deed.

1. The term "Condominium Property" will thereafter be deemed to include Phase One and Future Phases, together with the Homes and other improvements constructed upon tracts of land, and together with all easements, rights, and hereditaments appurtenant to such lands. The "land" will thereafter be deemed to include tracts of land as described under Phases One and Future Phases of this Master Deed.

2. Dogwood Hills Condominium Association, Inc. will be expanded to include as members all owners of Units in Future Phases. The provisions of this Master Deed, the By-Laws of the Association, and all covenants, restrictions, encumbrances and obligations imposed by this Master Deed will be extended to bind and apply to each Unit owner and each Unit in Future Phases.

B. Constructive Consent. Each purchaser of a condominium by acceptance of a deed subject to the terms of this Master Deed shall be deemed to have consented to the powers of amendment reserved in this article by Fort Heritage Campgrounds and Christian Retreat, Inc. Each mortgagee by accepting a mortgage upon a unit subject to the terms of this Master Deed shall be deemed also to have consented to the powers of amendment reserved by Fort Heritage Campgrounds and Christian Retreat, Inc.

C. Power of Attorney. Each condominium owner or mortgagee of a unit shall further be deemed by acceptance of a deed or mortgage to have appointed and empowered Fort Heritage Campgrounds and Christian Retreat, Inc., its attorney in fact to act in its behalf, without further consent, in making, executing, and filing of record any amendments to this Master Deed necessary to incorporate Future Phases into this Horizontal Property Regime. The Unit purchaser will sign his unit deed to indicate his acceptance of the above.

D. Recording. No amendment to this Master Deed to incorporate additional Phases shall become effective until recorded in compliance with the Horizontal Property Act.

XXIII. Miscellaneous. The miscellaneous provisions of the Master Deed are as follows:

A. All present or future owners, tenants or any other person who might use the facilities of the Regime in any manner, are subject to the provisions of this Master Deed and all documents appurtenant hereto and incorporated herewith, and the mere acquisition or rental of any Dwelling, or the mere act of occupancy of any Dwelling, shall signify that the provisions of this Master Deed are accepted and ratified in all respects.

B. The owner of each Dwelling shall have an exclusive easement for the use of the air space occupied by said Dwelling as it exists at any particular time and as said Dwelling may lawfully be altered or reconstructed from time to time, which easement shall be terminated automatically in any air space which is vacated from time to time.

C. The Dwellings, and Common Elements shall be, and the same are hereby, declared to be subject to the restrictions, easements, conditions and covenants described and established herein, governing the use of said Dwelling and Common Elements and setting forth the obligations and responsibilities incident to ownership of each Dwelling and its appurtenant undivided interest in the Common Elements, and said Dwellings and Common Elements are further declared to be subject to the restrictions, easements, conditions and limitations now of record affecting the land and improvements of the Regime.

The restrictions and burdens imposed by the Covenants of this Master Deed are intended to and shall constitute covenants running with the land, and shall constitute an equitable servitude upon each Dwelling and its appurtenant undivided interest in Common Elements and this Master Deed shall be binding upon Fort Heritage Campgrounds and Christian Retreat, Inc., its successors and assigns, and upon

all parties who may subsequently become owners of Dwellings in the Regime, and their respective heirs, legal representatives, successors and assigns.

D. The provisions of this Master Deed shall be liberally construed to effectuate its purpose of creating a uniform plan of Condominium ownership. The South Carolina Horizontal Property Act, 1976 Code of Laws of South Carolina, as presently amended is hereby adopted and expressly made a part hereof. In the event of any conflict between the provisions of this Master Deed and the said Horizontal Property Act of South Carolina, the act shall take the place of the provisions in conflict with the Master Deed.

E. Each unit owner is given the full and complete right of ingress to and egress from their unit, with such right being perpetual and appurtenant to the unit ownership.

F. The use of the masculine gender in this Master Deed shall be deemed to include the feminine and neuter genders and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

G. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Master Deed or the intent of any provision thereof.

IN WITNESS WHEREOF, the undersigned Fort Heritage Campgrounds and Christian Retreat, Inc. by its duly authorized officers hereby sets its hand and seal the day and year first above written.

IN THE PRESENCE OF:

*[Signature]*

*[Signature]*

FORT HERITAGE CAMPGROUNDS AND  
CHRISTIAN RETREAT, INC.

BY: *[Signature]*  
John A. Franklin, Vice-  
President of Finance

BY: *[Signature]*  
Robert L. Daniel, General  
Manager

ATTEST: *[Signature]*  
Sylvia Stevens,  
Assistant Secretary

STATE OF SOUTH CAROLINA )  
COUNTY OF YORK )

PROBATE

PERSONALLY appeared before me V.J. Sherk

who, first being duly sworn, deposes and says that he saw the within named Fort Heritage Campgrounds and Christian Retreat, Inc., a South Carolina Corporation, by its duly authorized officers shown above, sign, seal and, as its act and deed, deliver the within Master Deed, with all attachments; and that he with Thomas A. Givens, witnessed the execution thereof.

SWORN TO before me this 19th )  
day of January, 1982. )  
Thomas A. Givens )  
Notary Public for S. C. )  
My Commission Expires: 2-1-88 )

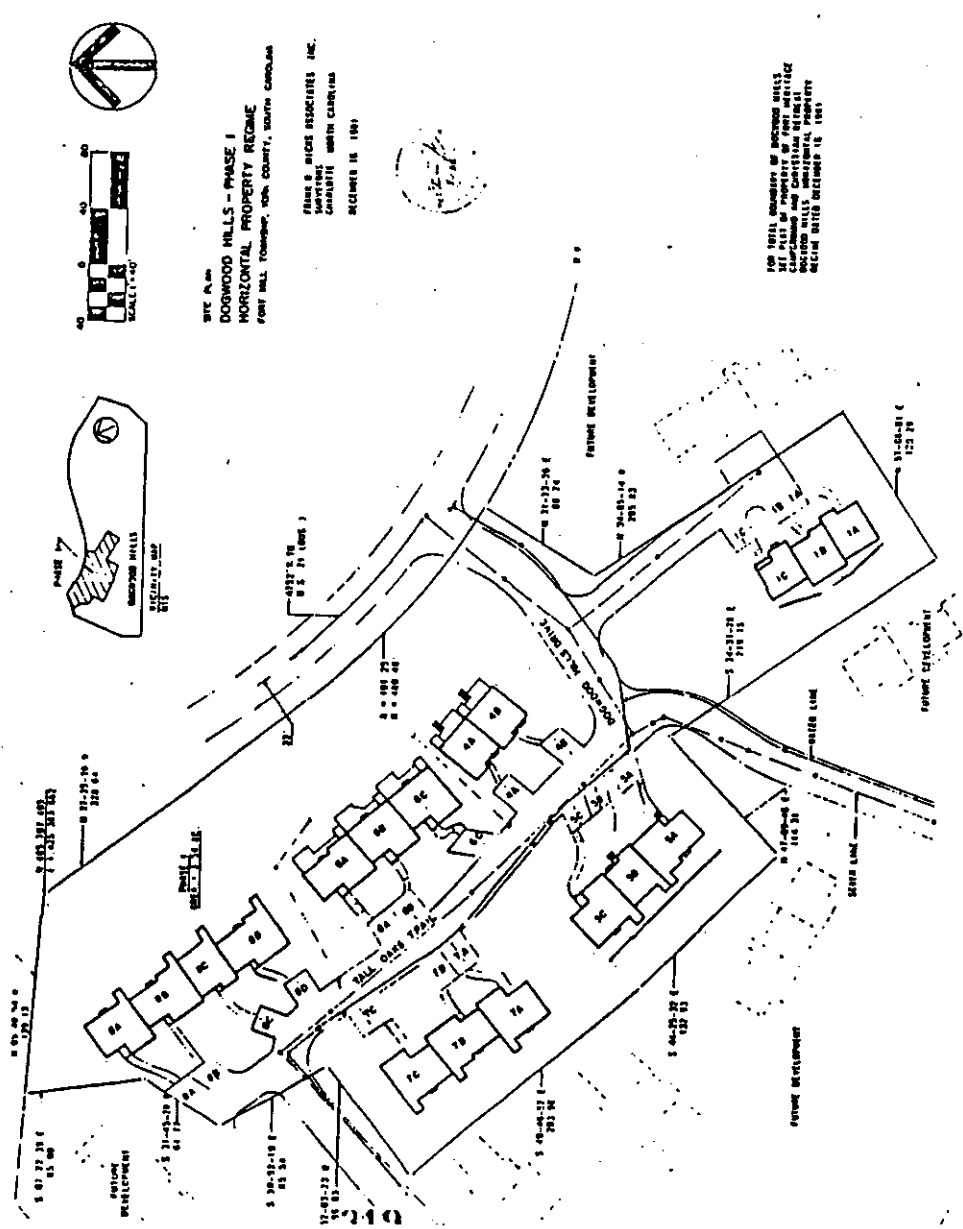
V.J. Sherk

Exhibit A

All that certain piece, parcel or tract of land lying, being and situate in School District #4, Fort Mill Township, York County, South Carolina, and being shown and designated as a 26.54 acre tract on a plat of property of Fort Heritage Campgrounds and Christian Retreat, Inc., Dogwood Hills Horizontal Property Regime, prepared by Frank B. Hicks Associates, Inc., Surveyors, dated December 16, 1981 and recorded in the Office of the Clerk of Court for York County in Plat Book 45 at Page 572, and being more particularly described as follows according to said plat: BEGINNING at a point on the southern edge of a right-of-way known as Heritage Boulevard and traveling thence S. 37-35-38 E. 228.64 feet to a point; thence along the southern edge of said right-of-way for a distance of 480.48 feet to a point on said right-of-way; thence S. 80-18-45 E. 464.39 feet to a point on said right-of-way; thence along said right-of-way for a distance of 540.61 feet to a point on said right-of-way; thence S. 33-12-49 E. 360.61 feet to a point; thence S. 41-48-31 W. 259.43 feet to a point; thence S. 69-37-15 W. 237.26 feet to a point; thence N. 63-29-34 W. 44.40 feet to a point designated as Conc. Mon. #13; thence N. 63-29-34 W. 776.26 feet to a point designated as Conc. Mon. #14; thence N. 63-29-34 W. 50.00 feet to a point; thence N. 64-22-51 W. 50 feet to a point designated as Conc. Mon. #15; thence N. 64-22-51 W. 380.54 feet to a point designated as Conc. Mon. #16; thence N. 64-23-09 W. 320.24 feet to a point designated Conc. Mon. #17; thence N. 64-23-09 W. 235.42 feet to a point; thence N. 25-36-51 E. 193.43 feet; thence N. 47-57-06 E. 418.81 feet to a point; thence S. 85-48-54 E. 213 feet to the point of beginning. This being the identical property conveyed to Fort Heritage Campgrounds and Christian Retreat, Inc. by deed of Heritage Village Church and Missionary Fellowship, Inc., executed January 1982, 1982 and recorded January 21<sup>st</sup>, 1982, in the Office of the Clerk of Court for York County in Deed Book 652 at Page 259.

TOGETHER with a right-of-way for ingress and egress to said property along a 66 foot road known as Heritage Boulevard extending approximately 4752 feet, more or less, from U. S. 21 (Bus) through tracts acquired by Heritage Village Church and Missionary Fellowship, Inc. from Heyward P. Garrison by deed executed on April 25, 1978, and recorded April 25, 1978 in Deed Book 569 at Page 939, and from the Sharon Corporation by deed executed on January 6, 1978, and recorded January 6, 1978 in Deed Book 562 at Page 914.

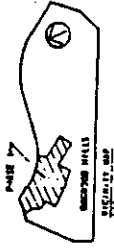
Exhibit A-1

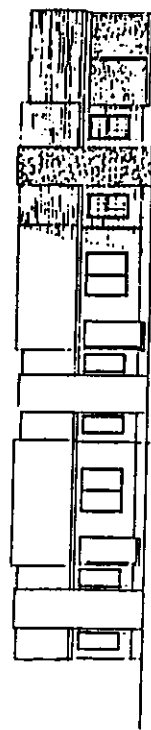


SITE PLAN  
 DOGWOOD HILLS - PHASE I  
 HORIZONTAL PROPERTY REGIME  
 FORT HILL TOWNSHIP, YORK COUNTY, SOUTH CAROLINA

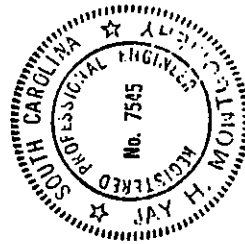
PAUL S. HICKS ASSOCIATES, INC.  
 ARCHITECTS  
 1000 W. MAIN STREET, SUITE 100  
 COLUMBIA, SOUTH CAROLINA 29201  
 DECEMBER 18, 1987

FOR FULL PROPERTY OF DOGWOOD HILLS  
 SEE HILLS PROPERTY REGIME  
 COMPLIANCE AND CERTIFICATION STATEMENT  
 FOR FULL HORIZONTAL PROPERTY  
 REGIME WITH EFFECTIVE 12/18/87





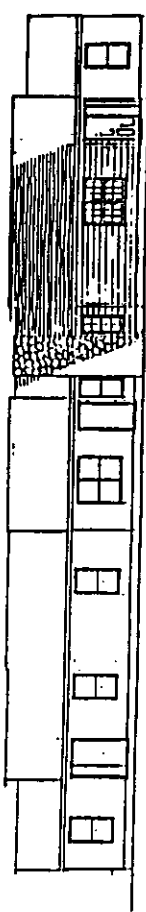
FACING & ELEVATION  
SCALE 1" = 12'



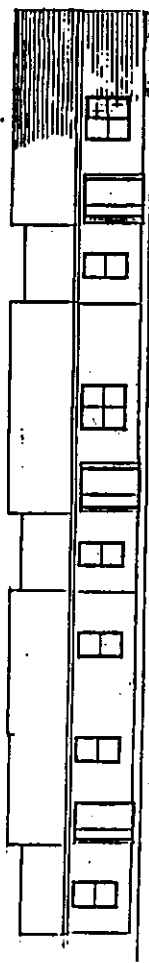


BUILDING N° 4

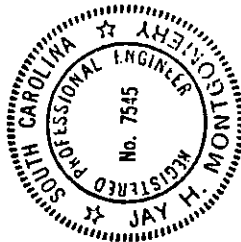
W. H. HAY  
REGISTERED PROFESSIONAL ENGINEER  
SOUTH CAROLINA

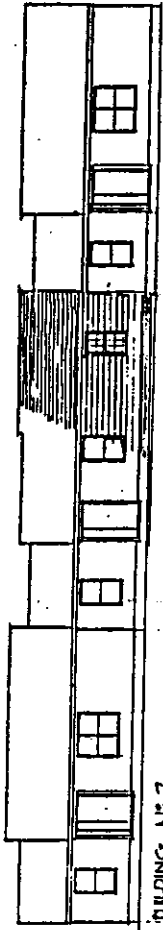


BUILDING N° 5

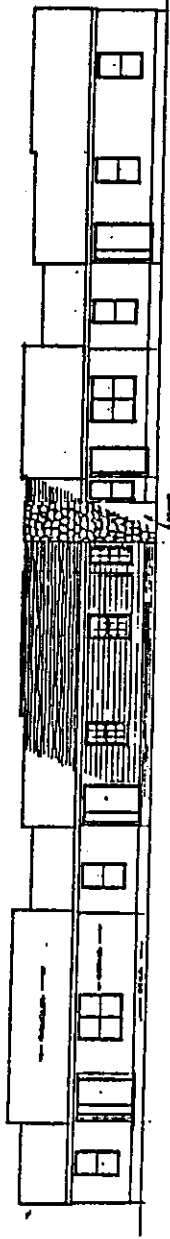


BUILDING N° 6

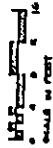




BUILDING N° 7



BUILDING N° 8



SCALE IN FEET

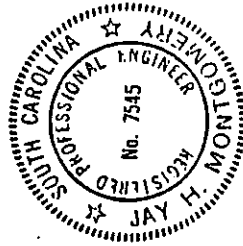


EXHIBIT "B"

Type 1 Units are composed of one (1) dwelling in Phase I designated as 1-C. Buildings in Future Phases of development will also contain this floor plan.

This unit has one (1) bedroom, one (1) bath, living room, kitchen, dining room, four (4) closets, patio and storage area. The unit contains approximately 688 square feet. Entry is made into the living room and an exit to the patio is provided from the dining room.

Type 2 Units are composed of six (6) dwellings in Phase I designated as 1-A, 1-B, 4-A, 4-B, 5-B and 8-C. Buildings in future phases of development will also contain this floor plan.

The dwellings have two (2) bedrooms, one (1) bath, living room, kitchen, dining room, four (4) closets, patio and storage area. The unit contains approximately 836 square feet. Entry is made into the living room and an exit to the patio is provided from the dining room.

Type 3 Units are composed of six (6) dwellings in Phase I designated as 5-C, 6-B, 6-C, 7-A, 7-C and 8-A. Buildings in Future Phases of development will contain this floor plan.

The dwellings have two (2) bedrooms, two (2) baths, living room, foyer, kitchen, dining room, four (4) closets, a utility closet, patio and storage area. The unit contains approximately 1202 square feet. Entry is made into a foyer and an exit to the patio is provided from the dining room.

Type 4 Units are composed of five (5) dwellings in Phase I designated as 5-A, 6-A, 7-B, 8-B and 8-D. Buildings in Future Phases of development will contain this floor plan.

The dwellings have three (3) bedrooms, two (2) baths, living room, foyer, kitchen, dining room, four (4) closets, a utility closet, patio and storage area. The unit contains approximately 1271 square feet. Entry is made into a foyer and an exit to the patio is provided from the dining room.

Unit Type 5 will be used for units in Future Phases.

These dwellings will have three (3) bedrooms, two (2) baths, living room, foyer, kitchen, dining room, four (4) closets, a utility closet, patio and storage area. The unit will contain approximately 1332 square feet. Entry will be made into a foyer and an exit to the patio will be provided from the dining room.

EXHIBIT "C"

Eighteen Units compromise Phase I of the Regime. The Statutory value and percentage of ownership per unit as well as an estimate percentage if all phases are completed:

	Statutory Value	% of Ownership	Approximate % if 200 units are completed
Unit 1A	\$49,900.00	4.9	.5
Unit 1B	49,900.00	4.9	.5
Unit 1C	44,900.00	4.4	.5
Unit 4A	49,900.00	4.9	.5
Unit 4B	49,900.00	4.9	.5
Unit 5A	62,500.00	6.2	.5
Unit 5B	49,900.00	4.9	.5
Unit 5C	56,900.00	5.7	.5
Unit 6A	62,500.00	6.2	.5
Unit 6B	56,900.00	5.7	.5
Unit 6C	56,900.00	5.7	.5
Unit 7A	56,900.00	5.7	.5
Unit 7B	62,500.00	6.2	.5
Unit 7C	56,900.00	5.7	.5
Unit 8A	56,900.00	5.7	.5
Unit 8B	62,500.00	6.2	.5
Unit 8C	49,900.00	4.9	.5
Unit 8D	<u>62,500.00</u>	<u>6.2</u>	.5
	\$998,200.00	99%	

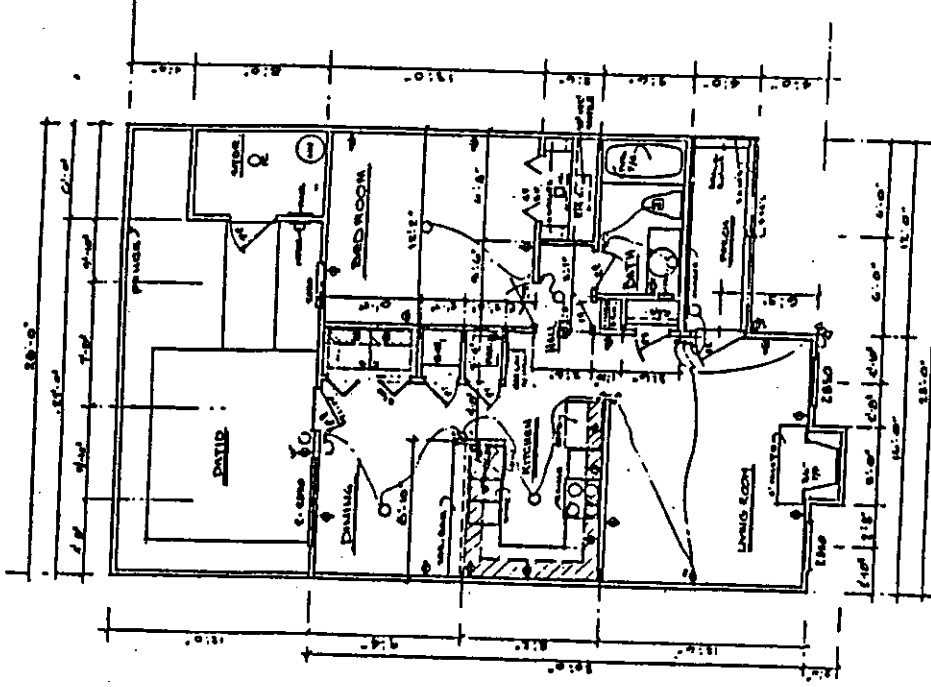
Note: As each phase is added to the Regime, more common property will be added, therefore a larger tract will be shared by more owners. The common elements added will not substantially increase the proportion of common expenses.

EXHIBIT "D"

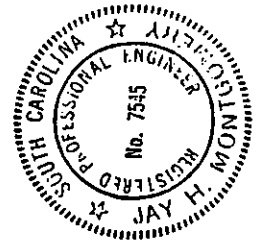
Exhibit "D" consists of floor plans of Dogwood Hills Horizontal Property Regime, which floor plans are attached hereto and made a part of this Exhibit "D".

1. The floor plans of Unit 1-C is shown in Exhibit "D-1".
2. The floor plans of Units 1-A, 1-B, 4-A, 4-B, 5-B and 8-C are shown in Exhibit "D-2".
3. The floor plans of Units 5-C, 6-B, 6-C, 7-A, 7-C and 8-A are shown in Exhibit "D-3".
4. The floor plans of Units 5-A, 6-A, 7-B, 8-B and 8-D are shown in Exhibit "D-4".
5. The floor plans of Type 5 are shown in Exhibit "D-5". There are no units of this type in Phase I.

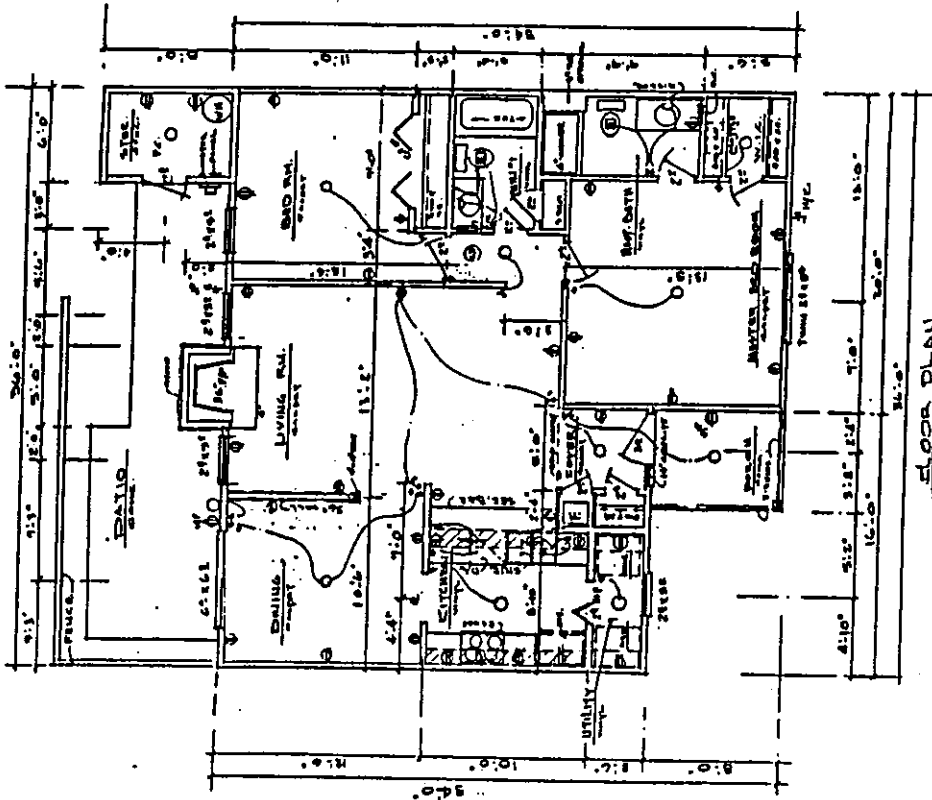
The floor plans are subject to minor modifications for remodeling purposes.



FLOOR PLAN  
 1 bedroom - 1 bath  
 UNIT TYPE 1

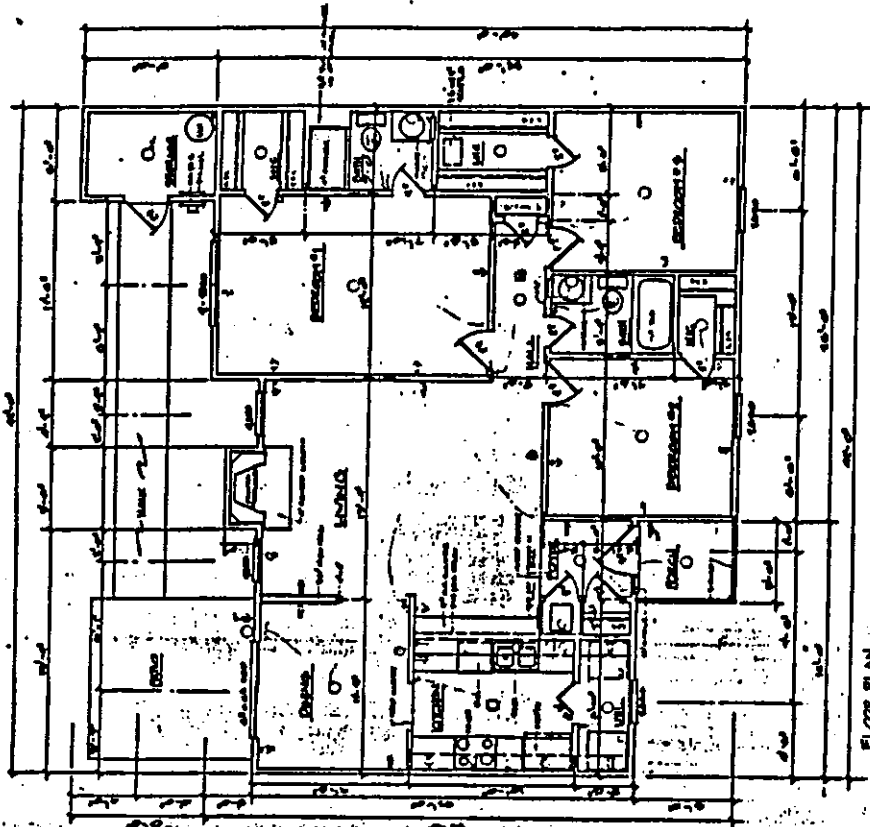






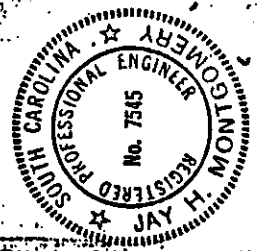
FLOOR PLAN  
 SCALE: 1/4" = 1'-0"  
 2 bedroom 2 bath  
 UNIT TYPE 3

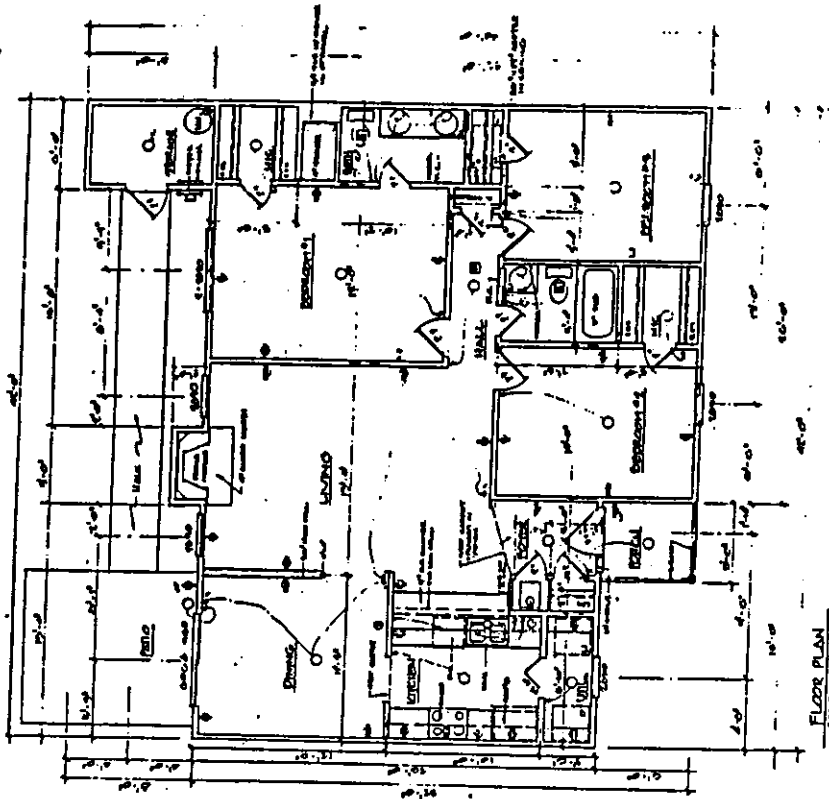




3 Bedroom - 2 ba. 1/2  
UNIT TYPE 4

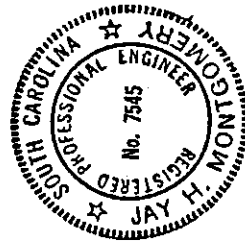
FLOOR PLAN





3 bedroom - 2 bath - rev.  
UNIT TYPE 5

FLOOR PLAN  
SCALE: 1/8" = 1'-0"



WHEREAS, James D. Bekker, P. O. Box 1049, Fort Hill, SC  
 John A. Franklin, P. O. Box 1049, Fort Hill, SC  
 Robert L. Dunlap, P.O. Box 1049, Fort Hill, SC

two or more of the officers or agents appointed to supervise or manage the affairs of

**DOGWOOD HILLS CONDOMINIUM ASSOCIATION, INC.**

which has been duly and regularly organized, did on the 30th day of  
 December, A. D. 19 81, file with Secretary of State a written declaration setting forth:

That, at a meeting of the aforesaid organization held pursuant to the by-laws or regulations of the said organization, they were authorized and directed to apply for incorporation.

That, the said organization holds, or desires to hold property in common for Religious, Educational, Social, Fraternal, Charitable or other eleemosynary purpose, or any two or more of said purposes, and is not organized for the purpose of profit or gain to the members, otherwise than is above stated, nor for the insurance of life, health, accident or property; and that three days' notice in the Evening Herald, a newspaper published in the County of York, has been given that the aforesaid Declaration would be filed.

And Whereas, said Declaration and Petition are further declared and affirmed:

FIRST: Their names and residences are as above given.

SECOND: The name of the proposed Corporation is **DOGWOOD HILLS CONDOMINIUM ASSOCIATION, INC.**

THIRD: The place at which it proposes to have its headquarters or be located is **Heritage USA, P.O. Box 1049  
 Fort Hill, SC 29715**

FOURTH: The purpose of the said proposed Corporation is to provide for maintenance, preservation and architectural control of the condominium units and to administer Dogwood Hills Condominium Association, Inc.

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

James D. Bekker	P. O. Box 1049, Fort Hill, SC	President
Roger L. Flossing	P. O. Box 1049, Fort Hill, SC	Vice President
A. T. Lewing	P.O. Box 1049, Fort Hill, SC	Secretary-Treasurer

SIXTH: That they desire to be incorporated: in perpetuity.

Now, Therefore, I, JOHN T. CAMPBELL, Secretary of State, by virtue of the authority in me vested, by Chapter 31, Title 31, Code of 1976 and Acts amendatory thereto, do hereby declare the said organization to be a body politic and corporate, with all the rights, powers, privileges and immunities, and subject to all the limitations and disabilities, conferred by said Chapter 31, Title 31, Code of 1976 and Acts amendatory thereto.

GIVEN under my hand and the seal of the State, at Columbia,  
 this 30th day of December  
 in the year of our Lord one thousand nine hundred and  
 81 and in the two hundred and  
 sixth year of the Independence of the  
 United States of America.

  
 JOHN T. CAMPBELL,  
 Secretary of State.





010

STATE OF SOUTH CAROLINA ) AMENDMENT TO MASTER DEED FOR DOGWOOD  
                                  ) HILLS HORIZONTAL PROPERTY REGIME ADDING  
COUNTY OF YORK              ) PHASE I PART E (Building #12)

WHEREAS, Fort Heritage Campgrounds and Christian Retreat, Inc., a South Carolina Corporation, hereinafter sometimes referred to as "Declarant", published and declared a Master Deed dated January 19, 1982 and recorded January 2, 1982 in the Office of the Clerk of Court for York County, South Carolina, in Deed Book 652 at page 263.

WHEREAS, Article XXII of said Master Deed provided for the amendment of same to include additional phases; and

WHEREAS, the construction of improvements in Phase I Part E is practically completed, and the Declarant exercises their rights under the aforesaid Article in the Master Deed to subject Part E of Phase I and its improvements to said Master Deed and to amend said Master Deed as follows:

1. Article III. (Definitions) Paragraph Q is amended to add the following:

Dwellings shall further mean the sixteen (16) separate and numbered dwelling units in Phase I Part E which are shown in Exhibit "A-1 Phase I Part E", attached hereto and designated in Exhibit "B Phase I Part E", attached hereto. These homes are designated as Unit 12-A, Unit 12-B, Unit 12-C, Unit 12-D, Unit 12-E, Unit 12-F, Unit 12-G, Unit 12-H, Unit 12-I, Unit 12-J, Unit 12-K, Unit 12-L, Unit 12-M, Unit 12-N, Unit 12-O, and Unit 12-P of Phase I Part E.

2. Article III. (Definitions) is amended to add the following:

KK. "Phase One Part E" means the portion of the subject property designated as Units 12-A, 12-B, 12-C, 12-D, 12-E, 12-F, 12-G, 12-H, 12-I, 12-J, 12-K, 12-L, 12-M, 12-N, 12-O, and 12-P and shown on Exhibit "A-1 Phase I Part E", attached hereto.

3. Exhibit A (including A-1, A-2, A-3, A-4) of the Master Deed is amended by adding Exhibit "A-11 Phase I Part E".

4. Exhibit "B" of the Master Deed is amended by adding Exhibit "B Phase I Part E".

5. Exhibit "C", percentage interest in common elements, Dogwood Hills Horizontal Property Regime, is amended to be shown as Exhibit "C Phase I Part E", attached hereto.

6. Exhibit "D" (Floor Plans) of the Master Deed is amended by adding Exhibit "D Phase I Part E", attached hereto. It is further amended by adding Exhibit "D-6 Phase I Part E" showing the floor plan of each unit in building 12.

7. Exhibit "G" (Deed) is amended by adding Exhibit "G Phase I Part E" for units in Phase I Part E.

8. In addition to the assessments to be charged each owner as provided in Article IX of the original Master Deed, the owner(s) of each individual unit in building 12 will be liable for their pro-rata share of common expenses for the limited common area of Building 12. These expenses will include but will not be limited to the following: utilities charges, housekeeping expenses, management expenses, repairs, costs for replacement of furniture and appliances, and miscellaneous expenses. The Association will collect the Association assessment as well as the pro-rata share of expense from the individual owners. A separate account will be maintained by the Association for the building twelve (12) owners, and a yearly report, will be made available to them for these expenses. X

9. Except as amended herein, the Master Deed referred to above shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned Fort Heritage Campgrounds and Christian Retreat, Inc. by its duly authorized officers hereby sets its hand and seal this 20th day of October, 1982.

IN THE PRESENCE OF:

James Bell

Peter G. Bailey

FORT HERITAGE CAMPGROUNDS AND  
CHRISTIAN RETREAT, INC.

BY: Dale Hill  
Dale Hill, Vice President

BY: Robert L. Daniel  
Robert L. Daniel, Vice  
President

ATTEST: David A. Taggart  
David A. Taggart,  
Assistant Secretary

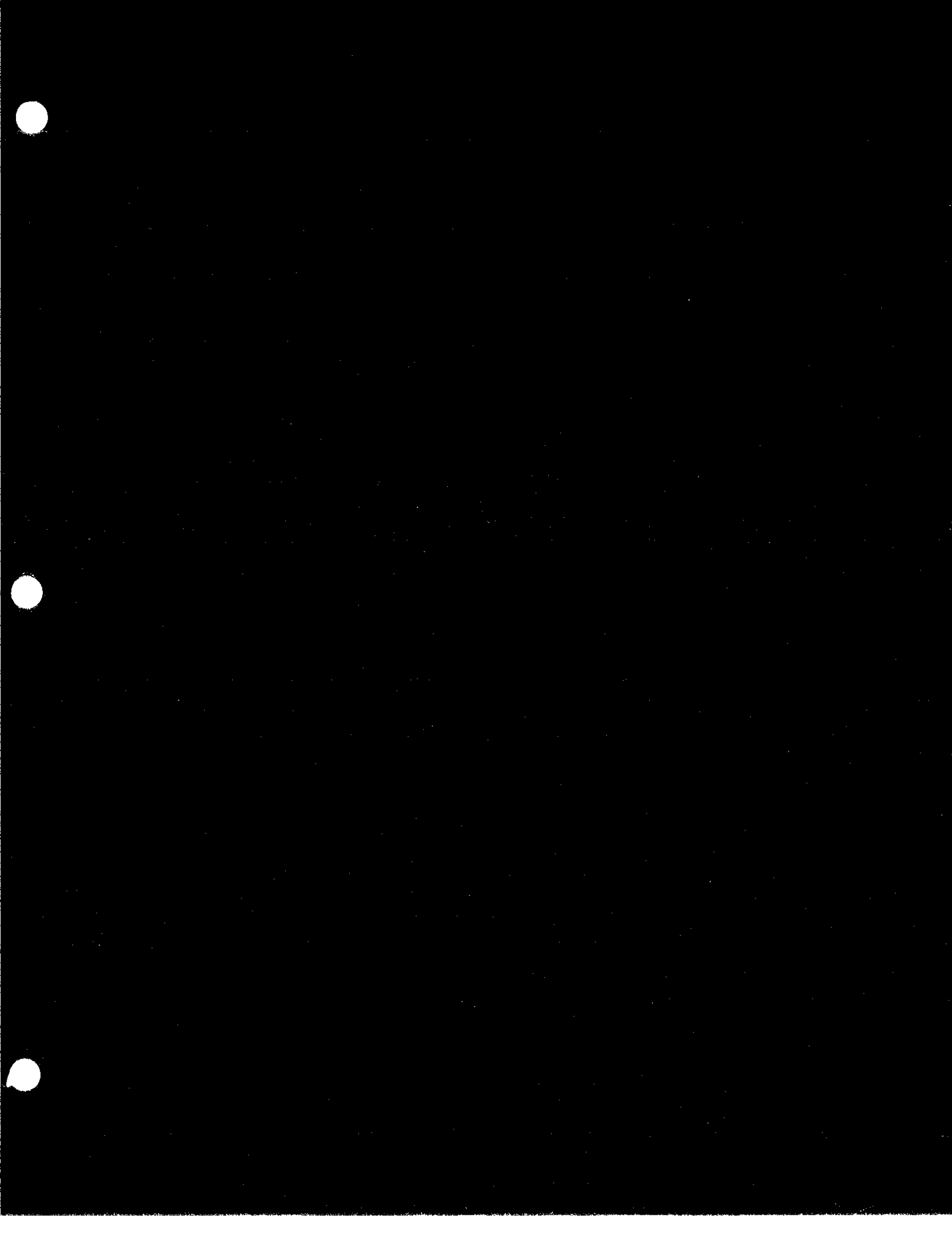


EXHIBIT   F    
BY-LAWS

These are the By-laws of the Dogwood Hills Condominium Association, Inc. (hereinafter sometimes referred to as the "Regime" or the "Association"), a non-profit corporation under the laws of the State of South Carolina. The Association has been organized for the purpose of administering a condominium upon the lands described in the Declaration of Dogwood Hills Horizontal Property Regime (the "Declaration") to which these By-laws are annexed.

I. GENERAL

A. Office of the Association. The office of the Regime shall be on the grounds at New Heritage USA (NHUSA) or within a five (5) mile radius of same.

B. Fiscal Year. The fiscal year of the Regime shall be the calendar year.

C. Purpose. The Regime has been organized for the purpose of administering Dogwood Hills Horizontal Property Regime, a condominium development under the Act of the General Assembly of the State of South Carolina, Title 27, Chapter 31 of the Code of Laws of South Carolina, 1976, as presently amended (the "Act").

D. Filing. These By-laws are annexed to the Declaration and made a part thereof, pursuant to the Act, which Declaration has been duly recorded in the office of the Clerk of Court for York County, South Carolina.

E. Application. These By-laws shall apply automatically to all residence owners, tenants of such owners, employees of owners and tenants, and any other persons who use the property, or any part thereof, which has been submitted to the provisions of the Act.

II. MEMBERS

A. Definition. "Member" as used in these By-laws shall mean and include a residence owners, co-owner, the Declarant (to the extent provided for by the Declaration), and each of their respective heirs, representatives and successors. Any person

becoming a residence owner shall automatically become a member of the Regime and be subject to these By-laws, and this membership shall terminate without any formal action of the Regime whenever such person ceases to be a residence owner, but such termination shall not relieve any such former residence owner from any liability or obligation incurred under or in any way connected with the condominium during the period of this ownership and membership, or impair any effective remedies which the Board of Directors or the Regime or others may have against such former residence owner arising out of, or in any way connected with, such ownership and membership and the covenants and obligations incident thereto.

B. Vote of Members. On all matters upon which the members are entitled to vote, each member shall be entitled to cast a vote equal to such member's percentage share of the common area, limited common area and facilities.

C. Initial Meeting. The initial meeting of members shall be held at the office of the Regime within the time as specified in the Declaration for the purpose of electing directors and transacting any other business authorized to be transacted.

D. Annual Meeting. Annual Meetings of members shall be held at New Heritage USA or within a five (5) mile radius of same at 7:30 o'clock p.m., on the first Friday of December of each year for the purpose of electing Directors and transacting any other business to be transacted by the members, providing, however, if that day falls on a legal holiday, the meeting shall be held at the same hour on the next day.

E. Special Meetings. Special meetings of members shall be held whenever called by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members entitled to cast a majority of the total vote of the Regime.

*So  
So to be  
of the  
year*

F. Notice of Meetings. Notice of all meetings of members stating the time and place and the objects for which the meeting is called shall be given by the President or Secretary unless waived in writing. Such notice shall be in writing to each member at his address as it appears on the books of the Regime and shall be mailed not less than ten (10) days nor more than thirty (30) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice.

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

Notice of meeting may be waived in writing either before or after meetings, and attendance at any meeting by a member shall be deemed a waiver of the notice requirements with respect thereto unless such member delivers written objection of failure to comply with such notice requirements of the person presiding at the meeting.

G. Quorum. A quorum meeting of members shall consist of persons entitled to cast a majority as defined in the Act of the total vote of the Regime. The joinder of a member in the action of

a meeting by signing and concurring in the minutes thereof shall constitute the presence of such member for the purpose of determining a quorum.

H. Residences Owned Jointly, Etc. The vote of the owners of a residence owned by more than one person or by a corporation or other entity shall be cast by the person named in a certificate signed by all of the owners of the residence or by the agent of such corporation or other entity, or by a general partner of a partnership, as the case may be, and filed with the Secretary of the Regime. Such certificate shall be valid until revoked by a subsequent certificate. If such a certificate is not on file, the vote of such members shall not be considered in determining the requirements for a quorum or for any other purpose.

I. ██████████ Votes may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting. Proxies will consist of two parts: Part A to deal with election of Board members; Part B with all other business to be voted on at the meeting. No proxy vote shall be cast, by anyone, on any motion that is made on the floor of the meeting. Votes on Parts A and B of proxy will be recorded by the Secretary and cast by the President as so marked on the proxy statement.

J. Approval Without Meeting. Approval or disapproval of a member upon any matter, whether or not the subject of a Regime meeting, shall be by the same person authorized to cast the vote of such member if in a Regime meeting.

K. Adjourned Meetings. If any member or members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

L. Presiding Officer. The presiding officer at all meetings of members shall be President, in whose absence the Vice President shall preside. If neither such officer is present, the members shall elect a chairman to preside at the particular meeting.

M. Order of Business. The order of business at all Annual Meetings of the members shall be as follows:

1. Roll call or attendance sheet.
2. Proof of notice of meeting or waiver of notice.
3. Reading of minutes of preceding meeting.

4. Reports of officers.
5. Report of committees.
6. Election of inspectors of election.
7. Election of Directors.
8. Unfinished business.
9. New business.

The order of business at all Special Meetings of the Members shall include items (1) through (4) above, and thereafter, the agenda shall consist of the items specified in the notice of meeting.

N. Powers and Duties of Members. Powers and duties of members shall be those powers and duties specifically and exclusively required by the Act, the Declaration and these By-laws to be exercised and be performed by the Regime which powers and duties shall be exercised and performed upon a majority of the total vote of the Regime, except as otherwise provided in the Act, the Declaration or these By-laws, such powers and duties to include, but not be limited to, the following:

1. Election of directors, as provided in these By-laws.
2. Removal of any director upon vote of 75% of the total vote of the Regime, and election of a replacement therefore upon vote of a majority of said total vote.
3. Determination whether to repair, reconstruct or rebuild after a casualty, as provided in the Declaration. Also to grant easements or deeds to third parties as may be required for parking, drainage or utility purposes or for straightening boundary lines..
4. Determination whether to make structural changes or additions, as provided in the Declaration.
5. Promulgation of regulations, as provided in the Declaration.
6. Proposal and approval of amendments to the Declaration and condominium deeds, as provided in the Declaration.
7. Approval of amendments to the By-laws, as provided in these By-laws.
8. Approval of termination of the condominium and removal of the property from the provisions of the Act, as provided in the Declaration.
9. Approval of increase in assessments, as provided in the Declaration.

O. Obligations of the Members.

1. Assessments. All members are obligated to pay periodic assessments imposed by the Association to meet all Association

expenses, which shall include a capital improvements and obsolescence fund to make improvements to the common elements and to replace worn out, deteriorated and obsolete portions of the common elements and which shall also include a liability insurance policy premium and an insurance premium for a policy to cover repair and reconstruction work in case of hurricane, fire, earthquake or other hazard. The assessments shall be made pro-rata according to the value of the Dwelling owned, as stipulated in the Master Deed. For further instructions, see Declaration.

2. Maintenance and Repair.

a. Every member must perform promptly all maintenance and repair work within his own Dwelling, which if omitted would affect the property in its entirety or in a part belonging to other members, being expressly responsible for the damages and liabilities that his failure to do so may engender.

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

c. A member shall reimburse the Association for any expenditures incurred in repairing or replacing any common elements damaged through his fault. See Declaration.

3. Use of Dwellings - Internal Changes.

a. All Dwellings shall be utilized for residential purposes only.

b. A member shall not make structural modifications or alterations in a Dwelling or installations located therein without complying with Section XII, Paragraph C of the Declaration. The Regime shall have the obligation to answer within thirty (30) days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.

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

5. Right of Entry.

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

b. A member shall permit other members, or their representatives, when required, to enter his Dwelling for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, provided that requests for entry are made in advance and that such entry is at a time convenient to the member whose Dwelling is entered. In case of an emergency, such right of entry shall be immediate.

6. Rules of Conduct:

a. The following rules and regulations have been adopted to insure that the common elements are maintained in a consistent manner by all the unit owners so as to provide for an exemplary Christian residential community. Accordingly, no unit owner or resident of the property shall:

- (1) Post any advertisements, signs or posters of any kind in or on the Property except as authorized by the Association Board of Directors.
- (2) Hang garments, rugs, sheets, or similar objects from the windows or from any of the facades of the property. Window coverings in the color white are preferred or in the alternative, either white liners or venetian blinds should be installed with any draperies, curtains or any other window covering.
- (3) Clean dust rags, mops or similar objects, from the windows or clean rugs or similar objects by beating them on the exterior part of the property.
- (4) Throw garbage or trash outside the disposal installations provided for such purposes in the service areas.
- (5) Act so as to interfere unreasonably with the peace and enjoyment of the residents of the other dwellings on the property. Residents shall exercise extreme care to avoid unnecessary noise of any kind, including the use of musical instruments, radios, televisions, amplifiers, motors, and noisy vehicles. Loud noises will not be tolerated.

- (6) Allow any pet outside his unit unless said pet is kept on a-leash. The owners are responsible for clean-up after their pets. In addition, residents may have only one (1) small dog or cat.
- (7) Store firewood in front of unit, or any other articles in front or rear of unit; however, firewood may be stored in rear of unit provided it is at a minimum of five (5) to ten (10) feet of the unit.
- (8) Make any changes, deletions, additions, or improvements to the exterior of the residential dwelling without the prior written approval of the Board of Directors. Nor cut any trees on any part of the property.
- (9) Install or erect any fences or walls of any kind on or around any structure or in any area except such as are installed in accordance with the original construction of the dwelling and replacement thereof.
- (10) Install or erect any structure of a temporary nature such as a shack, tent, garage, barn or other similar structure.
- (11) Install or erect a radio, television or satellite tower or dish within the regime.
- (12) Install or erect a clothesline, nor shall any resident hang any clothing whatsoever outside their unit.
- (13) Excavate, extract or remove any earth or dirt which may materially affect the surface grade of the property at any time.
- (14) Park more than two (2) cars in front of each unit. Parking for each unit is restricted to two (2) spaces per unit. Visitors may park in the street for a short interval. Overnight visitor parking is prohibited (if vehicle cannot be parked in the two (2) spaces in front of the unit). Camper units of any type may not be parked in the regime.
- (15) Permit any debris or objects in the common area, particularly adjacent to each unit.

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

7. Compliance and Default.

a. Each member shall be governed by and shall comply with the terms of the Master Deed, by the Articles of Incorporation, By-laws and regulations adopted pursuant thereto, and by such documents and regulations as they may be amended from time to time. A default shall entitle the other members to the relief described hereafter in addition to the remedies provided by the Act.

b. A member shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness or by that of any member of his family or his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the member of the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of a Dwelling or its appurtenances. In any proceeding arising because of an alleged default by a member, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees as may be awarded by the court.

c. The failure of the members to enforce any covenant, restriction or other provision of the Act, the Master Deed, the Articles of Incorporation, the By-laws, or the regulations adopted pursuant thereto, shall not constitute a waiver of their right to do so thereafter.

III. DIRECTORS

A. Number and Election Board of Directors shall consist of nine (9) members who shall be elected by the members of the Association. The terms of Directors shall be staggered so that three (3) are elected in one year and three (3) are elected the next two (2) succeeding years. The Board shall be elected to serve two (2) year terms. Upon expiration of the term of a Director, a replacement Director shall be elected by the Association Board to serve until the next Annual Meeting. A Board member whose term has expired may choose to be re-elected if so nominated.

2. Elected Directors shall reside at Heritage USA or within a six (6) mile radius of same.

3. No more than one member of a family, or household, shall serve on the Board at one time. For purposes of this By-law, family shall mean those related by blood or marriage.

B. Manner of Election Removal. The Directors shall be chosen by ballot at the initial meeting of members, and at appropriate annual meetings thereafter, or at any meeting held in place thereof. Each Director when elected shall serve, unless removed as hereinafter set forth, until the annual meeting of members at which his term expires and until his successor is elected. Any Director or Directors may be removed at any time, with or without cause, by vote of 75% of the total vote of the Association at any regular or special meeting thereof, each new Director to serve the remainder of the term of the removed Director. Any Director whose removal has been proposed shall be given an opportunity to be heard at the meeting.

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

D. Organization Meeting. The first meeting of a newly elected Board shall be held within ten (10) days of election at such place as shall be fixed by the Board at the meeting at which such Board members were elected by the Council, and no further notice shall be necessary to take action at the organization meeting provided a quorum of the Board shall be present.

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

F. Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from any one of the Directors.

Notice of the special meetings shall be given by the Secretary/Treasurer, or other designated person, at least three (3) days prior to the day named for such meeting unless notice is waived.

G. Waiver of Notice. Before any meeting of the Board, any Board member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Board member at any meeting of the Board shall be a waiver of notice by him.

H. Vote of Directors. Each Director shall have one whole vote, regardless of his percentage of undivided interest in the common areas and facilities, and regardless of the number of residences owned by him.

I. General Provisions. Any meeting of the Board at which all Directors are present shall be as valid as if held pursuant to proper notice and if a meeting is held with notice, but if the absent Directors sign the minutes of the meeting thereafter, the same shall be a valid meeting as though called upon due notice.

J. Board Quorum. At all meetings of the Board, any five (5) of the Board members shall constitute a quorum for the transaction of business. Board action shall require approval of at least five (5) Directors. If at any meeting of the Board, there be less than a quorum present, the meeting shall be adjourned and rescheduled as soon as practicable thereafter. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

K. Presiding Officer. Presiding officer of directors' meetings shall be the Chairman, in whose absence a Vice-Chairman shall preside.

L. Compensation. Compensation of Directors, if any, shall be determined by the members.

M. Powers and Duties of the Board. The powers and duties of Directors shall consist of those powers and duties specified in the Act, the Declaration and these By-laws to be exercised and performed by the Board of Directors, which powers and duties shall be exercised and performed upon a majority of the total vote of the Board, except as otherwise provided in the Act, the Declaration or these By-laws, such powers and duties to include, but not be limited to, the following:

1. Election of officers.
2. To manage the affairs of the Association in conformance with the Act and the condominium documents, including, without limitation, supervision of employees of the Association, approval of purchase of supplies and equipment and supervision of performance of contracts to which the Association is a party.
3. Approval of plans for repair, reconstruction or rebuilding, as provided in the Declaration.
4. Obtaining fidelity bonds as provided in these By-laws.
5. Consideration and approval or disapproval of exterior changes by members of their residences as provided in the Declaration.
6. Appointment of public accountant or firm thereof to audit the books and records of the Association.
7. To appoint such committees of the Association to be appropriate in the conduct of the affairs of the Association.

N. Power and Duties of Officers.

A. Elected Officers. The Board of Directors, by vote of a majority of the whole Board, shall elect annually from the membership of the Board of Directors a President, Vice President and Secretary/Treasurer. Any Board member may be removed, either with or without cause at any meeting by vote of the majority of the whole Board. No person may hold more than one such office at the same time. Compensation of such officers, if any, shall be determined by the members.

B. Powers and Duties of President. The President shall be the chief executive officer of the Association and shall exercise all the powers and perform all the duties of the Association as provided in the Act, the Declaration and these By-laws (including all powers necessary and proper for carrying out such powers and duties) excepting only those powers and

member or for any loss sustained by the Association or any member, unless the same shall have resulted from his own willful or negligent act or neglect.

2. Every Director, officer and agent of the Association shall be indemnified by the Association against all reasonable costs, expenses and liabilities (including counsel fees) actually and necessarily incurred by or imposed upon him in connection with or resulting from any claim, action, suit, procedure, investigation or inquiry as to whatever nature in which he may be involved as a party or otherwise by reason of his being or having been a Director, officer or agent at the time of incurring or imposition of such costs, expenses or liabilities, except in relation to matters as to which he shall be finally adjudged in such action, suit, proceeding, investigation for inquiry to be liable for willful misconduct or neglect in the performance of his duties, in the absence of such final adjudication of the existence of such liability, the Association and each member thereof and officer or agent thereunder may conclusively rely on an opinion of legal counsel selected by the Association. The foregoing right of indemnification shall be in addition to and not in limitation of all other rights to which such person may be entitled as a matter of law, and such shall inure to the benefit of the legal representative of such person.

#### IV. POWERS AND DUTIES OF OFFICERS

A. Elected Officers. The Board of Directors, by vote of a majority of the whole board, shall elect annually from the *Board of* membership of the Association a President, Vice-President and Secretary/Treasurer, ~~none of whom shall be a Director~~, which officers or any of them may be removed, either with or without cause, at any meeting by vote of a majority of the whole board. No person may hold more than one such office at the same time. Compensation of such officers, if any, shall be determined by the members.

duties specifically and exclusively assigned by the Act, the Declaration or these By-laws, to be exercised by the other officers, the Board of Directors or the membership of the Association. The President's duties shall include, but not be limited to, the following:

1. To report on state of the condominium at regular meetings of the Board of Directors, and at special board meetings called for that purpose, in such detail as shall be required by the Board.
2. To direct the affairs of the Association in conformance with the Act and the condominium document, as authorized by the Board of Directors, and supervision of performance of contracts to which the Association is a party.
3. To preside at meetings of the members.
4. To attend all meetings of the Board of Directors.
5. To appoint such committees of the Association or the Board of Directors as he, in his discretion, determines to be appropriate in the conduct of the affairs of the Association.
6. To exercise such other powers and perform such other duties as shall be prescribed by the Directors.

C. Vice-President. The Vice-President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the directors.

D. Secretary/Treasurer. The Secretary/Treasurer shall keep the minutes of all proceedings of the directors and members. He shall attend to the giving and serving of all notices to the members and directors and other notices required by law. He shall keep the records of the Association, except those of the President and shall perform such other duties incident to the office of secretary as may be required by the directors or the President. He shall also keep full and accurate accounts of all receipts and disbursements in books belonging to the Regime and to deposit all monies and other valuable effects in the name and to the credit of the Regime in such depositories as may from time to time be designated by the Board. The Secretary/Treasurer may be referred to herein as "Secretary", "Treasurer" or Secretary/Treasurer".

V. FISCAL MANAGEMENT OF THE ASSOCIATION.

The provisions for fiscal management of the Association set forth in the Declaration and elsewhere in these By-laws shall be supplemented by following provisions:

A. Assessments.

1. Creation of the Lien and Personal Obligation of Assessments.

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

2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the Property and in particular for the improvement and maintenance of the Property, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Elements, and of the Dwellings situated upon the property.

Each year, at the Annual Meeting of the Membership, the Board of Directors shall present for approval by the members, a detailed budget projecting the estimated expenditures and related reserves for capital improvements for the ensuing calendar year, together with a schedule identifying the monthly assessment required by each category of unit owner to cover the projected expenditures of the Association.

3(b) Should circumstances or conditions require a change in the approved budget or related reserves for capital improvements, the Board of Directors shall submit its recommendation of such changes to the members at a Special Meeting of the membership called for this purpose, written notice of which shall be sent to all members not less than ten (10) days nor more than thirty (30) days in advance of the meeting setting forth the purpose of the meeting.

4. Basis and Maximum of Annual Assessments. Until January 1st of the year immediately following the conveyance of the first dwelling to a member, the maximum annual assessment shall be \$75.00 per month for ALL Dwellings.

From and after January 1st of the year immediately following the conveyance of the first Dwelling to a member, [REDACTED]

[REDACTED]

[REDACTED] written notice of which shall be sent to all members not less than ten (10) days nor more than thirty (30) days in advance of the meeting setting forth the purpose of the meeting. The limitations hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation.

5. Emergency Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy in any assessment year, a special assessment applicable to that year only, for the purpose of defraying in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the property or common elements, including the necessary fixtures and personal property related hereto, provided that any such assessment shall

have the assent of two-thirds (2/3) of the votes of the members in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than ten (10) days nor more than thirty (30) days in advance of the meeting setting forth the purpose of the meeting. See Declaration, Section IX, Paragraph F.

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

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

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

9. Effect of Non-Payment of Assessments: Remedies of the Association. Any assessments which are not paid when due shall be

delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eight (8%) percent per annum, and the Regime may bring an action at law against the member personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No member may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Elements or abandonment of his Dwelling.

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

11. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage, mortgages, deed of trust or deeds of trust. Sale or transfer of any Dwelling shall not affect the assessment lien. However, the sale or transfer of any Dwelling shall not be subject

to any mortgage, pursuant to the decree of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof which became due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any mortgage, mortgages, deed of trust or deeds of trust.

12. Exempt Property. The following property subject to the Master Deed shall be exempt from the assessments created thereon: All properties dedicated to and accepted by a local public authority. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

13. [REDACTED] The assessment roll shall be maintained by the Secretary/Treasurer in a set of accounting books in which there shall be an account for each member of the Association. Such an account shall designate the name and address of the member, the amount of each assessment against the member, the dates and amounts in which the assessments come due, the amounts paid upon the account and the balance due upon assessments.

14. Budget.

a. The Secretary/Treasurer shall prepare a budget for each calendar year which shall contain estimates of the cost of performing the functions of the Association, including, but not limited to, the following items:

(1) Common expense budget:

- i Maintenance and operation of common area, limited common (that Association is to maintain) and facilities.
- ii Casualty insurance.
- iii Liability insurance.
- iv Administration.
- v Water and sewer charges, if any.
- vi Charges for electricity and gas used in common areas.
- vii Other.

(2) Proposed assessments against each member:

- i Common expense budget.

ii Other.

b. Copies of the budget and proposed assessments shall be transmitted to each member on or before December 1 preceding the year for which the budget is made. If the budget is subsequently amended before the assessments are made, a copy of the amended budget shall be furnished each member concerned.

15 Bank Accounts. The depository of the Association shall be such bank or banks as shall be designated from time to time by the directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by the Secretary/Treasurer and President.

16. Audit of Accounts. An audit of the accounts of the Association shall be made annually by a certified public accountant, or firm of accounts, and a copy of the report of such accountant with respect thereto shall be furnished to each member not later than April 1 of the year following the year for which the report is made.

VI. PARLIAMENTARY RULES

Robert Rules of Order (latest edition) shall govern the conduct of Association proceedings when not in conflict with the condominium documents or the Act.

VII. AMENDMENTS

Amendments to the By-laws shall be proposed and adopted in the following manner:

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

B. Adoption. A resolution adopting an amendment to the By-laws must receive approval of two-thirds (2/3) of the total vote of the Association. Directors and members not present at the meetings considering the amendment may express their approval in writing.

VIII. BOOKS AND RECORDS

[REDACTED] Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Master Deed, the Articles of Incorporation and the By-laws of the Association shall be available for inspection by any member at the principal office of the Association where copies may be purchased at reasonable cost.

#### IX. CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Dogwood Hills Condominium Association, Inc.

#### X. CONSTRUCTION

In the case of any conflict between the Articles of Incorporation and these By-laws, the Articles shall control; and in the case of any conflict between the Master Deed and these By-laws, the Master Deed shall control.

#### XI. MORTGAGES

Section 1. Notice to Board. A member who mortgages his Dwelling shall notify the Board of the name and address of his mortgagee; and the Association shall maintain such information in a book entitled "Mortgagees of Dwellings".

Section 2. Notice of Unpaid Assessments. The Board shall, at the request of a mortgagee of a Dwelling, report any unpaid assessments due to the Association from the owner of such Dwelling.

#### XII. SALE OR LEASE OF DWELLING

In the event that a member desires to sell or lease a Dwelling, then said Dwelling shall be sold or leased in the manner provided in Article V and Article IX, Paragraph N of the Master Deed.

#### XIII. COMPLIANCE

These By-laws are intended to comply with the requirements of the Horizontal Property Act of South Carolina as presently amended. In case of any of these By-laws conflict with the provisions of said statute, it is hereby agreed and accepted that the provisions of the statute will control.

XIV. USE OF PRONOUNS

Wherever the masculine singular form of the pronoun is used in these By-laws, it shall be construed to mean the masculine, feminine or neuter, singular or plural, wherever the context so requires, and vice versa.

CERTIFICATION

I, the undersigned, do hereby certify;

THAT I am the duly elected and acting Secretary/Treasurer of Dogwood Hills Condominium Association, Inc., a South Carolina Corporation, and

THAT the foregoing By-laws constitute the original By-laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 15th day of December, 1981.

  
A. T. LAWING  
Secretary/Treasurer

The State of South Carolina,  
COUNTY OF YORK

*KNOIV ALL MEN BY THESE PRESENTS, That*  
Fort Heritage Campgrounds and Christian Retreat, Inc., a South Carolina  
corporation

*in the State aforesaid,*

*in consideration of the sum of*  
*Dollars*

*to it in hand paid at and before the sealing of these presents, by*

*in the State aforesaid,*

*(the receipt whereof is hereby acknowledged)*

*has granted, bargained, sold and released, and by these Presents does grant, bargain, sell and release, unto the said*

Unit No. \_\_\_\_\_ in Dogwood Hills Horizontal Property Regime  
Phase I (a condominium), a Horizontal Property Regime established  
by Fort Heritage Campgrounds and Christian Retreat, Inc.,  
pursuant to the South Carolina Horizontal Property Act, Sections  
27-21-20 through 27-31-300, 1976, Code of Laws of South Carolina,  
as amended and submitted by Master Deed dated January \_\_\_\_\_,  
1982, recorded in the Office of the Clerk of Court for York  
County in Deed Book \_\_\_\_\_, at Page \_\_\_\_\_, on January \_\_\_\_\_,  
1982. The real estate upon which the said building is situate is  
more fully described on a survey prepared by Frank B. Hicks  
Associates, Inc. dated December 16, 1981 and recorded in the  
Office of the Clerk of Court for York County in Plat Book \_\_\_\_\_,  
at Page \_\_\_\_\_.

This being a portion of the identical property conveyed to  
grantor herein by deed of Heritage Village Church and Missionary  
Fellowship, Inc., executed on January \_\_\_\_\_, 1982, and recorded  
January \_\_\_\_\_, 1982, in the Office of the Clerk of Court for  
York County in Deed Book \_\_\_\_\_, at Page \_\_\_\_\_.

The purchaser(s) by acceptance of this conveyance consent(s) to  
the grantor's right to add future phases as provided in Paragraph  
XXII of the Master Deed cited above.

\_\_\_\_\_  
\_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS, That, Heritage Village Church and Missionary Fellowship, Inc. being the owner and holder of a certain mortgage from Fort Heritage Campground and Church Retreat, Inc., dated January \_\_\_\_, 1982, recorded in the Office of the Clerk of Court for York County, South Carolina, in Mortgage Book \_\_\_\_\_, at Page \_\_\_\_\_, on January \_\_\_\_, 1982, securing note in the original principal amount of \$159,240.00, which said mortgage encumbers the real property and improvements identified in the foregoing Master Deed, which property is being submitted to a Horizontal Property Regime, known as Dogwood Hills Horizontal Property Regime, a condominium project, in accordance with the terms and conditions of the foregoing Master Deed and subject to Sections 27-31-10, et seq, 1976 Code of Laws of South Carolina, as presently amended, and said mortgagee hereby agrees to the establishment of said Horizontal Property Regime to the end that said mortgage will henceforth encumber each and every one of the said units of Dogwood Hills Horizontal Property Regime.

This consent and joinder in the foregoing Master Deed establishing Dogwood Hills Horizontal Property Regime shall be binding upon the undersigned mortgagee, its successors and assigns.

IN WITNESS WHEREOF, the said mortgagee, to wit: Heritage Village Church and Missionary Fellowship, Inc. has caused this Consent of Mortgagee to be executed in his name this 19th day of January, 1982.

SIGNED, SEALED AND DELIVERED  
IN THE PRESENCE OF:

Thomas A. Givens  
V. J. Sherk

John A. Franklin  
JOHN A. FRANKLIN, Vice President of Finance  
Robert L. Daniel  
ROBERT L. DANIEL, General Manager  
Sylvia Stevens  
PROBATE SYLVIA STEVENS, Asst. Secretary

STATE OF SOUTH CAROLINA )  
COUNTY OF YORK )

PERSONALLY appeared before me V. J. Sherk, who, being duly sworn, deposes and says: That he saw the within named Heritage Church & Missionary Fellowship, Inc. sign, seal and as his act and deed Village deliver the foregoing written Consent of Mortgagee to Submit Property to South Carolina Horizontal Property Act for the uses and purposes therein mentioned, and that she with THOMAS A. GIVENS witnessed the execution thereof.

SWORN TO before me this 19th  
day of January, 1982. )

Thomas A. Givens  
Notary Public for S. C. )

V. J. Sherk