

**THIS DOCUMENT CONTAINS A BINDING AND IRREVOCABLE AGREEMENT TO  
ARBITRATE CERTAIN DISPUTES AND CLAIMS PURSUANT TO THE SOUTH  
CAROLINA UNIFORM ARBITRATION ACT, FOUND AT SECTIONS 15-48-10, ET  
SEQ., CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED.**

**THIS DOCUMENT IS PRO FORMA. THE DETAILS OF THE HORIZONTAL  
PROPERTY REGIME ARE STILL IN PLANNING; THEREFORE THIS MASTER  
DEED IS SUBJECT TO AMENDMENT AND MODIFICATION WITHOUT PRIOR  
NOTICE.**

**MASTER DEED**

**OF**

**THE BAMBOO COTTAGES OF CLEMSON HORIZONTAL PROPERTY REGIME**

**Pickens County**

**City of Clemson, South Carolina**

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Table of Exhibits

<u>Exhibit</u>	<u>Subject Matter</u>
"A"	Property Description
"B"	Plot Plan (As-built Survey) and Surveyor's Certificate
"C"	Elevations and Floor Plans
"D"	Schedule of Percentage Interests
"E"	Articles of Incorporation of The Bamboo Cottages of Clemson Condominium Owners Association, Inc.
"F"	Bylaws of The Bamboo Cottages of Clemson Owners Association, Inc.
"G"	Title Exceptions

**MASTER DEED OF**  
**THE BAMBOO COTTAGES OF CLEMSON HORIZONTAL PROPERTY REGIME**

THIS MASTER DEED is made by **WALTO, LLC**, a South Carolina limited liability company, having its principal place of business located at 391 College Avenue, Suite 506, Clemson, SC 29631 ("Walto") and **CRAWFORD EDGE HWY 178, LLC**, a South Carolina limited liability company, having its principal place of business located at 108 Ole Town Square, Suite B, Central, South Carolina 29630 ("Crawford Edge") (Walto and Crawford Edge hereinafter collectively referred to as "Declarant").

RECITALS:

WHEREAS, Declarant is the fee simple owner of that certain piece, parcel or tract of land (the "Land"), with Improvements (as defined herein) located thereon, situate, lying and being in the City of Clemson, Pickens County, South Carolina, with a street address of 235 Pendleton Road, Clemson, South Carolina 29631, and being more particularly described in Exhibit "A" attached hereto and incorporated herein by reference (the Land and the Improvements are hereinafter together called the "Property"); and

WHEREAS, the Declarant desires to create a horizontal property regime and submit the Property to the condominium form of ownership pursuant to the provisions of the South Carolina Horizontal Property Act, South Carolina Code of Laws (1976), Section 27-31-10, *et seq.*, as amended, as the same is in effect on the date hereof and the terms and conditions hereinafter set forth; and

WHEREAS, Declarant has duly incorporated, or will incorporate prior to recordation of this Master Deed, The Bamboo Cottages of Clemson Condominium Owners Association, Inc. as a nonprofit corporation under the laws of the State of South Carolina; and

NOW, THEREFORE, the Declarant does hereby submit the Property to the condominium form of ownership pursuant to, subject to, and in accordance with the provisions of the Act (as defined herein) and the terms and conditions hereinafter set forth, such that the Property shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the Act and the covenants, conditions, restrictions, uses, limitation and obligations contained in this Master Deed, all of which are declared and agreed to be in furtherance of a plan for the improvement of the Property as more fully described in this Master Deed, and the division thereof into Units (as defined herein), all of which shall run with the Property and be a burden and benefit to Declarant, its successors, successors in title and assigns and to all persons acquiring or owning an interest in the Property, including the Land, the Units and all Improvements, and their respective grantees, successors, heirs, executors, administrators, devisees and assigns.

**ARTICLE 1**  
**RECITALS**

The foregoing Recitals are incorporated herein by reference and made a part of this Master Deed.

## **ARTICLE 2**

### **DEFINITIONS**

The terms used in this Master Deed, the Bylaws, and the Articles of Incorporation shall have their normal, generally accepted meanings or the meanings given in the Act or the South Carolina Nonprofit Corporation Act. Certain capitalized terms used in this Master Deed, the Bylaws, and the Articles of Incorporation for The Bamboo Cottages of Clemson Condominium Owners Association shall be defined as follows:

2.1 “Act” means the South Carolina Horizontal Property Act, South Carolina Code of Laws (1976), Sections 27-31-10, *et seq.*, as amended from time to time.

All references to the “Act” shall be construed to include any amendments to the Act adopted and enacted, from time to time. References to specific sections of the Act contained herein refer to the sections as designated at the time of recordation of this Master Deed.

2.2 “Articles” or “Articles of Incorporation” means the Articles of Incorporation of The Bamboo Cottages of Clemson Condominium Owners Association, Inc., filed with the Secretary of State of South Carolina, as amended from time to time.

A copy of the initial Articles of Incorporation will be attached to this Master Deed as Exhibit “E” and thereafter incorporated herein by this reference.

2.3 “Annual Assessment” has the meaning set forth in Section 9.2.

2.4 “Assessment” means charges from time to time assessed against a Unit by the Association in the manner provided in this Master Deed, and includes Annual Assessments, Special Assessments, Specific Assessments and Working Capital Assessments as set forth in Article 9 of this Master Deed, to be paid by each Owner as provided in this Master Deed.

2.5 “Association” means the The Bamboo Cottages of Clemson Condominium Owners Association, Inc., a South Carolina nonprofit corporation, its agents, successors and assigns, which shall serve as the “Council of Co-Owners” as defined in the Act.

2.6 “Board of Directors” or “Board” means the Board of Directors of the Association, i.e., the elected body responsible for management and operation of the Association as further described in this Master Deed and the Bylaws.

2.7 “Building” or “Buildings” means the building structure(s) and improvements as shown on the Plans attached hereto as Exhibit “C” and comprising a part of the Property.

2.8 “Bylaws” mean the Bylaws of The Bamboo Cottages of Clemson Condominium Owners Association, Inc. that govern the administration and operation of the Association, as the same may be amended from time to time.

The initial Bylaws will be attached hereto as Exhibit “F” and thereafter incorporated herein by reference.

2.9 “Common Elements” mean that portion of the Condominium Property subject to this Master Deed which is not included within the boundaries of or deemed a portion of a Unit, as more particularly described in this Master Deed, and shall include, without limitation, the General Common Elements and the Limited Common Elements and all areas shown and designated as a Common Element, or similar wording clearly indicating such intent, on or in (a) this Master Deed, including the Exhibits to this Master Deed, as it may be amended from time to time, or (b) any recorded plat or the Condominium Property or recorded amendment or supplement to this Master Deed. Portions of the Common Elements may be reserved for use as Limited Common Elements, as defined herein.

THE DESIGNATION OF ANY OF THE PROPERTY AS “COMMON ELEMENTS” SHALL NOT MEAN THAT THE PUBLIC AT LARGE ACQUIRES ANY EASEMENT OR LICENSE OF USE OR ENJOYMENT THEREIN.

2.10 “Common Expense(s)” means the expenses incurred or anticipated to be incurred by the Association for the general benefit of the Units or as otherwise provided herein, including, but not limited to (a) those expenses incurred for maintaining, repairing, replacing, and operating the Common Elements (including the Limited Common Elements unless otherwise expressly stated herein) and taxes and assessments on Common Elements; (b) expenses determined by the Association to be Common Expenses and which are lawfully assessed against Owners; (c) expenses declared to be Common Expenses by the Act or the Condominium Instruments, or by the Board of Directors, including master utility or service expenses; (d) any deficit remaining from a previous period; (e) any principal and interest payments due for debts of the Association; (f) expenses of administration and insurance for the Regime, including wages and personnel expenses for Association employees, legal and accounting fees, and compensation of any Management Agent; (g) reasonable reserves established for the payment of any of the foregoing and (h) any other expenses, costs and existing or projected liabilities that may be incurred by the Association.

2.11 “Condominium Property” means the Land, Buildings and Improvements, and all easements, rights and appurtenances belonging or related thereto, whether existing or proposed, which comprise the Regime or are intended for use in connection with the Regime which is established by this Master Deed.

2.12 “Condominium Instruments” mean this Master Deed and all Exhibits to this Master Deed, including the Bylaws, the Articles of Incorporation, the Rules and Regulations of the Association, and the Plat and Plans, all as may be supplemented or amended from time to time.

2.13 “Declarant” means, collectively, Walto, LLC and Crawford Edge Hwy 178, LLC, each a South Carolina limited liability company, their respective successors and permitted assigns.

2.14 “Director” means each of the members of the Board of the Association.

2.15 “Elevations” mean the portion of the Plans which consist of the drawings showing the exterior characteristics and dimensions of the Buildings or other Improvements on the



Condominium Property, which Plans are attached as part of Exhibit "C" and thereafter, by this reference will made a part hereof, and any amendment or supplement thereto set forth in a recorded amendment or supplement to this Master Deed that has been approved in writing by Declarant.

2.16 "Floor Plans" mean the portion of the Plans that show the general location and configuration of the Common Elements and the Buildings within each of the Units, which Plans are attached as part of Exhibit "C" and by this reference will be made a part hereof, and any amendment or supplement thereto set forth in a recorded amendment or supplement to this Master Deed that has been approved in writing by Declarant.

2.17 "General Common Elements" mean all Common Elements, except for those specifically designated as being or constituting Limited Common Elements for use only by one or more Units.

2.18 "HVAC System" means any heating, ventilation, cooling and air conditioning system serving a Building within a Unit (including any part of such system located outside the boundaries of such Building) or any heating, ventilation, cooling and air conditioning system(s) serving the Common Elements, including without limitation all heating and cooling elements, compressors, air handling systems, humidifiers, controls, fans, registers, diffusers, pipes, lines, ducts, conduits, duct work and related equipment.

2.19 "Improvements" mean any or all of the Buildings, Units, structures or other physical improvements constructed or to be constructed on the Land, and which shall form a part of the Regime.

2.20 "Index" means the Consumer Price Index for Wage Earners and Clerical Workers (CPI-W) (1982-84=100), U.S. City Average for "All Items" issued by the Bureau of Labor Statistics of the United States Department of Labor.

Any reference to the "Index" in effect at a particular time shall mean the Index as then most recently published and/or announced. If the Index shall be converted to a different standard reference base or otherwise revised, any computation of the percentage increase in the Index shall be made with the use of such conversion factor, formula or table for converting the Index as may be published by the Bureau of Labor Statistics or, if said Bureau shall not publish the same, then with the use of such conversion factor, formula or table as may be published by any nationally recognized publisher of similar statistical information as may be selected by the Association.

2.21 "Land" has the meaning set forth in the recitals.

2.22 "Leasing" has the meaning set forth in Section 14.1 of this Master Deed.

2.23 "Limited Common Elements" means Common Elements that are reserved for the use of a certain Unit or Units to the exclusion of the other Units, as more particularly set forth in this Master Deed, and are shown and designated as a Limited Common Element, or similar wording clearly indicating such intent, in (a) this Master Deed and the Exhibits hereto, as

amended from time to time, or (b) any recorded plat of the Property or supplement to this Master Deed that has been approved in writing by the Declarant.

2.24 “Majority” or “Majority of Co-Owners” or “Majority of Owners” means fifty-one (51%) percent or more of the Total Percentage Interests in the Common Elements, as set forth in this Master Deed.

Solely with respect to the Board, the term “Majority” shall mean fifty-one (51%) percent or more of the eligible votes of the Directors of the Board or fifty-one (51%) percent or more of the eligible Directors of the Board, as the case may be.

2.25 “Management Agent” means any entity retained by the Association as an independent contractor to supervise the use, maintenance and repair of the Common Elements, or portions thereof, or manage the business affairs of the Association.

2.26 “Master Deed” means this Master Deed of The Bamboo Cottages of Clemson Horizontal Property Regime, as amended and supplemented from time to time.

2.27 “Mortgage” means any mortgage, deed to secure debt, deed of trust or other transfer or conveyance for the purpose of subjecting real property to a lien or encumbrance as security for indebtedness and that is recorded in the Pickens County Register of Deeds.

2.28 “Mortgagee” means the holder of a Mortgage on a Unit or any portion of the Common Elements, or the holder of a Mortgage on any collection of Units, to include all of the Units, and any portion of the Common Elements, to include all of the Common Elements.

2.29 “Occupant” means any individual lawfully occupying all or any portion of a Building within a Unit for any period of time, regardless of whether such individual is a tenant or the Owner of such property, together with their resident family members, guests, invitees and licensees.

2.30 “Owner” or “Unit Owner” means any Person or Persons owning any Unit within the Regime.

The term “Owner” shall have the same meaning as the term “Co-Owner” as defined in the Act. The term “Owner” shall not refer to any Mortgagee (unless such Mortgagee has acquired title to a Unit for other than security purposes) or to any Person or Persons purchasing a Unit under contract (until such contract is fully performed and legal title has been conveyed of record).

2.31 “Parking Plan” means the parking plan maintained by the Association Board of Directors which identifies any specific Reserved Parking Spaces that are assigned to each Unit or a specific Building within a Unit, and the remaining unreserved Parking Spaces that shall be available to the Owners, their guests, invitees, and other persons.

The initial Parking Plan shall be prepared and designated by the Declarant, and thereafter, prepared and designated by the Board of Directors of the Association. The Parking Plan may be amended from time to time by the Board of Directors, and the Reserved Parking Spaces may be

assigned and reassigned from time to time at the discretion of the Board, in accordance with the terms of this Master Deed and the Rules and Regulations.

2.32 "Parking Space(s)" means any parking space located on the Condominium Property.

Certain of the Parking Spaces may be initially assigned to a particular Unit or any Building within a Units by the Declarant and thereafter assigned, reassigned or reconfigured by the Board of Directors of the Association from time to time; the remaining Parking Spaces shall not be reserved for any particular Unit, but shall be available for use by any Owner or Occupant, their guests, invitees and other persons, subject, however, to any Rules and Regulations relating thereto that may be adopted from time to time by the Board.

2.33 "Percentage Interest" means each Owner's undivided percentage interest in the Common Elements as shown on Exhibit "D" and which constitutes an appurtenance to each Owner's respective Unit.

2.34 "Person" means any individual, corporation, limited liability company, firm, association, partnership, trust, or other legal entity, or any combination thereof.

2.35 "Plans" mean the Floor Plans and Elevations attached hereto as Exhibit "C" and incorporated herein by reference. Plans are subject to modification and amendment.

2.36 "Plat" means the survey or site plan of the Property prepared by J. W. White Consulting, LLC attached hereto as Exhibit "B" and incorporated herein by reference, together with any amendment or supplement thereto and set forth in a recorded amendment or supplement to the Master Deed and that has been approved in writing by the Declarant so long as Declarant owns any Unit for sale within the Regime.

2.37 "Project" means the Property, the Buildings and all other Improvements and structures now or hereafter located thereon, and all easements, rights and appurtenances, belonging thereto; submitted to the Regime by the Master Deed, as amended from time to time in accordance with the provisions hereof.

2.38 "Property" has the meaning set forth in the recitals and shall include the Land, Buildings and other Improvements described in Exhibit "A" attached hereto and incorporated herein by reference

2.39 "Regime" means the The Bamboo Cottages of Clemson Horizontal Property Regime created by this Master Deed, as set forth in Section 27-31-30 of the Act.

2.40 "Reserved Parking Space" means any Parking Space for which a Unit Owner acquires an exclusive license or reservation associated with that Owner's Unit or any Building within such Unit, as initially determined by the Declarant (and thereafter, by the Board of Directors of the Association) and as shown on the initial Parking Plan.

The Association Board of Directors shall maintain the Parking Plan, which shall designate the Reserved Parking Spaces, if any, which are allocated to each Unit or any Buildings

within each Unit. The Parking Plan may be amended from time to time by the Board in accordance with this Master Deed and the Rules and Regulations.

2.41 "Rules and Regulations" means all written rules, regulations and standards adopted by the Board from time to time concerning and governing the use, administration and operation of the Condominium Property pursuant to the terms of this Master Deed

The initial Rules and Regulations, as adopted by the Declarant, may be amended, revised and/or replaced from time to time by the Board.

2.42 "Special Assessment" has the meaning set forth in Section 9.6.

2.43 "Specific Assessment" has the meaning set forth in Section 9.7.

2.44 "Title Exceptions" has the meaning set forth in Section 22.12 of this Master Deed.

2.45 "Total Percentage Interest" means the total of the Percentage Interests in the Common Elements which the Owner of each Unit owns as a result of his or her ownership of that fee simple property interest.

The Percentage Interest of the Owner of each Unit and the Total Percentage Interest of all Owners is set forth in Exhibit "D" attached hereto and incorporated herein by reference.

2.46 "Turnover Date" shall have the meaning set forth in Section 7.1 and in the Bylaws.

2.47 "Unit" means an "Apartment" as that term is defined in the Act, which constitutes part of the Condominium Property intended for individual ownership and use, and includes one or more Buildings and any adjoining spaces designated as part thereof, and designed or intended for use as a single family dwelling, together with its undivided Percentage Interest ownership in the Common Elements as more particularly described in this Master Deed.

All Units are further described and depicted in this Master Deed and in the Plans attached hereto as Exhibit "C" and incorporated herein by reference.

2.48 "Window" or "Windows" means windows, window glass or other material, window frames and casings, mullions, panes, screens, and related flashing or waterproofing materials.

2.491 "Working Capital Assessment" has the meaning set forth in Section 9.12.

### **ARTICLE 3**

#### **THE CONDOMINIUM PROPERTY AND SUBMISSION OF CONDOMINIUM PROPERTY TO THE ACT**

3.1 Condominium Property; The Bamboo Cottages of Clemson Horizontal Property Regime. Declarant hereby submits the Condominium Property, consisting of the Land described in Exhibit "A" attached hereto and incorporated herein by reference, together with the Buildings

and Improvements hereafter located thereon, to the provisions of the Act, for the specific purpose of creating and establishing the The Bamboo Cottages of Clemson Horizontal Property Regime.

3.2 Regime. The Regime subject to this Master Deed and the Act is located in the City of Clemson, Pickens County, South Carolina, being more particularly described in Exhibit "A" attached to this Master Deed, which exhibit is specifically incorporated herein by this reference. The Plat relating to the Regime and Condominium Property is attached hereto as, or referenced in Exhibit "B", which Plat is specifically incorporated herein by this reference. The Plans (including the Floor Plans and Elevations) are also attached hereto as, or referenced in, Exhibit "C", which Plans are specifically incorporated herein by this reference. The Plans are pro forma and are subject to change. Furthermore, Declarant shall have the right to file additional plats and plans from time to time as necessary or appropriate to further describe the Condominium Property and Units, to correct any errors contained therein or to comply with the Act. The Plat and Plans are incorporated herein by reference as fully as if the same were set forth in their entirety herein.

3.3 Buildings and Improvements. The Buildings constructed on the Land as part of the Condominium Property and Regime consist of a ten (10) separate Buildings. The Property and Regime contains ten (10) residential condominium Units, one in each Building, together with certain amenities and other Improvements, as more particularly shown and depicted on the Plans. In addition to the Buildings, the Condominium Property shall also consist of an entrance drive, surface parking, transformer, a trash receptacle area, landscaping, and other Improvements as shown and depicted on the Plat and the Plans. The height and other dimensions of the Buildings are shown and depicted on the Plans.

#### **ARTICLE 4** **UNITS AND BOUNDARIES**

4.1 General. The Regime will contain a total of ten (10) separate residential Units, the Limited Common Elements associated therewith, the General Common Elements, as more particularly shown and depicted on the Plans and as described in this Master Deed. Each Unit consists of a single apartment dwelling in each Building and each Unit consists of its appurtenant undivided Percentage Interest in the Common Elements as shown on Exhibit "D" attached to this Master Deed and incorporated herein by this reference. For purposes of this Master Deed, the area or square footage of each Unit is based upon the Unit dimensions and boundaries as described in this Master Deed and as determined by a South Carolina licensed architect, which square footage may or may not be the exact square footage of the Unit. Each Unit shall be conveyed as a separately designated and legally described freehold estate subject to the Act and the Condominium Instruments. The ownership of each Unit shall include, and there shall pass with each Unit as appurtenances thereto whether or not separately described in the conveyance thereof, that undivided Percentage Interest in the Common Elements attributable to such Unit (as set forth in Exhibit "D"), together with membership in the Association and an undivided Percentage Interest in the funds and assets held by the Association. Every portion of a Unit and all Limited Common Elements contributing to the support of an abutting Unit shall be burdened with an easement of support for the benefit of such abutting Unit. The Units are depicted on the Plat and Plans. The Unit designs are subject to modification and amendment. For the purpose of further defining a Unit or Common Elements, the following definitions shall apply:

- 4.1.1 "Structural Wall" means the studs, supports, and other wooden, metal, concrete, or other materials to which the interior face of non-structural wall material, such as drywall, plaster, insulation, wall paneling, wood, tile, paint, paper, or any other wall covering, is attached. "Structural Walls" also includes all Windows located in exterior Structural Walls.
- 4.1.2 "Structural Ceiling" means the beams, joists, and wooden, metal, concrete or other materials that constitute the load-bearing ceiling of a Unit and to which the interior face of non-structural ceiling material, such as drywall, plaster, insulation, paneling, wood, tile, paint, paper, or any other wall covering, is attached.
- 4.1.3 "Structural Floor" means the beams, floor joists, and wooden, metal, concrete or other floor or deck materials that constitute the load-bearing floor of a Unit and to which the interior face of non-structural floor material, such as parquet, paneling, wood, tile, pavers, plywood or other sub-flooring, or any other floor covering, is attached.
- 4.1.4 "Exterior Door" means any door and related door hardware, door screens, and door frames that either (i), provides entry to a Unit from the Common Elements or the exterior of the Building, or (ii) is required to have a fire rating.

4.2 Elements of a Unit. Each Unit is depicted on the Plans. The Unit designs are subject to modification and amendment. In addition to the Unit's Percentage Interest in the Common Elements as set forth in Exhibit "D", a Unit consists of one Building, each of which include the perimeter Structural Walls, Structural Ceilings, Structural Floors, Exterior Doors, and Windows of such Building, but not the Land lying directly beneath such Building. For the purpose of further defining a Unit, a Unit includes (i) any non-load bearing walls within or bounded by the perimeter Structural Walls of each Building within such Unit; (ii) the drywall, plaster, insulation, parquet, wall paneling, wood, tile, paint, paper, carpeting, flooring, plywood or other sub-flooring, pavers and other coverings attached to Structural Walls, Structural Ceilings, or Structural Floors bounding each Building within such Unit or attached to any Structural Walls within the boundaries of each Building of such Unit; (iii) interior doors and related interior door hardware and interior door frames of each Building within such Unit; (iv) any fireplace or stove hearth, facing brick, tile, stone or firebox; (v) removable appliances, equipment, wiring, fans, hardware and other non-structural improvements contained within the Structural Walls, Structural Ceilings or Structural Floors that serve only such Building within the Unit; (vi) spas or hot tubs located within each Building in such Unit or within or on Limited Common Elements serving only each Building in the Unit; (vii) any HVAC System or portion thereof serving only such Building within the Unit, wherever located; and (viii) all fixtures, appliances, equipment, utility lines, outlets, electrical and plumbing fixtures, pipes, ducts, chases, sanitary sewer lines and water lines installed and located within each Building within such Unit and serving only such Building (including any plumbing maniblocks located within and serving such Building).

4.3 Horizontal (Upper and Lower) Boundaries. Each Unit shall have no horizontal boundaries, except that the Land located directly beneath each Building within each Unit shall not be part of the Unit, but shall be deemed part of the Common Elements.

4.4 Vertical Boundaries. The perimetrical or vertical boundaries of each Unit shall be the planes formed by the exterior Structural Walls of each Building within each Unit bounded by the Common Elements.

4.5 General Description of Units. The Regime consists of the Property described in Exhibit "A", including all Buildings and Improvements located thereon and all appurtenances thereto. The Condominium Property will consist of ten (10) residential Units, each located in a separate Building, each with a single apartment dwelling and all Common Elements appurtenant thereto, all as more particularly shown on the Plans attached hereto as Exhibit "C" and incorporated herein by reference. The Property and Unit areas are subject to modification and amendment.

There are a total of ten (10) identical residential apartment types or floorplans, each consisting of two stories with a total of 1,300 square feet and containing an entry way, living room, kitchen and three bedrooms, each with an adjoining bathroom.

The location of all Buildings and Improvements within the Condominium Property is more fully shown on the Plat attached to this Master Deed as Exhibit "B". The floor plan for each Building is more fully shown and depicted on the Plans attached to this Master Deed as Exhibit "C". The location of the Buildings and Improvements, and design and location of each Building is subject to modification and amendment.

## **ARTICLE 5**

### **COMMON ELEMENTS**

5.1 Common Elements Generally. The Common Elements in the Regime consist of all portions of the Condominium Property except the portions thereof which constitute Units and shall include, without limitation, any facilities, improvements, and fixtures located outside each Building within a Unit which are or may be necessary or convenient to the support, existence, use, occupation, operation, maintenance, repair or safety of each Building or any part thereof. The entrance drive, Parking Spaces, the fenced trash receptacle area and all landscaped or other areas of the Land are also deemed part of the Common Elements. The Common Elements shall be owned by the Owners of the Units, with each Owner of a Unit having an undivided Percentage Interest therein as provided in this Master Deed. Ownership of the Common Elements shall be by the Unit Owners as tenants-in-common. The percentage of undivided interest in and to the Common Elements attributable to each Unit shall be the Percentage Interests as set forth in Exhibit "D". Except as otherwise expressly provided in this Master Deed or in the Act, such Percentage Interests may be altered only by the consent of all Owners and Mortgagees (or such lesser number of Owners and Mortgagees as may hereafter be prescribed by the Act) expressed in a duly recorded amendment to this Master Deed. The undivided Percentage Interest of each Owner in the Common Elements is appurtenant to the Unit owned by the Owner and may not be separated from the Unit to which it appertains and such appurtenance shall be deemed to be conveyed or encumbered or to otherwise pass with the Unit whether or not

expressly mentioned or described in a conveyance or other instrument describing the Unit. The Common Elements shall remain undivided, and no Owner or any other Person shall have the right to bring any action for partition or division of the whole or any part thereof except as provided in the Act.

5.2 Identification of Certain Common Elements. The Common Elements shall include, but not be limited to, the following:

- 5.2.1 The Land on which any Building or Improvements are located, together with all of the other real property described on Exhibit "A", exclusive of any portions thereof which constitute Units, including all landscaping and plantings. Exhibit A is subject to modification without prior notice to Owner.
- 5.2.2 The sprinkler systems, exterior lights, fire alarms, fire hoses, signs and storm drainage systems, and any other emergency, fire, lighting, or safety systems, fixtures, or equipment that are part of a common system even if serving only one Building within a Unit.
- 5.2.3 All equipment, storage tanks, pipes, wires, conduits, ducts and the compartments for installations of central services such as power, light, propane gas, telephone, television, internet service, water, sewer and the like.
- 5.2.4 All driveways, parking areas, curbs, gutters, and all paved areas, subject to such reservations as may be established by Declarant in the first instance and reservations as may be established by the Board of Directors of the Association thereafter.
- 5.2.5 All Parking Spaces, subject to the right of the Declarant, initially, and thereafter, the Board of Directors, to assign and reassign to each Unit the exclusive right and license to use certain Parking Spaces, as provided herein.
- 5.2.6 In general, all devices or installations existing for common use.
- 5.2.7 All other elements of the Condominium Property of common use or necessary to its existence, upkeep and safety.
- 5.2.8 All areas designated as Common Elements on the Plat and the Plans.
- 5.2.10 All personal property and assets of the Association.
- 5.2.11 Those areas and things within the definition of "General Common Elements" as set forth in the Act.

5.3 Use of Common Elements. Except as provided for Limited Common Elements or as otherwise provided herein, each Owner and the Association may use the Common Elements



for the purposes for which they are intended, but no such use shall enter or encroach upon the lawful rights of the other Owners. Each Owner and Occupant shall have a right and easement of use and enjoyment in and to the Common Elements (including the right of access, ingress and egress to and from the Unit over those portions of the Condominium Property designated for such purpose), and such easement shall be appurtenant to and shall pass with the title to such Unit, subject to the rights of the Unit Owners to the exclusive use and enjoyment of the Limited Common Elements assigned to their respective Units and to the right of the Association to control the use and enjoyment of the Common Elements as provided by the terms of this Master Deed, including, without limitation, the right to assign and reassign Reserved Parking Spaces for the exclusive use of a particular Unit and the Owners or Occupants thereof. Every portion of a Unit and all Common Elements contributing to the support of an abutting Unit shall be burdened with an easement of support for the benefit of such abutting Unit. The Board of Directors has the authority to grant, execute, acknowledge, deliver and record, on behalf of the Owners, easements, rights-of-way, licenses and similar interests upon, over, under, across or otherwise affecting the Common Elements without the approval of the Owners, including, but not limited to, easements for the installation and maintenance of electrical, telephone, cable television, water, sanitary sewer, natural or propane gas and other utilities or drainage facilities, provided, however, that until the Declarant no longer owns any Unit within the Regime, the Board may not grant such easements, rights-of-way or licenses without the prior written approval of Declarant.

5.4 NO WARRANTY. OTHER THAN ANY EXPRESS LIMITED WARRANTY WHICH MAY BE PROVIDED ANY UNIT OWNER AT THE CLOSING OF THE PURCHASE AND SALE OF SUCH UNIT AND THE LIMITED WARRANTY OF TITLE CONTAINED WITHIN THE LIMITED WARRANTY DEED TO EACH UNIT PURCHASER, DECLARANT, ITS AFFILIATES, AND THEIR RESPECTIVE AGENTS, EMPLOYEES, OWNERS, OFFICERS, CONSULTANTS, SUCCESSORS, OR ASSIGNS (COLLECTIVELY, "SELLER PARTIES"), PROVIDE NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THOSE OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, HABITABILITY, DESIGN, WORKMANSHIP, GOOD AND WORKMANLIKE MANNER, CONDITION OR QUALITY OF THE UNIT. THE ASSOCIATION AND EACH UNIT PURCHASER ACKNOWLEDGES THAT NO OTHER REPRESENTATIONS REGARDING SUCH MATTERS HAVE BEEN MADE TO THE ASSOCIATION OR UNIT PURCHASER BY ANY SELLER PARTIES. THE ASSOCIATION AND EACH UNIT PURCHASER (a) ACKNOWLEDGES AND ACCEPTS THE WARRANTY PROVISIONS SET FORTH ABOVE, (b) RELEASES THE SELLER PARTIES FROM ANY LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES RELATING TO ANY PERSON, THE COMMON ELEMENTS, THE UNIT OR ANY OTHER PROPERTY RESULTING FROM A DEFECT OR BREACH OF A WARRANTY, AND (c) WAIVES ALL OTHER CLAIMS RELATING TO THE MATTERS SET FORTH ABOVE. IN CONSIDERATION OF THE LIMITED WARRANTY PROVIDED BY DECLARANT TO EACH UNIT PURCHASER PURSUANT TO EACH UNIT PURCHASE AGREEMENT, AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, THE ASSOCIATION AND EACH UNIT OWNER HEREBY AGREES TO WAIVE ANY OTHER WARRANTIES AS PROVIDED ABOVE.

## **ARTICLE 6**

### **LIMITED COMMON ELEMENTS**

6.1 General. Limited Common Elements are not part of a Unit but are Common Elements reserved for the use of one or more, but not all Units. Limited Common Elements are limited in their use to the particular Unit or Units to which they are assigned. The Declarant for so long as Declarant owns one or more Units, and thereafter the Board of Directors, may re-designate Common Elements as Limited Common Elements and reassign Limited Common Elements to specific Units to the fullest extent permitted by the Act. The Declarant for so long as Declarant owns one or more Units, and thereafter the Board of Directors, shall also have the authority to execute, acknowledge, deliver and record, on behalf of the Owners of Units affected by such Limited Common Elements and without a vote of Owners, easements, rights-of-way, licenses and similar interests affecting the Limited Common Elements.

6.2 Designation. The Limited Common Elements and the Unit(s) to which they are assigned are:

6.2.3 the portion of the Common Elements on which there is located any portion of the mechanical, electrical, air conditioning or heating system exclusively serving a particular Building or Buildings within a Unit is assigned as a Limited Common Element to the Building or Buildings so served;

6.2.4 any electric or other utility meter which serves only one Building is assigned as a Limited Common Element to the Building so served;

6.2.5 the patio adjacent to and serving each Building shall be assigned as a Limited Common Element to the Building so served.

6.3 Parking Spaces. Parking Spaces shall be deemed General Common Elements, subject, however, to the rights granted initially to the Declarant, and thereafter to the Board of Directors, to assign and reassign, to each Unit the exclusive license and right to Reserved Parking Spaces, as provided in this Master Deed.

6.4 Assignment and Reassignment. The Owners hereby delegate authorization to the Board of Directors, without a membership vote, to assign and to reassign Limited Common Elements, and to assign and reassign the Reserved Parking Spaces as the Board shall from time to time determine, in its sole discretion. Notwithstanding anything herein to the contrary, the Board of Directors is not authorized to assign or reassign the Limited Common Elements without the consent of Declarant for so long as the Declarant owns any Unit for sale within the Condominium Property.

An Owner desiring to exchange any Reserved Parking Space with another Owner may do so, provided that the Owners execute a separate document detailing the exchange and provided that the Owners submit this document to the Association.

## ARTICLE 7 ASSOCIATION MEMBERSHIP AND ALLOCATIONS

7.1 Association and Board of Directors. The Association shall be formed in order to provide for the effective administration of the Regime by the Unit Owners. The Association shall operate and manage the Regime and undertake and perform all acts and duties incident thereto in accordance with the provisions of this Master Deed, the Bylaws, and the Rules and Regulations promulgated by the Association from time to time. The Board of Directors of the Association shall have authority to take all actions on behalf of the Association that do not require, by law, this Master Deed, or the Bylaws, the vote of a specified Percentage Interests, and the decision of the Board of Directors shall be binding upon the Association and the Owners. The Board shall consist of two (2) Directors, with the initial directors being Mike Newton and Wallace Martell. The Board shall manage the business and affairs of the Association and shall exercise all of the powers and duties of the Association, including those existing under the Act, the South Carolina Nonprofit Corporation Act, this Master Deed, the Articles and the Bylaws of the Association. Declarant shall have the right to appoint all Directors of the Board until the earlier of (a) four (4) months after seventy-five (75%) percent of the Units in the Regime have been conveyed to third party purchasers, or (b) the date on which Declarant voluntarily surrenders and transfers its authority to appoint Board members by filing a supplemental Declaration or amendment hereto evidencing such transfer in the County ROD Office. The earliest to occur of this Section 7.1 (a) or 7.1 (b) shall be referred to as the "Turnover Date". The Directors appointed by the Declarant do not need to be Members of the Association.

7.2 Bylaws. A copy of the initial Bylaws shall be annexed hereto and made a part hereof as Exhibit "F". In the event of any obvious conflict of the Bylaws and this Master Deed, the provisions of this Master Deed shall govern.

7.3 Membership. All Owners, by virtue of their ownership of an interest in a Unit, are automatically members of the Association upon acquiring an ownership interest in a Unit and, except as otherwise provided herein or in the Bylaws, shall be entitled to vote on all matters upon which members of the Association are entitled to vote pursuant to this Master Deed and the Act and in accordance with the Bylaws. Membership in the Association shall be appurtenant to and not separable from ownership of a Unit. The membership of an Owner shall terminate automatically upon conveyance of title to the Unit previously owned by such Owner, regardless of the means by which such conveyance of title occurs. No Person holding any lien, mortgage or other encumbrance upon any Unit shall be entitled solely 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.

7.4 Votes. Subject to the provisions of the Condominium Instruments, the Owner(s) of each Unit shall be entitled to cast one (1) weighted vote for such Unit, which vote will be appurtenant to such Unit. Each vote shall be weighted in accordance with the Percentage Interest attributable to each Unit, as shown on Exhibit "D" attached hereto and by reference incorporated herein. No votes may be split, and cumulative voting is prohibited; the Owner(s) of each Unit must vote the entire weighted vote on each matter to be voted on by the Owners. The total weighted votes for the entire Association membership shall equal one hundred (100) at all times.

7.5 Allocation of Liability for Common Expenses. Except as otherwise provided herein, each Unit is hereby allocated liability for Common Expenses apportioned in accordance with the Percentage Interests, as shown on Exhibit "D".

7.5.1 Except as provided below, or elsewhere in the Act or Condominium Instruments, the amount of all Common Expenses shall be assessed against all the Units in accordance with the allocation of liability for Common Expenses described above.

7.5.2 The Board of Directors shall have the power to assess Common Expenses against certain Units specifically pursuant to this Section as in its discretion it deems appropriate. Failure of the Board of Directors to exercise its authority under this Section shall not be grounds for any action against the Association or the Board of Directors and shall not constitute a waiver of the right to exercise authority under this Section in the future with respect to any expenses, including an expense for which the Board of Directors has not previously exercised its authority under this Section.

7.5.2.1 Any Common Expenses benefiting less than all of the Units and significantly disproportionately benefiting certain Units may be specifically assessed equitably among all of the Units which are benefited according to the benefit received, as provided in this Master Deed.

7.5.2.2 Any Common Expenses occasioned by the conduct of the Owner, Occupant(s), licensees or invitees of any Unit or Units may be specifically assessed against such Unit or Units, as provided in this Master Deed.

7.6 Unit and Property Values. The Schedule of Unit Values and Percentage Interests contained in Exhibit "D" shows the assigned value of each Unit as of the date of this Master Deed and the respective percentage of undivided interest in the Common Elements attributable to each Unit, as required by Section 27-31-60 of the Act. The basic value of each Unit, as set forth in Exhibit "D", which includes the value of the appurtenant Percentage Interests in the Common Elements allocated to each Unit, shall be fixed for the purposes of Section 27-31-60 of the Act, irrespective of the actual value of such Unit, and such basic value as set forth in Exhibit "D" shall not prevent any Owner from fixing a different circumstantial value to his or her Unit in all types of acts or contracts. The values set forth in Exhibit "D" are not intended to coincide with fair market values of the Units, and are used solely for the statutory purposes indicated in Section 27-31-60 of the Act.

7.7 Management of the Association. The responsibility for administration of the Association and the Regime may be delegated by the Association to a Management Agent. By resolution of the Board of Directors, the Management Agent may be authorized to assume any of the functions, duties, and powers assigned to the Board of Directors in the Bylaws or in this Master Deed. The Board of Directors may employ and dismiss Persons on behalf of the Association and may select a Management Agent, each of which shall have such authority and

shall receive such compensation as is set forth in writing and approved by the Board of Directors. The Declarant or an affiliate of Declarant may serve as Management Agent. A copy of any agreement between the Association and the Management Agent shall be provided to any Owner upon written request to the Board of Directors, provided that the Association may charge a reasonable fee for any costs of reproduction, postage or personnel incurred. No management agreement shall be for a term longer than three (3) years, provided that a management agreement may provide for automatic extension for additional terms of not more than three (3) years unless either party notifies the other party within a defined period prior to the expiration of the then-existing term that it wishes to terminate the management agreement or re-negotiate the agreement. Notwithstanding the foregoing, any management agreement entered into by the Association shall include equitable provisions for termination, including a provision that the same may be terminated upon no more than ninety (90) days' advance notice, and a provision prohibiting a penalty payment for early termination. All references in this Master Deed or the Bylaws to the Board or Association shall include the Management Agent, if any, solely with respect to those rights, duties and entitlements which are delegated to the Management Agent by the Board of Directors.

## ARTICLE 8

### ASSOCIATION RIGHTS AND RESTRICTIONS

The Association shall have all of the rights set forth in this Article in addition to, and not in limitation of, all other rights it may have pursuant to South Carolina law (including, without limitation, the Act and the South Carolina Nonprofit Corporation Act) and this Master Deed.

8.1 Rules and Regulations. The Association, acting by and through its Board of Directors, shall have the right and authority to adopt, from time to time and in accordance with the Condominium Instruments, reasonable Rules and Regulations governing the use, administration and operation of the Regime and Condominium Property, including the Units, Limited Common Elements, and Common Elements, and to amend, modify and supplement the Rules and Regulations from time to time; provided, however, that Declarant shall have the right to approve any such Rules and Regulations so long as Declarant owns one or more Units.

8.2 Right of Enforcement. The Association shall have the right to enforce use restrictions, provisions of the Master Deed and Bylaws, and Rules and Regulations by the imposition of reasonable monetary fines and suspension of use and voting privileges. These powers, however, shall not be construed as limiting any other legal means of enforcing the use restrictions, provisions of the Master Deed and Bylaws, or Rules and Regulations of the Association. Any fines imposed in accordance with this Section 8.2 shall be considered a Special Assessment against the Unit and may be collected in the manner provided for collection of other Assessments. In addition, the Association, by contract or other agreement, may enforce county, state, and federal ordinances, if applicable, and permit local and other governments to enforce ordinances on the Condominium Property for the benefit of the Association and its members.

8.3 Permits, Licenses, Easements, etc. The Association, acting by and through its Board of Directors, shall have the right to grant permits, licenses, utility easements, and other

easements (including access, drainage and storm water easements) over, through and under the Common Elements, or to relocate licenses and easements, without a vote of the Owners.

8.4 Rights of Maintenance. The Association shall have the right to control, manage, operate, maintain, improve and replace all portions of the Condominium Property for which the Association is assigned maintenance responsibility under this Master Deed. The Association may enter into agreements with any Person, including without limitation any other condominium association or management organization, for the provision of goods or services related to operation of the Condominium Property or other responsibilities of the Association.

8.5 Property Rights. The Association shall have the right to acquire, hold, and dispose of tangible and intangible personal property and real property.

8.6 Governmental Entities. The Association shall have the right to represent the Owners in dealing with governmental entities in connection with matters affecting the Condominium Property.

8.7 Common Elements. The Association, acting by and through its Board of Directors, without a vote of the Owners, shall have the right to temporarily close any portion of the Common Elements for emergency, security, safety purposes or for any such other reasonable purpose as determined in the sole discretion of the Board, with no prior notice of such closing to the Owners, for a period not to exceed one (1) year. Furthermore, the Association, acting by and through its Board of Directors, without a vote of the Owners, shall have the right to permanently close any portion of the Common Elements (excluding Limited Common Elements) upon thirty (30) days prior notice to all Owners. Any portion of the Common Elements which has been permanently closed may be reopened by action of the Board or by the vote of a Majority of Owners at a duly called special or annual meeting. Notwithstanding anything contained herein to the contrary, the Declarant or the Association shall have the right to temporarily close to the Owners any portion of the Common Elements for the completion of the Project, as may be reasonably required for safety or security purposes.

## **ARTICLE 9**

### **ASSESSMENTS**

9.1 Purpose of Assessment. The Association shall have the power to levy Assessments as provided herein and in the Act. The Assessments provided for herein shall be used to pay all Common Expenses, to accomplish the provisions set forth in the Condominium Instruments, and for the general purposes of promoting the health, safety, welfare, common benefit, and enjoyment of the Owners and Occupants of Units as may be more specifically authorized from time to time by the Board of Directors.

9.2 Creation of the Lien for Assessments. Each Owner of any Unit, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (i) annual assessments or charges, herein called "Annual Assessments"; (ii) Special Assessments; (iii) Specific Assessments, and (iv) water, gas, cable, and sewer charges and assessments as set forth in Section 9.15, all as herein provided. All such Assessments, together with late charges, interest, costs, and reasonable attorney's fees actually

incurred, and if the Board of Directors so elects, rents, in the maximum amount permitted by the Act, shall be a charge on the Unit and shall be a continuing lien upon the Unit against which each Assessment is made. Such lien shall be superior to all other liens, except that such lien shall be subordinate to (a) the liens of all taxes, bonds, assessments, and other levies which by law would be superior, and (b) the lien or charge of any prior Mortgage of record made in good faith and for value to the extent provided in Section 27-31-210 of the Act. Such lien, when delinquent, may be enforced by suit, judgment, and/or foreclosure in the same manner as Mortgages are foreclosed under South Carolina law. Sale or transfer of any Unit shall not affect the lien for unpaid Assessments (except as otherwise expressly provided in Section 19.2 below in connection with the foreclosure of a Mortgage).

9.3 Personal Obligation for Assessments. All Assessments shall be the personal obligation of each Person who was the Owner of such Unit at the time when the Assessment fell due and may be collected in the same manner as other debts or liens are collected under South Carolina law. Each Owner and each successor-in-title to the Unit shall be jointly and severally liable for all Assessments and charges due and payable at the time of any conveyance (except as otherwise expressly provided in Section 19.2 below in connection with the foreclosure of a Mortgage). Unpaid Assessments then due and payable on a Unit shall be paid by the conveying Owner at the time of any conveyance of the Unit, or, if not paid, shall be payable by the Person to which the Unit is conveyed unless payment of some or all of the unpaid Assessments due is expressly waived in writing by the Board of Directors, in its sole discretion. No Owner may exempt such Owner from liability for or otherwise withhold payment of Assessments for any reason whatsoever, including, but not limited to, nonuse of the Common Elements, the Association's failure to perform its obligations required under this Master Deed, or inconvenience or discomfort arising from the Association's performance of its duties. The lien provided for herein shall have priority as provided in the Act. If a Unit is owned by a legal entity such as a limited partnership, limited liability company, corporation or other organization, one or more individual persons who are the limited partners, members, or shareholders of the legal entity owning the Unit, or the direct or indirect owners thereof, shall guarantee the payment of all Assessments. The guaranty shall be in a form satisfactory to the Board of Directors.

9.4 Payment and Delinquent Assessments. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors; unless otherwise provided, the Annual Assessments shall be paid in advance in equal quarterly installments due on the first day of each calendar quarter. All Assessments and related charges not paid on or before the due date shall be delinquent, and the Owner shall be in default.

9.4.1 If any installment of Annual Assessments or any part thereof is not paid in full when due or if any other charge is not paid when due, (i) a late charge equal to the greater of twenty-five dollars (\$25.00) or ten percent (10%) of the amount not paid, or such higher amounts as may be authorized by the Act and determined by the Board of Directors from time to time, may be imposed without further notice or warning to the delinquent Owner, and (ii) interest at the greater of eighteen percent (18%) per annum or a rate equal to five percent (5%) over the Prime Lending Rate as set forth in *The Wall Street Journal* (or any substitute publication as determined by the Board of Directors from time to time), but in any event not to exceed the

highest rate as permitted by the Act and allowable by South Carolina law, as may be modified from time to time by resolution of the Board of Directors, shall accrue from the due date. The Board of Directors may, in its sole discretion, waive all or any portion of such charges or interest if it determines that the failure to pay the Assessment or charge when due was caused by circumstances beyond the control of the Owner or by other good cause.

9.4.2 If part payment of Assessments and related charges is made, the amount received shall be applied in the following order, and no restrictive language on any check or draft shall be effective to change the order of application:

9.4.2.1 respectively, to any unpaid late charges, interest charges, and Specific Assessments (including, but not limited to, fines) in the order of their coming due;

9.4.2.2 to costs of collection, including reasonable attorney's fees actually incurred by the Association; and

9.4.2.3 to any unpaid installments of the Annual Assessment or Special Assessments in the order of their coming due.

9.4.3 To evidence a lien for unpaid Assessments, the Association may prepare a written notice of lien setting forth the amount of the unpaid Assessment, the due date, the amount remaining unpaid, including any interest or charges, the name of the Owner of the Unit, and a description of the Unit. Such notice shall be signed and acknowledged by a duly authorized officer of the Association or any Management Agent of the Association and may be recorded in the ROD Office for Pickens County. No notice of lien shall be recorded until there is a delinquency in payment of the Assessment, but notice of lien shall not be a condition precedent to or delay the attachment of the lien, which shall attach on the date that the Assessment is levied or the date of the event that gives rise to the obligation to pay the Association. Such lien may be enforced as set forth in this Master Deed or otherwise permitted by law.

9.4.4 If Assessments, fines or other charges or any part thereof due from an Owner are not paid when due, a notice of delinquency may be given to that Owner stating that if the Assessment, fine or charge remains delinquent for more than ten (10) days from the date of the notice of delinquency, the Board of Directors may accelerate and declare immediately due all of that Owner's unpaid installments of the Annual Assessment and of any Special Assessment for the current fiscal year. If an Owner fails to pay all Assessments and related charges currently due within ten (10) days of the date of the notice of delinquency, the Board of Directors may then accelerate and declare immediately due all



installments of the Annual Assessment and of any Special Assessment for the current fiscal year, without any further notice being given to the delinquent Owner. Upon acceleration, that Owner shall thereby lose the privilege of paying the Annual Assessment in installments for that fiscal year.

9.4.5 If Assessments and other charges or any part thereof remain unpaid more than thirty (30) days after the Assessment payments first become delinquent, the Association, acting through the Board of Directors, may institute suit to collect all amounts due pursuant to the provisions of the Master Deed, the Bylaws, the Act and South Carolina law and suspend the Owner's and/or Occupant's right to vote and/or to use the Common Elements, and the Association may suspend any utility or other services provided by the Association (to the extent permitted by applicable law); provided, however, the Board of Directors may not limit ingress or egress to or from the Unit. The Association may bring an action at law against a delinquent Owner personally, including a Person who was the Owner of a Unit at the time when the delinquency occurred and may foreclose the lien against the delinquent Owner's Unit in the same manner in which a mortgage on real property may be foreclosed in the State of South Carolina. The Association may pursue a claim against the Person who was the Owner of such Unit without having to first seek to enforce the lien against the Unit. The Association shall have the right to bid in at any foreclosure sale, and, upon conveyance to the Association, thereafter hold, lease, mortgage, or convey the subject Unit.

9.4.6 The rights of the Association set forth herein shall be in addition to any other rights available at law or in equity with respect to liens for and collection of unpaid Assessments.

9.5 Computation of Operating Budget and Annual Assessment. It shall be the duty of the Board, prior to the beginning of each fiscal year, to prepare a proposed budget and Annual Assessments covering the estimated costs of operating the Condominium Property during the coming fiscal year, including without limitation the estimated Common Expenses and anticipated revenues of the Association for such fiscal year, and any projected deficit or surplus from the preceding fiscal year. The annual budgets shall include adequate reserves for the improvement, repair and replacement of the Common Elements, together with funding for any insurance deductibles as determined by the Board in its discretion. The fiscal year of the Association shall be the calendar year. Except as expressly stated in the Condominium Instruments, the Owner of each Unit shall pay that percentage of the Annual Assessments as the Owner's Percentage Interest bears to the Total Percentage Interests of Units for which the obligation to pay Assessments has commenced pursuant to Section 9.9 below. The Board shall cause the budget and notice of the Annual Assessments to be levied against each Unit for the following year to be delivered to each Owner at least thirty (30) days prior to the end of the Association's fiscal year. The budget and the Annual Assessment shall not require approval by vote of the Owners and shall become effective unless disapproved at a duly called and constituted meeting of the Association by a vote of at least two-thirds (2/3) of the total eligible voting power of the

Association and the Declarant (so long as the Declarant owns one or more Units); provided, however, if a quorum is not obtained at such meeting, the budget shall become effective even though a vote to disapprove the budget could not be called at the meeting. The annual budget, once effective, shall serve as the basis for Annual Assessments for such fiscal year and the primary guideline under which the Association is projected to operate during such fiscal year. Notwithstanding the foregoing, in the event that the membership disapproves the proposed budget or the Board fails for any reason to propose the budget for the succeeding year, then and until such time as a new budget shall have been determined as provided herein, the budget in effect for the then current year shall continue for the succeeding year, with all expense line items increased by five percent (5%) over the current year. In such case, the Board may propose a new budget at any time during the year at a special meeting of the Association. The proposed new budget and Annual Assessment shall be delivered to the members at least thirty (30) days prior to the proposed effective date thereof and at least seven (7) days prior to the special meeting, shall not require approval by vote of the Owners, and shall become effective unless disapproved at such duly called and constituted special meeting of the Association by a vote of at least two-thirds (2/3) of the total eligible voting power of the Association and the Declarant (so long as the Declarant owns one or more Units); provided, however, if a quorum is not obtained at such special meeting, the budget shall become effective even though a vote to disapprove the budget could not be called at the special meeting.

9.6 Special Assessments. In addition to the Annual Assessment provided for in Section 9.5 above, the Board of Directors may, at any time, without the need of an affirmative vote of a Majority of Owners, and in addition to any other rights it may have, levy a Special Assessment against all Owners as, in its discretion, it shall deem appropriate, including without limitation to cover costs such as any unbudgeted property taxes or assessments on the Common Elements, any deductible amount under an insurance policy in the event of a loss or claim, or any unbudgeted costs or expenses of any reconstruction, repair, demolishing, replacement, or maintenance of any Common Elements or of administration or management of the Association ("Special Assessment"). Except as set forth below, Special Assessments shall be allocated among Units in the same manner as Annual Assessments in proportion to their respective Percentage Interests. In addition to Special Assessments of all Units, the Board of Directors may levy a Special Assessment against one or more particular Units (i) to cover the costs of providing services to or on behalf of such particular Unit(s) or Owner of such Unit(s) at the request of such Owner(s) or (ii) as the result of the failure of the Owner or Occupants of the Unit, their agents, guests, invitees or licensees, to execute any responsibility they may have under the Condominium Instruments. Notice of any such Special Assessment shall be sent to all Owners prior to becoming effective. Special Assessments shall be payable by the date or over such period as determined by the Board of Directors, but no earlier than thirty (30) days after notice of such Assessment shall have been given to the Owner. Notwithstanding the above, for so long as the Declarant owns one or more Units, all Special Assessments must be consented to by the Declarant prior to becoming effective. Any Special Assessment (other than to cover any unbudgeted property taxes or assessments on the Common Elements, any deductible amount under an insurance policy in the event of a loss or claim, any unbudgeted costs or expenses of any reconstruction, repair, demolishing, replacement, maintenance of any Common Elements or of administration or management of the Association, or any other costs expressly provided for elsewhere herein or for safety or health or protection of the Common Elements) that applies to all Units and exceeds twenty-five percent (25%) of the current annual budget shall be approved by a

Majority of the Owners. Meetings or votes of Owners for the special purpose of considering such a Special Assessment shall be held only after written notice by the Association to the Owners of the Units, in accordance with the notice procedure set forth in the Bylaws. The meeting or vote shall occur no earlier than the date specified in the Bylaws for a special meeting of the Association. The notice shall state generally the purpose and amount of the proposed Special Assessment.

9.7 Specific Assessments. The Board shall have the power to specifically assess expenses of the Association against Units (a) receiving benefits, items, or services not provided to all Units that are incurred upon request of the Owner of a Unit for specific items or services relating to the Unit, (b) that are incurred as a consequence of the conduct of less than all Owners, their licensees, invitees, or guests, or (c) the Owners of which have negligently damaged any other Unit or the Common Elements, or have otherwise caused damage to any other Unit or the Common Elements ("Specific Assessment(s)"). The Association may also levy or specifically assess any one or more Units to reimburse the Association for costs incurred in bringing the applicable Units into compliance with the provisions of the Condominium Instruments, including without limitation any maintenance, cleaning, repair, or replacement of any Limited Common Elements that is the responsibility of the Owners of such Unit or Units to provide for hereunder, provided the Board gives prior notice to the Unit Owner and an opportunity for a hearing with a representative of the Board of Directors.

9.8 Capital Budget and Contribution. The Board shall annually prepare a capital budget which shall take into account significant periodic Common Element maintenance expenses, the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost to the Association. The Board shall set the required capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association, as shown on the capital budget. The capital contribution required, if any, shall be fixed by the Board and included within the budget and Annual Assessment as provided in Section 9.5 of this Article. A copy of the capital budget shall be distributed to each member in the same manner as the operating budget.

9.9 Date of Commencement of Assessments. The obligation to pay Assessments as to a Unit shall commence on the date such Unit is issued a certificate of occupancy by the City of Clemson, but in any event not prior to the date of recording of this Master Deed. At the closing of any sale of a Unit, Assessments shall be levied and collected from the Person buying such Unit through the end of the current quarter in which closing shall occur (if not already paid), plus one (1) additional quarter, and thereafter billed quarterly by the Association. Notwithstanding anything contained in this Section or elsewhere in this Master Deed to the contrary, the Declarant shall have the option, as to any Unit owned by Declarant or its affiliate and for which a certificate of occupancy has been issued (but which Unit is not yet occupied as a residence), to either (a) pay Assessments on such Unit, or (b) fund any Regime budget deficits, including any deficits for replacement reserves within such budget.

9.10 Statement of Account. Any Owner, Mortgagee, or a Person having executed a contract for the purchase of a Unit, or a lender considering a loan to be secured by a Unit, shall be entitled, upon written request, to a statement from the Association setting forth (i) the amount of any Assessments due and unpaid, including any late charges, interest, fines, or other charges

against a Unit, (ii) the amount of current Assessments, and (iii) the amount and date through which any Assessments have been paid in advance. The Association shall respond in writing within ten (10) days of receipt of the request for a statement; provided, however, the Association may require the payment of a reasonable fee as a prerequisite to the issuance of such a statement. Such written statement shall be binding on the Association as to the amount of Assessments due on the Unit as of the date specified therein.

9.11 Reserve Fund Assessment. The Board, in its discretion and in compliance with the Articles and Bylaws of the Association, shall establish such reasonable reserves as it determines in the exercise of its sound business judgment are necessary for the repair, improvement or replacement of the Units and Common Elements or other needed expenditures of the Association, including without limitation any portion of insurance deductibles as determined by the Board in its discretion. To fund such reserves, the Board, in its discretion, may include a Reserve Fund Assessment, in addition to any amounts that are allocated to reserves from the Annual Assessment. In the event the Board implements a Reserve Fund Assessment in addition to reserve amounts allotted in the Annual Assessment, the following shall apply:

9.11.1 All such Reserve Fund Assessments shall be held by the Board in a separate reserve account, and shall not be commingled with the general Assessments.

9.11.2 Upon the sale or other disposition of a Unit, no reserves shall be refunded to the former Owner, but rather shall remain the property of the Association subject to the terms of the Condominium Instruments.

9.11.3 Any unpaid Reserve Fund Assessments shall become a lien against the Unit(s) in the same fashion as any other Assessment levied under this Article 9, and shall be subject to late charges and interest, as previously provided.

9.12 Working Capital Assessments upon Transfers. In order to provide the Association with adequate working capital funds, upon acquisition of record title to a Unit by the first Owner thereof other than the Declarant, a working capital assessment ("Working Capital Assessment") shall be paid by or on behalf of the purchaser of a Unit to the working capital of the Association in an amount equal to one (1) quarter of the Annual Assessment. This amount shall be in addition to, not in lieu of, any other Assessment and shall not be considered an advance payment of any other Assessment. In addition, the Association shall collect from the transferee at the time of each subsequent sale or conveyance of each Unit a Working Capital Assessment amount equal to one (1) quarter of the Annual Assessment. This provision shall not apply to any sale or conveyance which is exempt from recording fees for value pursuant to Section 12-24-10 et seq. of the 1976 Code of Laws of South Carolina, or any amendment thereto. Such payments shall be in addition to, not in lieu of, any other Assessment and shall not be considered advance payments of any other Assessments. The Association may use the funds to cover any Common Expenses including without limitation reserve requirements.

9.13 Surplus Funds and Common Profits; Losses. Subject to any limitations and restrictions set forth in the Condominium Instruments, any surplus funds or common profits remaining after the application thereof to the payment of Common Expenses shall, at the

discretion of the Board of Directors, be (a) added to the Association's reserve or working capital accounts, (b) credited to the next Annual Assessment chargeable to the Owners in proportion to such Owners' Percentage Interests, or (c) distributed to the Owners in proportion to the such Owners' Percentage Interests. In the event of any Association losses or budget shortfalls, then, in addition to the authority of the Board to levy Special Assessments to cover any such losses or budget shortfalls, the Board, in its discretion, shall have the power and authority to withdraw funds from any reserve funds established for such purposes.

9.14 Restriction on Expense of Litigation. Notwithstanding any contrary provision contained in this Master Deed, in no event may the Association commence any action or proceeding against any Person seeking equitable relief, or seeking either an unspecified amount of damages or damages in excess of \$25,000.00; or any action or proceeding where the estimated cost of legal fees exceeds \$5,000.00, unless the following conditions are satisfied: (a) the decision to commence such action or proceeding shall be taken at an annual or special meeting of the Association; (b) a budget for such litigation, including all fees and costs assuming trial and all potential appeals, shall have been prepared by the attorneys who will be engaged by the Association for such purpose, and shall have been mailed or delivered to all Owners and posted at the principal office of the Association at least 30 days prior to such meeting; and (c) at such meeting Owners representing an aggregate ownership interest of 75% or more of the eligible weighted votes of the Association shall approve the decision to commence, and the proposed budget for, such action or proceeding, and shall concurrently approve the imposition of a Special Assessment to fund the costs of such action or proceeding in accordance with the approved budget. The Association shall be authorized to expend funds for such proceeding in excess of the amount contemplated by the approved budget only after an amended budget has been approved in accordance with the procedures specified in the foregoing subparts (a), (b) and (c). The procedural requirements set forth in this Section, however, shall not apply to (i) any action to collect or otherwise enforce Assessments and any related fines, late charges, penalties, interest, or costs and expenses, including reasonable attorneys' fees, (ii) proceedings involving challenges to ad valorem taxation, (iii) counterclaims brought by the Association in proceedings instituted against it, or (iv) actions brought by the Association to enforce written contracts with its suppliers and service providers. All of the costs and expenses of any action or proceeding requiring the approval of the Owners in accordance with this paragraph shall be funded by means of a Special Assessment pursuant to Section 9.6, and in no event may the Association use reserve funds or contingency funds, reallocate previously budgeted operating funds, or incur any indebtedness in order to pay any costs and expenses incurred for such purpose. Further, if the Association commences any action or proceeding against a particular Owner or particular Owners requiring the approval of the Owners in accordance with the foregoing, the Owner(s) against whom suit is being considered shall be exempted from the obligation to pay the Special Assessment(s) levied in order to pay the costs and expenses of such action or proceeding. The monetary thresholds stated in this Section shall increase by the greater of 3% or the Index each year on the anniversary of filing this Master Deed. The provisions of this Section cannot be amended without the approval of at least 75% of the total eligible voting power of the Association, and without the consent of the Declarant so long as the Declarant has the right to appoint and remove directors of the Association.

9.15 Natural Gas, Cable, and Water and Sewer Charges. There shall be common metering for natural gas, water and sewer, and, to the extent provided below, cable, internet, or

other telecommunications service charges, which shall be billed to the Association as a Common Expense. Declarant and the Association reserve the right, but not the obligation, to (a) install cable, internet or similar telecommunications systems serving some or all of the Units and to provide services using such systems, and (b) to determine the extent to which charges for use of such services or systems are Common Expenses of the Association or expenses of specific Unit Owners. The Board of Directors may modify the package of cable, internet, or other telecommunications services provided to all Units as a Common Expense in its discretion from time to time. Each Unit Owner shall be responsible for any cable, internet, or other telecommunications services charges incurred by such Owner in addition to any services provided by the Association.

9.16 Financial Statements. The Board of Directors shall endeavor in good faith to cause annual financial statements of the Association (the "Annual Report") to be prepared in accordance with GAAP within one hundred (120) days following the close of the Association's fiscal year. Such financial statements shall be audited by a licensed public accountant for the first fiscal year of the Association and every other year thereafter. For fiscal years that do not require an audit, such financial statements shall be subject to an accounting review by a licensed public accountant. Upon request, one (1) copy of the Annual Report shall be provided to any Owner of a Unit. The Board of Directors may require payment of a reasonable fee for additional copies.

9.17 Books and Records. The Association shall keep minutes of meetings of the Association and the Board and books and records with a detailed account, in chronological order, of the receipts and disbursements of the Association in connection with the operation, administration, maintenance, cleaning, repair, and replacement of the Common Elements. The books and records shall be available for examination by all Owners, or any accountant, attorney, or similar professional agent authorized in writing by an Owner, in the offices of the Association or the Management Agent, or such other location in Pickens County as may be designated by the Association, during normal business hours with reasonable prior notice given by the Owners to the Association and Management Agent. The Association shall have the right to require written notice of the particular records to be inspected not more than five (5) business days prior to the inspection date (or such longer period as may be reasonable if the records sought are not readily available). The inspection shall be scheduled and conducted in such a manner that the operations of the Association are not unduly disrupted and the safety, integrity, and any required confidentiality of the records are ensured. The Association may charge a reasonable fee to cover the reproduction, postage and administrative expenses incurred by the Association as a result of an inspection, and may require that such fee be paid prior to inspection.

## **ARTICLE 10**

### **INSURANCE**

10.1 Association's Insurance Coverage Obligations. The Association shall obtain and maintain insurance for improvements on the Property under a Condominium Association Coverage Form (or current ISO equivalent) insuring against such losses and risks specified in the Broad Form Causes of Loss (or current ISO equivalent) and otherwise in an amount sufficient to cover the full cost of any repair, reconstruction or replacement of the Building and Common Elements. The Association, shall also obtain and maintain a public liability policy under a Commercial General Liability Form (or current ISO equivalent) covering accidents taking place upon or resulting from

the use of General Common Elements and all damage or injury caused by the negligence of the Association or any of its employees, officer or agents, which public liability policy shall have reasonable limits as determined by the Board. Premiums for all such insurance shall be a Common Expenses funded by Assessments.

The foregoing policies shall comply with the provisions hereinafter set forth:

- (i) The foregoing insurance shall be written with a company licensed to do business in the State of South Carolina.
- (ii) The foregoing insurance shall be written in the name of the Association for the benefit of the Owners and their mortgagees, as their interests may appear, and shall provide that proceeds covering property losses shall be paid to the Association, in trust for the benefit of the Units and Owners.
- (iii) Provision shall be made for the issuance of a certificate of insurance to each Owner and his mortgagee, if any, upon request.
- (iv) The original of all the foregoing policies and all endorsements thereto shall be maintained in the possession of the Association.

10.2 Owners' Insurance Obligations. Each Owner, at its own expense, shall obtain and maintain insurance on its own Unit and the contents thereof and betterments thereto under a Condominium Unit Owner's Coverage Form (or the commercial variation thereof, both of current ISO revision of the equivalent) insuring against such losses and risks specified in the Broad Form Causes of Loss (or current ISO equivalent) and otherwise in an amount sufficient to cover the full cost of any repair, reconstruction or replacement of the said Owner's Unit, betterments and other covered improvements or property. Likewise, each Owner shall obtain and maintain public liability insurance (to be provided, as by Residential Unit Owners, under the same Condominium Unit Owner's Coverage Form specified above, and by Commercial Unit Owners, under a Commercial General Liability Form (or current ISO equivalent)) covering accidents taking place upon or relating to the use and occupancy of the covered Owner's Unit and all damage or injury caused by the negligence of the said Owner or any of its guests, invitees, licensees, agents, officers or employees, which public liability policy shall have reasonable limits as may be determined and specified by the Board, from time to time. In no event shall any recovery or payment under the insurance coverage obtained and maintained by the Association be affected or diminished by insurance purchased and maintained by Owners and vice versa.

10.3 General Provisions Regarding Insurance. The Board of Directors or its duly authorized agent shall cause to be conducted by a qualified person(s) a bi-annual insurance review for the purposes of determining the adequacy of insurance required under this Master Deed, and in the event changes are recommended, the Board shall evaluate and implement such changes as it deems necessary. The Board and the Owners shall make every reasonable effort to secure insurance policies that will provide for the following: (1) a waiver of subrogation by the insurer as to any claims against the Association, the Board of Directors, its duly authorized agents, officers or employees and the Owners; (2) a waiver of the insurer's right to repair or reconstruct instead of paying cash; (3) a waiver of insurer's right to cancel, invalidate or suspend the policy on account of the acts of any one Owner or the conduct of any Director, officer or employee of the Association or its duly authorized agents without a prior demand in writing delivered to the Association to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured by

the Association, its agent, any Owner or mortgagee; and (4) that any "other insurance" clause in the master policy or policies of the Association exclude individual Owners' policies from consideration.

10.4 Use and Application of Insurance Proceeds. Among other things, the duty of the Association shall be to receive insurance proceeds delivered to it and to hold such proceeds in trust for the benefit of the Owners and their mortgagees. An undivided share of such proceeds on account of damage or destruction to the Common Elements shall be allocated and assigned to the Owners in accordance with their respective Percentage Interests. Proceeds on account of damage or destruction to Units shall be allocated and assigned to the Owners of the damaged or destroyed Units in proportion to the cost of repairing or reconstructing the damage or destruction suffered by each such Unit. In the event that a mortgagee endorsement has been issued as to any particular Unit, the share of such Unit's Owner shall be held in trust for such Owner and his mortgagee, as their interests may appear.

Proceeds of insurance policies received by the Association, including those allocated and assigned according to the foregoing paragraph shall be disbursed as follows:

(i) If the damage or destruction for which the proceeds are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment for such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs shall be paid into a separate account maintained by the Association for the benefit of all Co-owners.

(ii) If it is determined, as provided below, that the damage or destruction for which the proceeds are paid shall not be repaired or reconstructed, such proceeds shall be disbursed to such persons as therein provided.

(iii) Immediately after all or any part of the Property covered by insurance written in the name of the Association is damaged or destroyed by fire or other casualty, the Board of Directors shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this paragraph, means repairing or restoring the Property to substantially the same condition in which it existed prior to the fire or other casualty with each Unit and the Common Elements having the same vertical and horizontal boundaries as before.

(iv) Any such damage or destruction to an Unit(s) which *does not* render such Unit(s) uninhabitable shall be repaired unless, within thirty (30) days following such damage, all the Owners unanimously agree in writing not to repair, reconstruct or rebuild the Property in accordance with provisions of the Act. Any damage or destruction which *does* render a Unit(s) uninhabitable, or any such damage or destruction to the Common Elements, shall be repaired and reconstructed unless the damage or destruction is to the whole Building or more than two-thirds of the Units and the Common Elements. In the event of damage to the said whole or more than two-thirds of the Units and their Common Elements, the net proceeds from insurance shall be delivered pro-rata to the Owners according to their Percentage Interests; provided, however, that within sixty (60) days from the date of the casualty the Owners may unanimously agree to repair and reconstruct. If for any reason, the



amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction are not made available to the Association within said period of sixty (60) days after the casualty, then such period shall be extended until such information shall be made available to the Association; provided, however, that said extension of time shall not exceed ninety (90) days. No mortgagee shall have any right to participate in the determination as to whether the damage or destruction shall be repaired or reconstructed.

(v) In the event that it is determined by the Association in the manner prescribed above that the damage or destruction shall not be repaired or reconstructed, then and in that event (i) the Property and the fee interest therein shall be deemed to belong to the Owners, collectively as tenants in common, (ii) each Owner's interest in the Real Property, shall be equal to the Percentage Interest appurtenant to each Unit, (iii) any liens affecting any of the Units shall be deemed to be transferred in accordance with the existing priorities to the Percentage Interest of each Owner, and (iv) the Property shall be subject to an action for partition and sale at the instance of any Owner, in which event the net proceeds of such sale shall be paid to the Association. Said net proceeds of sale, together with the net proceeds of any insurance proceeds payable to the Association, shall be considered as one fund which, after paying all expenses of the Association, shall be divided among all of the Owners in portions equal to the Percentage Interests appurtenant to their Units, after first paying out of the respective share of the Owners, to the extent sufficient for such purpose, all liens on the Units of each Owner.

If the damage or destruction for which the insurance proceeds are paid to the Association is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall levy an assessment against the Owners of damaged or affected Units in sufficient amounts to provide funds to pay such excess cost of repair or reconstruction. The portion of such assessment levied against each affected Unit and its Owner shall be computed by dividing the Percentage Interest appurtenant each affected Owner's Unit by the total of the Percentage Interests appurtenant to all Units affected, or equitably, according to the sole discretion of the Board.

## ARTICLE 11

### ARCHITECTURAL CONTROL

11.1 Architectural Standards. Except for the Declarant and except as provided herein, no Owner, Occupant, or any other person may make any encroachment onto the Common Elements or Limited Common Elements, or make any exterior change, alteration, or construction (including painting and landscaping), nor erect, place or post any object, sign, antenna, playground equipment, light, storm door or window, artificial vegetation, exterior sculpture, fountain, flag, or thing on the exterior of the buildings, in any windows, on any Limited Common Elements, or any other Common Elements, or otherwise visible from outside of a Unit, without first obtaining the written approval of the Board. Notwithstanding the above, this article shall not apply to the activities of the Declarant or a Declarant-related entity.

## **ARTICLE 12**

### **USE RESTRICTIONS**

12.1 Compliance. Each Owner of a Unit shall be responsible for ensuring that the Owner's invitees, guests, tenants and other Occupants comply with all provisions of the Condominium Instruments and the Rules and Regulations of the Association. Furthermore, each Owner and Occupant shall always endeavor to observe and promote the cooperative purposes for which the Association was established. In addition to any rights the Association may have against the Owner's invitees, guests, tenants or other Occupants as a result of such Person's violation of the Condominium Instruments, the Association may take action under this Master Deed against the Owner as if the Owner committed the violation in conjunction with the Owner's invitees, guests, tenants or other Occupants. Use restrictions regarding the use of Units and the Common Elements are as follows and also as may be adopted by the Board of Directors in accordance with the terms hereof and as specified in the Bylaws. Notwithstanding anything contained herein to the contrary, the Board of Directors may, from time to time and in accordance with the terms hereof and as specified in the Bylaws, adopt additional Rules and Regulations, further restricting the use of the Units and the Common Elements.

12.2 Use of Units. All Units shall be used solely for residential purposes only. No business, trade, or similar activity shall be conducted upon a Unit without the prior written consent of the Board. The terms "business" and "trade" as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (a) such activity is engaged in full or part-time, (b) such activity is intended to or does generate a profit, or (c) a license is required. The leasing of apartment dwellings within a Unit shall not be considered a business or trade within the meaning of this Section. This Section shall not apply to any activity conducted by the Declarant or a builder or agent approved by the Declarant with respect to its development and sale of the Condominium Property or its use of any Units which it owns, including without limitation any such uses permitted pursuant to Section 19.3.

12.3 Alteration, Subdivision, and Consolidation of Units. Unit Owners may not make alterations to their Units, relocate the boundaries between adjoining Units, or subdivide and consolidate their Units without prior, written approval of the Board.

12.4 Outbuildings. No structure of a temporary character, trailer, tent, shack, carport, garage, barn or other outbuilding shall be erected by any Owner or Occupant on any portion of the Condominium Property, other than by Declarant, at any time, either temporarily or permanently, without the prior written approval of the Board.

12.5 Use of Common Elements. Except as expressly provided for in this Master Deed, there shall be no obstruction of the Common Elements, nor shall anything be kept on, parked on, stored on, or removed from any part of the Common Elements without the prior written consent of the Board, except as specifically provided herein. This prohibition shall not apply to the Declarant. The Board may authorize, subject to any restrictions imposed by the Board, an Owner or Owners to reserve portions of the Common Elements for exclusive use for a limited period of

time as set by the Board. The Association shall not be liable for any damage or injury resulting from such use unless such damage or injury is caused solely by the willful acts or gross negligence of the Association, its agents or employees.

12.6 Use of Limited Common Elements. Use of the Limited Common Elements is restricted exclusively to the Owners of the Units to which such Limited Common Elements are assigned, and said Owners' guests, invitees, tenants and other Occupants. The Limited Common Elements are reserved for exclusive use, but are a part of the Common Elements, and the restrictions applicable to the Common Elements shall also apply to the Limited Common Elements.

12.7 Prohibition of Damage, Nuisance and Noise.

12.7.1 Without the prior written consent of the Board, nothing shall be done or kept on the Condominium Property, or any part thereof, which would increase the rate of insurance on the Condominium Property or any Unit or part thereof, which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirements of any governmental body, or which would increase the Common Expenses.

12.7.2 Noxious, destructive or offensive activity shall not be carried on upon the Condominium Property. No Owner or Occupant of a Unit may use or allow the use of the Unit or any portion of the Condominium Property at any time, in any way or for any purpose which may endanger the health or unreasonably annoy or disturb or cause embarrassment, discomfort, or nuisance to other Owners or Occupants, or in such a way as to constitute, in the sole opinion of the Board of Directors, a nuisance. Nothing herein, however, shall be construed to affect the rights of an aggrieved Owner to proceed individually for relief from interference with his or her property or personal rights. Notwithstanding anything to the contrary herein, no Owner or Occupant of a Unit may use or allow the use of the Unit, the Common Elements or the Limited Common Elements in any manner which creates undue or excessive noises which can be heard by persons in another Unit, except security and fire alarm devices or other devices expressly approved in writing by the Board, that will, in the sole discretion of the Board, interfere with the rights, comfort or convenience of the other Owners or Occupants. Loud noises caused by barking dogs which can be heard regularly by persons in another Unit shall not be permitted. No Owner or Occupant of a Unit may use or allow the use of the Unit, the Common Elements or the Limited Common Elements in any manner which creates unusually bright, flashing or pulsating lights that are visible by persons in another Unit that will, in the sole discretion of the Board, interfere with the rights, comfort or convenience of the other Owners or Occupants.

12.7.3 No Owner or Occupant shall do any work which, in the reasonable opinion of the Board, would jeopardize the soundness or safety of the

Condominium Property or any structure created thereon, would reduce the value thereof, or would impair any easement or other interest in real property thereto, without in every such case the unanimous, prior written consent of all members of the Association and their Mortgagees, and the Declarant for so long as the Declarant owns one or more Units. No damage to or waste of the Common Elements, or any part thereof, or of the exterior of any building shall be permitted by any Owner or Occupant. Each Owner shall indemnify and hold the Association and the other Owners harmless against all loss or liability to the Association or other Owners resulting from any such damage or waste caused by such Owner, guests, invitees, tenants, contractors or other Occupants of his or her Unit.

12.8 Firearms and Fireworks. The display or discharge of firearms or fireworks on the Common Elements is prohibited; provided, however, that the display of lawful firearms on the Common Elements is permitted for the limited purpose of transporting the firearms across the Common Elements to or from the Owner's Unit. The term "firearms" includes "B-B" guns, pellet guns, and other firearms of all types, regardless of size.

12.9 Pets. The Board shall promulgate, from time to time, Rules and Regulations regarding the presence and activities of pets on the Condominium Property. Household pets must not constitute a nuisance or cause unsanitary conditions. The Board of Directors shall have the right to determine, in its sole discretion, whether a particular pet meets the criteria set forth in this Section and the Rules and Regulations, and, if not, it may require, upon reasonable notice, the owner or keeper of the pet to remove such pet from the Condominium Property.

12.10 Parking. Subject to the provisions of Article 6, the Board of Directors may promulgate Rules and Regulations restricting parking on the Condominium Property, including restricting the number of vehicles which any Owner or Occupant may bring onto the Condominium Property and designating, assigning or licensing Parking Spaces or areas. This Section 12.10 shall not prohibit an Owner or Occupant from having service vehicles park temporarily on the Condominium Property if otherwise in compliance with this Section 12.10 and the Rules and Regulations adopted by the Board. If any vehicle is parked on any portion of the Condominium Property in violation of this Master Deed or the Association's Rules and Regulations, is parked in a fire lane, is blocking another vehicle or access to another Owner's or Occupant's Unit, is obstructing the flow of traffic, is parked other than in a parking space, is parked in a space which has been assigned to another Unit, or otherwise creates a hazardous condition, the vehicle may be towed at the sole cost and risk of the violator and without notice to the Owner or user of the vehicle. If a vehicle is towed in accordance with this subsection, neither the Association nor any officer or agent of that Association shall be liable to any person for any claim of damage as a result of the towing activity. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to tow.

12.11 Abandoned Personal Property. Owner's and Occupant's personal property is prohibited from being stored, kept, or allowed to remain for a period of more than twenty-four (24) hours upon any portion of the Common Elements without the prior written permission of the Board. The hallways and stairways shall be kept clean and free from personal property, trash,

litter and debris at all times. If the Board or its designee, in its sole discretion, determines that property is kept, stored, or allowed to remain on the Common Elements, including any Limited Common Elements, in violation of this section, then the Board may remove and either discard or store the personal property in a location which the Board may determine; provided, however, the Board shall give to the owner, if known, notice of the removal of the property and the location of the personal property within three (3) days after the personal property is removed. If personal property is removed in accordance with this subsection, neither the Association nor any officer or agent of the Association shall be liable to any person for any claim of damage resulting from the removal activity. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to remove abandoned or improperly stored personal property, as set forth herein.

12.12 Heating of Units in Colder Months; Cooling of Units in Warmer Months. In order to prevent breakage of water pipes during colder months of the year resulting in damage to any portion of the Condominium Property, increased Common Expenses, and increased insurance premiums or cancellation of insurance policies due to numerous damage claims, the thermostats within the Units shall be maintained with the heat in an "on" position and at a minimum temperature setting of fifty-five degrees (55°) Fahrenheit (except during power failures or periods when heating equipment is broken). In order to prevent the growth of mold and mildew during warmer months of the year resulting in damage to any portion of the Condominium Property, increased Common Expenses, and increased insurance premiums or cancellation of insurance policies due to numerous damage claims, the thermostats within the Units shall be maintained with the air condition in an "on" position and at a maximum temperature setting of eighty-five degrees (85°) Fahrenheit (except during power failures or periods when air conditioning equipment is broken). Owners and Occupants of Units shall take all steps possible on a timely basis to keep heating and cooling equipment, including, but not limited to, the thermostat, in good working order and repair. At any time during the months specified above when the heating or cooling equipment is not working properly, the Unit Owner or Occupant shall immediately inform the Association of this failure of the equipment and of the time needed to repair the equipment. The Board of Directors or Management Agent may fine any Owner or Occupant for violation of this subsection or may, but shall have no obligation to, enter the Unit and undertake any repairs (at the expense of the Owner) required to ensure compliance with this paragraph, in addition to any other remedies of the Association. Any Assessment or fine imposed pursuant to this subsection shall be deemed an Assessment against the Unit and may be collected in the same manner as provided herein for collection of Assessments.

12.13 Signs. Except as may be required by legal proceedings, no signs, advertisements, notices, circulars, posters, billboards, canopy or awnings, or any variation of the foregoing of any kind shall be erected, placed, or permitted to remain on the Condominium Property without the prior written consent of the Board or its designee. The Board shall have the right to erect reasonable and appropriate signs on behalf of the Association and to identify Common Elements reserved for notices, and may enact reasonable Rules and Regulations governing the general placement of signs on the Condominium Property, including without limitation restrictions regarding size, coloring, lettering, time of display, location, and quality of construction for signs. Notwithstanding the restrictions contained in this section, the Declarant or the Board, may approve and erect signs for the purpose of carrying on business related to the development,

improvement and sale of Units in the Condominium Property, and such signs shall not be subject to approval or regulation by the Association.

12.14 Rubbish, Trash, and Garbage. All rubbish, trash, and garbage shall be regularly removed from the Unit and shall not be allowed to accumulate therein. No garbage or trash shall be placed on the Common Elements or Limited Common Elements outside the Unit, temporarily or otherwise, except as provided herein. Rubbish, trash, and garbage shall be disposed of in closed bags or other approved containers and placed in the fenced trash receptacle area designated by the Board for collection or shall be removed from the Condominium Property.

12.15 Impairment of Units and Easements. An Owner shall do no act nor any work that will impair the structural soundness or integrity of another Unit or impair any easement or other interest in real property, nor do any act nor allow any condition to exist which will materially adversely affect the other Units or their Owners or Occupants, as determined by the Board in its discretion.

12.16 Unightly or Unkempt Conditions. The pursuit of hobbies or other activities, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Condominium Property. Clothing, bedding, rugs, mops, appliances, indoor furniture, and other household items shall not be placed or stored on any locations outside the Unit.

12.17 Garage Sales. Garage sales, yard sales, estate sales, flea markets, or similar activities are prohibited without the prior approval of the Board.

12.18 Window Treatments. Unless otherwise approved in writing by the Board, all windows which are part of a Building within a Unit shall have window treatments which shall be located on the interior side of the windows, and any portion thereof visible from outside the Unit shall be white, off-white or light beige in color.

12.19 Antennas and Satellite Equipment. Unless otherwise approved in writing by the Board, no Owner, Occupant, or any other Person shall place or maintain any type of exterior television or radio antenna, satellite equipment, or other telecommunications antenna, aerial, component or dish on the Condominium Property in a manner that causes it to be visible from another Building or the Common Elements (other than Limited Common Elements serving only the Building in which it is located). This provision shall not, however, prohibit the Declarant or Association from constructing or maintaining a central antenna or communications system on the Condominium Property for the benefit or use of all Units. No telecommunications equipment installed on the Property after completion of construction shall unreasonably interfere with the operation of normal telephone, television, internet or other telecommunications systems for other Units, as determined by the Board. Notwithstanding the foregoing, the Declarant and/or the Association shall regulate antennas, satellite dishes, or any other apparatus for the transmission or reception of television, radio, satellite, or other signals of any kind only in strict compliance with all federal laws and regulations.

12.20 Time Sharing. Notwithstanding anything herein to the contrary, no Unit or Building within a Unit shall be used for or subject to any type of Vacation Time Sharing

Ownership Plan, Vacation Time Sharing Lease Plan, or Vacation Time Sharing Plan, as defined by the South Carolina Code of Laws, Section 27-32-10, et seq., as amended, or any subsequent laws of the State of South Carolina dealing with a vacation time share ownership or leasing plan (including, without limitation, vacation multiple ownership interests as defined and described in Section 27-32-250 of the South Carolina Code of Laws, as amended), or otherwise operated as a vacation-sharing residence.

12.21 Elevators. The Board shall have the right to promulgate Rules and Regulations regarding use of any elevators.

12.22 Variances. The Board of Directors may grant variances from the strict meaning and interpretation of the restrictions set forth in this Article, except that no such variance shall be valid unless consented to and approved by the Declarant so long as Declarant owns one or more Units.

### **ARTICLE 13**

#### **LEASING AND OCCUPANCY OF UNITS**

13.1 Leasing Provisions. The Board shall have the power and authority to promulgate and enforce reasonable Rules and Regulations regarding Leasing of Units within the Regime, including the power and authority to impose fines, in accordance with the Condominium Instruments, in order to enforce any such Rules and Regulations. For purposes of this Master Deed, the term "Leasing" shall mean the regular, exclusive occupancy of a bedroom within a Building by any person other than the Owner.

### **ARTICLE 14**

#### **SALE OF UNITS**

14.1 Notice to Association. A Unit Owner intending to make a transfer or sale of a Unit or any interest in a Unit shall give written notice to the Board of such intention within seven (7) days after execution of the purchase and sale agreement or other transfer or sales documents. The Unit Owner shall furnish to the Board as part of the notice (i) the name and address of the intended grantee; (ii) such other information as the Board may reasonably require; and (iii) the forwarding address and telephone number of the conveying Owner. This Article shall not be construed to create a right of first refusal in the Association or in any third party. Within seven (7) days after receiving title to a Unit, the purchaser of the Unit shall give written notice to the Board of his or her ownership of the Unit. Upon failure of an Owner to give the required notice within the seven-day time period provided herein, the Board may levy fines against the Unit and the Owner thereof, and assess the Owner for all costs incurred by the Association in determining his or her identity. The Association may require a transferor or transferee Owner to provide to the Association a copy of the recorded deed or other instrument by which the Unit was conveyed, together with the name and address of such transferee's Mortgagee. When any Person receives title to a Unit by devise or inheritance, or by any other method not heretofore considered, it shall be the responsibility of the Person acquiring title to notify the Association that such transfer has occurred and to provide the information set forth above.

**ARTICLE 15**  
**MAINTENANCE RESPONSIBILITY**

15.1 Building Repair and Maintenance. Buildings shall be maintained in a good, safe state of repair consistent with applicable codes, this Master Deed, and applicable Rules and Regulations. All maintenance, repairs and replacements to a Building within a Unit shall be the responsibility of the Owner of such Unit. Each Unit Owner shall also be responsible for any Limited Common Elements appurtenant to its Buildings within the Unit other than any Reserved Parking Space assigned to such Building, which for purposes of this Section shall be treated as a General Common Element and maintained by the Association as a Common Expense. Each Unit Owner's maintenance responsibility shall include, but not be limited to the following: (i) all fixtures, equipment, and utilities installed and included in a Building commencing at a point where the fixtures, equipment and utilities enter the Building (including any plumbing maniblocks for such Building; and (ii) all portions of the HVAC System serving only the Building, whether located within or without a Building's boundaries. The Board shall have the authority to require each Unit Owner to have an annual HVAC maintenance contract with a HVAC contractor approved by the Board, or the Board may employ a heating and air contractor to maintain all HVAC Systems, in which case such maintenance expense shall be deemed a Common Expense. All HVAC Systems shall be subject to the required maintenance schedule (as provided herein), and each Owner shall insure that the HVAC System serving such Owner's Buildings within its Unit shall be maintained in accordance therewith. An Owner shall not allow any action or work that will impair the structural soundness of the Common Elements or another Building; impair the proper functioning of the utilities, HVAC System, ventilation, or plumbing systems or integrity of the Common Elements or another Building, or impair any easement, appurtenance or hereditament. Each Owner shall be responsible for all damages to any other Building or to Common Elements caused by the failure of the Owner to maintain or make timely and appropriate repairs. Except as may be expressly provided in the Condominium Instruments, the purchase and sale agreement between Declarant and any purchaser of a Unit, each Owner shall have the exclusive right and duty to paint, tile, wax, paper, or otherwise decorate or redecorate and to maintain and repair the interior surfaces of the walls, floors, ceilings, and doors of each Building within such Owner's Unit. Notwithstanding anything contained herein to the contrary, a Unit Owner's maintenance responsibility excludes exterior Windows; Exterior Doors (except for the painting or staining of the interior surface of such Exterior Doors, which shall be the responsibility of the applicable Unit Owner), all of which shall be a Common Expense.

15.2 Common Elements Maintenance and Repair. All maintenance, repairs and replacements to Common Elements shall be made by the Association and be charged to all Units as a Common Expense; provided, however, that this shall exclude any maintenance, repairs and replacements of Limited Common Elements that are expressly made the responsibility of a specific Unit or Units by another provision of this Master Deed. If any maintenance, repair, or replacement of any portion of the Common Elements is required because of the negligent or willful act or omission of an Owner or Occupant of a Building, then such Owner and/or Occupant shall be responsible for such maintenance, repair, or replacement. Any expense incurred by the Association for such maintenance, repair, or replacement that is not paid by insurance of the Association, including any deductible payable by the Association, shall be a personal obligation of such Owner. If the Owner fails to repay the expenses incurred by the Association in a timely manner after notice to the Owner of the amount owed, then the failure to



so repay shall be collectible as a Special Assessment against the Unit and the Owner. The Association shall repair incidental damage to any Unit resulting from performance of work which is the responsibility of the Association. So long as the Association is acting in good faith to perform any applicable maintenance, repairs or replacements of Common Elements, the Association shall have no liability for any loss of use or otherwise for any period during which a Unit may be inaccessible or unusable due to such work or the time to complete such maintenance, repairs or replacements.

15.3 Failure to Maintain. If the Board of Directors determines that any Owner has failed or refused to discharge properly such Owner's obligation with regard to the maintenance, repair, or replacement of items of which such Owner is responsible hereunder, then the Association shall give the Owner written notice of the Owner's failure or refusal and of the Association's right to provide necessary maintenance, repair, or replacement at the Owner's cost and expense. The notice shall set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary by the Board of Directors. Unless the Board of Directors determines that an emergency exists, the Owner shall have ten (10) days within which to complete maintenance or repair, or if the maintenance or repair is not capable of completion within such time period, to commence replacement or repair within ten (10) days. If the Board of Directors determines that: (i) an emergency exists or (ii) that an Owner has not complied with the demand given by the Association as herein provided, the Association may provide any such maintenance, repair, or replacement at the Owner's sole cost and expense. If the Owner fails to pay such costs and expenses incurred by the Association in a timely manner after notice to the Owner of the amount owed, then the failure to so repay shall be collectible as a Special Assessment and lien against the Unit and the Owner.

15.4 Maintenance Standards and Interpretation. The Board of Directors shall determine, from time to time, the maintenance standards required for Unit Owners and the Association. Such maintenance standards and the enforcement thereof and the interpretation of maintenance obligations under this Master Deed may vary from one term of the Board of Directors to another. These variances shall not constitute a waiver by the Board of Directors of the right to adopt and enforce maintenance standards under this Section. No decision or interpretation by the Board of Directors shall constitute a binding precedent with respect to subsequent decisions or interpretations of the Board of Directors. No Owner shall perform any maintenance which may result in a change or alteration to the exterior of the Unit without the prior written approval of the Board of Directors.

15.5 Measures Related to Insurance Coverage. The Board shall have the authority to require all or any Unit Owner(s) to do any act or perform any work involving portions of the Condominium Property which are the maintenance responsibility of the Unit Owner, which will, in the Board's sole discretion, decrease the possibility of fire or other damage in the Condominium Property, reduce the insurance premiums paid by the Association for any insurance coverage, or otherwise assist the Board in procuring or maintaining such insurance coverage. This authority shall include, but need not be limited to, requiring all Owners to turn off cut-off valves, which may now or hereafter be installed, during winter months for outside water spigots; requiring Owners to insulate pipes sufficiently or take other preventive measures to prevent freezing of water pipes; requiring Owners to install and maintain smoke detectors; requiring Owners to make improvements to the Owner's Unit; and such other measures as the

Board may reasonably require so long as the cost of such work does not exceed one thousand dollars (\$1,000.00) per Unit in any twelve (12) month period. In addition to, and not in limitation of, any other rights the Association may have, if any Unit Owner does not comply with any reasonable requirement made by the Board pursuant to this Section 15.5, the Association, upon fifteen (15) days written notice (during which period the Unit Owner may perform the required act or work without further liability), may perform such required act or work at the Unit Owner's sole cost. Such cost shall be a Special Assessment and a lien against the Unit as provided herein. The Association shall have all rights necessary to implement the requirements mandated by the Board pursuant to this Section 15.5, including, but not limited to, a right of entry during reasonable hours and after reasonable notice to the Owner or Occupant of the Unit, except that access may be had at any time without notice in an emergency situation.

15.6 Alteration of Common Elements. After completion of the Common Elements, there shall be no alteration of the same by any Owner without the prior written approval of the Board; provided that so long as Declarant owns any Units, Declarant shall have the right to make such alterations to the Common Elements as is necessary for the enhancement, protection and effective marketing of the Condominium Property.

## **ARTICLE 16**

### **PARTY WALLS**

16.1 General Rules of Law to Apply. In the event that any wall is built as a part of the original construction of the Units which shall serve and separate any two (2) adjoining Units shall constitute a party wall and, to the extent not inconsistent with the provisions of the Act and this Master Deed, the general rules of law regarding party walls and liability for property damage due to negligent or willful acts or omissions shall apply thereto.

16.2 Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the party wall in equal proportions.

16.3 Damage and Destruction. If a party wall is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner or Owners who have benefited by the party wall may restore it, and the Association shall reimburse said Owner(s) for the cost incurred, without prejudice, however, to the Association's right to seek reimbursement from or withhold payment to the Owners or others under any rule of law or provision in this Master Deed regarding liability for negligent or willful acts or omissions.

16.4 Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the Unit and shall pass to such Owner's successors, successors-in-title and assigns.

## **ARTICLE 17**

### **EMINENT DOMAIN**

17.1 Replacement of Condemned Common Elements. In the event of a taking by eminent domain of any portion of the Common Elements on which improvements have been

constructed, then, to the extent deemed feasible by the Board of Directors, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Elements to the extent lands are available therefor. Any compensation for such taking shall be payable to the Association or such bank, trust company or law firm authorized to do business in South Carolina as the Board of Directors shall designate as trustee for all Unit Owners and Mortgagees affected thereby, according to the loss or damages to the Common Elements and the Units. The provisions of this Master Deed applicable to Common Elements improvement damage shall govern replacement or restoration and the actions to be taken in the event that the improvements are not restored or replaced.

## **ARTICLE 18**

### **MORTGAGEE RIGHTS**

18.1 Notification to Mortgagees. The Board or the Association shall provide timely written notice to the Mortgagee of any Unit in the Regime in the event that the Owner of such Unit encumbered by a Mortgage held by such Mortgagee neglects for a period of sixty (60) or more days to cure any failure on such Owner's part to pay Assessments (other than amounts less than \$100.00). In addition, each Mortgagee shall be entitled to timely written notice of (a) any condemnation or casualty loss that affects a material portion of the Condominium Property or the Unit securing its Mortgage; (b) any lapse, cancellation or material modification of any insurance policy maintained by the Association (provided that replacement of any such policy with a substantially equivalent policy shall not require notice); and/or (c) any proposed action that requires the consent of a specified percentage of Mortgagees. For purposes of this Master Deed, a Mortgagee may include a holder, insurer, or guarantor of a first Mortgage that has given written notice to the Association specifying its name, address and applicable Unit(s) on which it holds a Mortgage. The Board of Directors may subject a Unit to a Specific Assessment to cover any costs reasonably incurred by the Association in providing such information to a Mortgagee for that Unit.

18.2 Subordination of Lien for Assessments; Mortgagee Rights. The lien or claim against a Unit for unpaid Assessments or charges levied by the Association pursuant to this Master Deed or the Act shall be subordinate to the lien or charge of any prior Mortgage of record made in good faith and for value to the extent provided in Section 27-31-210 of the Act. Pursuant to Section 27-31-210 of the Act, a Mortgagee or purchaser who obtains title to a Unit pursuant to foreclosure of the Mortgage or accepting a deed in lieu of foreclosure shall not be liable for such Unit's unpaid Assessments which accrue after the date of recording of the Mortgage and prior to the acquisition of title to such Unit by the Mortgagee or purchaser and shall take the same free of such lien or claim for unpaid Assessments or charges, but only to the extent of Assessments or charges which accrue after the date of recording of the Mortgage and prior to the acquisition of title to such Unit, and provided that a purchaser at foreclosure (other than Mortgagee shall be required to pay the Working Capital Assessment due upon conveyance of the Unit to such purchaser. The provisions of this Section, however, shall not release any Owner from personal liability for unpaid Assessments. Unless the Board of Directors determines that such unpaid Assessments shall be waived or reduced by the Association, such unpaid Assessments shall be deemed Common Expenses collectible from all Unit Owners, including the Person acquiring title, its successors and assigns, in accordance with their respective Percentage Interests. Additionally, such acquirer shall be responsible for all charges accruing subsequent to

the passage of title, including, but not limited to, prorated charges for the month in which title is passed.

18.3 Priority as to Insurance Proceeds and Condemnation Awards. Nothing contained in this Master Deed shall give an Owner, or any other party, priority over any rights of a Mortgagee pursuant to its Mortgage in the case of a distribution to such Owner of insurance proceeds or Condemnation Awards for losses to or a taking of Units and/or Common Elements.

18.4 Restrictions on Amendments. No amendment to this Master Deed that has the effect of materially diminishing the express rights, protection or security afforded to Mortgagees as set forth in this Master Deed shall be accomplished or effective unless agreed to by Mortgagees that represent at least fifty-one (51%) percent of the votes of Units that are subject to Mortgages within the Regime. In addition, any amendment of a material adverse nature to Mortgagees must be approved by Mortgagees that represent at least fifty-one (51%) percent of the votes of Units that are subject to Mortgages within the Regime. Any action to terminate the legal status of the Project after substantial destruction or condemnation occurs or for other reasons must be agreed upon by Mortgagees that represent at least fifty-one (51%) percent of votes of Units that are subject to Mortgages within the Regime. Any amendment to this Master Deed shall be accomplished by an instrument executed by the Board and filed for record in the Pickens County ROD Office. In any such instrument an officer of the Association shall certify that any prior written approval of Mortgagees required by this Section as a condition to amendment has been obtained. The provisions of this Section shall not be construed to reduce the percentage vote or approval that must be obtained from Mortgagees or Unit Owners where a larger percentage vote or approval is otherwise required by the Act or the Condominium Instruments for any of the actions contained in this Section.

18.5 Financial Statements and Records. Any holder of a first Mortgage shall be entitled, upon written request, to receive, within a reasonable time after request, a copy of the financial statement of the Association for the immediately preceding fiscal year. The Board of Directors may subject a Unit to a Special Assessment to cover any costs reasonably incurred by the Association in providing such information to a Mortgagee for that Unit. In addition, any Mortgagee shall have the right, at its request and expense and upon reasonable notice, to examine the books and records of the Association upon the same terms and conditions as provided herein for Owners to examine such books and records.

18.6 Notice to Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Unit.

18.7 Failure of Mortgagee to Respond. Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within sixty (60) days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested, and provided that such request states in bold, capitalized letters that the Mortgagee shall be deemed to have approved the request if a response is not received within such sixty (60) day period.

18.8 Construction of Article. Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under the Master Deed, Bylaws, the Act or any other South Carolina law for any of the acts set out in this Article.

## ARTICLE 19 DECLARANT AND OWNER RIGHTS

19.1 Right to Appoint and Remove Officers and Directors. The Declarant shall have the right to appoint and remove any officer or officers of the Association and any member or members of the Board of Directors of the Association as provided in this Master Deed and the Bylaws.

19.2 Sale and Leasing of Units. Notwithstanding anything to the contrary contained herein, Declarant shall have the right to sell or lease all or part of the Units owned by Declarant and to erect and maintain signs to facilitate such sales or leases as it, in its sole discretion, deems appropriate and shall not be required to comply with the provisions of this Master Deed regarding signs and sales and leases.

19.3 Construction and Sale Period. Notwithstanding any provisions in this Master Deed, the Bylaws, Articles of Incorporation, use restrictions, Rules and Regulations, design guidelines, any amendments thereto, and related documents, for so long as Declarant owns any portion of the Condominium Property, it shall be expressly permissible for Declarant and any builder or developer approved by Declarant to maintain and carry on, upon such portion of the Condominium Property as Declarant may deem necessary, such facilities and activities as in the sole opinion of Declarant may be required, convenient, or incidental to Declarant's and such builder's or developer's development, construction, marketing, management, and sales and rental activities related to the Condominium; including, but without limitation, the right of access, ingress or egress for vehicular and pedestrian traffic over, under, on or in the Condominium Property; the right to carry on sales, rental and promotional activities in the Condominium Property; and the right to construct and operate business offices, signs, construction trailers, storage areas, model units, and sales and rental offices. Declarant and any such builder or developer may use Buildings as model units and sales offices. Such rights shall be exercised with a minimum of interference to the quiet enjoyment of affected property; reasonable steps shall be taken to protect such property; and damage shall be repaired by the Person causing the damage at its sole expense. The Declarant hereby reserves, for the benefit of Declarant, its successors and assigns, a non-exclusive easement over, across, and under the Common Elements for the purpose of discharging its duties hereunder and for the maintenance of sales and leasing offices, signs, and for the reasonable use of the Common Elements for sales, leasing, marketing, and construction purposes, including, without limitation, access, ingress and egress across, over and under the Common Elements for the purpose of further improving the Condominium Property for purposes of marketing, leasing and sales, so long as Declarant owns any Unit primarily for the purpose of sale or lease. The Declarant further reserves, for the benefit of Declarant, its successors and assigns as Declarant, the right to use a Building within any unsold Unit as a "model unit", for purposes of marketing, leasing, and sales, so long as Declarant owns any Unit primarily for the purpose of sale or lease.

19.4 Right to Combine, Subdivide, and Redesignate Units/Creation of Units, General Common Elements and Limited Common Elements.

- 19.4.1 Combination and Subdivision. Declarant hereby reserves the right to: (i) physically combine the total area or space of one Unit with the total area or space of one or more adjacent Units (whether adjacent horizontally or vertically); (ii) physically combine a part of or combination of parts of the area or space of one or more Units with a part of or combination of parts of the area or space within one or more adjacent Units (whether adjacent horizontally or vertically); (iii) physically subdivide one or more Units into two or more Units; and (iv) redesignate and reallocate Limited Common Elements in connection with any combination or subdivision of any Unit(s). Declarant shall not exercise its rights pursuant to this subsection unless it is the Owner of or has the consent of all Owners of the Unit(s) to be subdivided or combined, nor shall Declarant exercise such rights without the written consent of any Mortgagee having an interest in said Unit or Units. Any such combination or subdivision shall result in a corresponding reallocation of the Percentage Interests in the Common Elements for the affected Units, and reallocation of the weighted votes for the affected Units provided that the Percentage Interests in the Common Elements of all other Units and the Total Percentage Interests shall remain unchanged.
- 19.4.2 Create and Convert Common Elements. Declarant reserves the right to convert any Units owned by it into general Common Elements or Limited Common Elements. Declarant further reserves the right to relocate the boundaries of any or all of the Units located on the Property to the extent Declarant owns any of such Units to incorporate any portion or all of the Common Elements or Limited Common Elements located adjacent thereto as part of such Units. If Declarant so relocates the boundaries of any such Unit, it may designate, as additional Limited Common Elements appurtenant to such Unit, any walls, floors, or other structural separations that formerly constituted the Unit boundary or any space that would be occupied by such structural separations but for the relocation of the Unit boundary. If Declarant converts any Units to Common Elements or Limited Common Elements pursuant to this subparagraph, the percentage of undivided interests in the Common Elements appurtenant to the remaining Units shall be reallocated proportionally in accordance with their respective Percentage Interests as set forth in Exhibit "D", and an appropriate amendment to this Master Deed and Exhibits shall be prepared by Declarant and recorded in the ROD Office for Pickens County, South Carolina.
- 19.4.3 Condominium Supplements to Plat and Plans and Other Procedures. If Declarant exercises one or more of its rights as set forth above or any other right which affects the Plat or Plans after this Master Deed has been recorded, it shall cause a supplemental or amended Master Deed or other

appropriate document to be recorded in the ROD Office for Pickens County, South Carolina, reflecting the same. Upon any physical combining of Units, the resulting Unit shall be allocated the percentage of undivided interest in the Common Elements appurtenant to the Units so combined. Upon any such physical combining of Units to create a single Unit, the Owner of such combined Unit shall be responsible for the Assessments for Common Expenses allocable to the Units so combined, as determined pursuant this Master Deed. Declarant reserves the right to designate, as additional Limited Common Elements appurtenant to such combined Unit, any walls, floors, or other physical separations between the Units so combined, or any space which would be occupied by such physical separations but for the combination of such Units; provided, however, that such walls, floors, or other physical separations or such space shall automatically become Common Elements if the combined Units become subject to separate ownership in the future. Upon any subdivision of any one or more Units to create additional Units, the resulting Units shall be allocated the percentage of undivided interests in the Common Elements of the Units so subdivided, which undivided interests shall be allocated between or among such Units by Declarant in accordance with the formula set forth this Master Deed, and such determination shall be final and conclusive.

- 19.4.4 Expiration of Reserved Rights. The reserved rights of Declarant set forth in this Section 19.4 shall terminate upon the expiration of the Declarant's right to appoint and remove one or more members of the Board of Directors in accordance with this Master Deed and the Bylaws. Declarant states that: (i) its rights under this Section 19.4 or under any other provision of this Master Deed may be exercised with respect to the Common Elements, Limited Common Elements, or various Units at different times; (ii) no assurances are made as to the boundaries of the Units, Common Elements, or Limited Common Elements that may be subject to Declarant's rights under this Section 19.4, or under any other provision of this Master Deed, or as to the order in which Common Elements, Limited Common Elements, or Units, if any, may be subjected to such rights; and (iii) if Declarant exercises any rights as to any Units pursuant to this Section 19.4 or under any other provision of this Master Deed, such rights may, but need not, be exercised as to all or any other portion of the Condominium Property which may be subject to such Declarant rights.

19.5 Continuation of Ongoing Modifications. Notwithstanding anything to the contrary set forth in any Condominium Instruments, Declarant shall have the right to complete any ongoing improvements or modifications to the Condominium Property that have been initiated prior to the date that Declarant's rights hereunder shall terminate, whether upon Declarant no longer owning any Unit or otherwise.

**ARTICLE 20**  
**EASEMENTS, COVENANTS AND RESTRICTIONS**

20.1 Use and Enjoyment by Owners and Occupants. Each Owner shall be entitled to the exclusive ownership and possession of his or her Unit, and all Units shall be restricted to residential use. Each Owner's right to exclusive ownership and possession of the Unit is subject to the requirements of local ordinances. For the avoidance of any doubt, an Owner's exclusive possession of a Unit entitles the Owner to delegate the rights of occupancy and possession. Each Unit Owner and Occupant shall have a non-exclusive right and easement of use and enjoyment in and to the Common Elements (including the right of access, ingress and egress to and from his or her Unit over those portions of the Condominium Property designated for such purposes), and such easement shall be appurtenant to and shall pass with the title to each Unit, subject to the rights of the Unit Owners to the exclusive use of the Limited Common Elements assigned to their respective Units and to the right of the Association to control the use and enjoyment of the Common Elements as provided by the terms of this Master Deed including, but not limited to, the right of the Association to suspend voting and use privileges as provided herein. Each Unit shall have the right to horizontal, vertical, and lateral support of each such Unit, which rights shall be appurtenant to and pass with title to each Unit. Every portion of a Unit and all Limited Common Elements contributing to the support of an abutting Unit shall be burdened with an easement of support for the benefit of such abutting Unit. All rights to use and enjoy the Common Elements shall be subject to the provisions of the Act, this Master Deed, the Bylaws, and all Rules and Regulations adopted by the Association pursuant to this Master Deed. The rights of the Owners to use and possess the Common Elements shall be subject to the rights and easements of the Association and Declarant and their representatives, agents, associates, successors and assigns, and any and all Owners and Occupants of Units, for the purpose of access and ingress to, egress from and the use, benefit and enjoyment of all areas of the Condominium Property as set forth herein.

20.2 Easements for Association. The Association and its directors, officers, agents and employees, including, but not limited to, any Management Agent of the Association and its officers, agents and employees, shall have a general right and easement to have access and enter upon any portion of the Condominium Property in the performance of their respective duties and responsibilities, including, without limitation, the inspection, cleaning, repair, maintenance and replacement of Common Elements or for making emergency repairs within any Building necessary to prevent damage to the Common Elements or to other Unit, and such access to Units as required for extermination and pest control. Except in situations that may then reasonably be thought to be emergencies or situations in which access may be needed to prevent damage or injury to property or persons, this easement shall be exercised with respect to Units and Limited Common Elements only during normal business hours and then, whenever feasible, only upon advance notice to the Owner(s) directly affected thereby. This easement and right of access may be exercised by the Association or by the Management Agent to whom the responsibility of maintenance has been delegated. Damages resulting to any Building within a Unit because of such maintenance, repairs or other activities conducted by the Association or the Management Agent shall be corrected promptly at the expense of the Association. In case of any emergency originating in or threatening any Building, regardless of whether the Owner or tenant, if any, is present at the time of such emergency, the Association Manager shall have the right to enter such Unit for the purpose of remedying or abating the cause of such emergency, without constituting a



trespass. To facilitate entry, each Owner shall deposit under the care and control of the Association or Management Agent a key (if applicable) to all Buildings within its Unit and information to disarm the security system for each Building, if any.

20.3 Easements for Declarant. Declarant, its successors and assigns, shall have an appurtenant, alienable and transferable right and easement on, over, through, under, and across the Condominium Property or any portion thereof for the purposes of (a) constructing, installing, inspecting, maintaining, renovating, repairing and replacing portions of the Condominium Property, including without limitation the storage of tools, machinery, equipment, building materials, appliances, supplies and fixtures, and the performance of work respecting the Project, (b) storing materials, and (c) making such other uses of the Condominium Property as may be reasonably necessary or incident to the construction, marketing, sale, rental and management of Units or Common Elements, including, but not limited to, construction trailers, temporary construction offices, sales and rental offices, business offices, management offices, promotional facilities, model residences, directional and marketing signs, and use of the Units owned or rented by the Declarant and/or use of the Common Elements; provided, however, that such rights shall not unreasonably interfere with the occupancy, use or enjoyment of a Unit by its Owner or Occupants.

20.4 Right to Grant Easement. For so long as Declarant owns any Unit, the Declarant, its successors and assigns, and thereafter the Board, on behalf of the Association, shall have a transferable, perpetual power and authority to grant and accept easements to and from any private entity or public authority, agency, public service district, public or private utility or other Person, upon, over, under, through and across the Common Elements for constructing, installing, maintaining, repairing, inspecting and replacing television antennae or television cable systems, data transmission systems (and other forms of telecommunication and technology cabling, now existing or developed in the future), security and similar systems, landscaping, driveways, parking, walkways, lighting, and all utility facilities and services, including, but not limited to, storm water, sanitary sewer, electrical, gas, telephone, water and sewer lines and systems, together with easements for such other purposes as the Declarant, and thereafter the Board, shall deem appropriate in its reasonable discretion. The rights of the Declarant hereunder shall automatically be assigned to the Association after conveyance by the Declarant of the last Unit owned by Declarant to another Person, other than a Mortgagee or affiliate of Declarant, or such earlier time as Declarant records a supplement or amendment to the Master Deed relinquishing its rights under this Master Deed or this Section. For so long as Declarant owns one or more Units, Declarant, its successors and assigns, and thereafter the Association, acting by and through its Board of Directors without a vote of Owners, hereby reserves the right to grant and convey and/or relocate, from time to time, perpetual, non-exclusive, and unrestricted easement(s) for pedestrian and vehicular passage over, upon and across portion(s) of the Condominium Property comprising General Common Elements, for the benefit of owners, lessees, occupants, invitees, guests and employees adjacent to nearby properties, or as Declarant, or thereafter the Board, may from time to time deem necessary or appropriate. In addition, the Board, on behalf of the Association, shall have the authority to lease, grant concessions or grant easements with respect to any part of the Common Elements, subject to the provisions of this Master Deed and the Bylaws. All revenues derived by the Association from such easements, leases or concessions, or from other sources shall be held by the Association and used for the sole benefit

of the Owners, pursuant to such rules, resolutions or regulations as the Board may adopt or prescribe.

20.5 General Easement. The rights of the Owners to use and possess the Common Elements as set forth in this Master Deed shall be subject to a blanket easement on, over, under and across the General Common Elements in favor of the Association, and Declarant and its representatives, agents, associates, employees, contractors, subcontractors, tenants, successors and assigns, for the benefit of adjacent or nearby property owned by Declarant, or as Declarant or Association may otherwise deem necessary or appropriate, for purposes of (a) access and ingress and egress to, from over, under, through and across the General Common Elements and the Land; (b) construction, installation, repair, replacement and restoration of utilities, roads, buildings, landscaping and any other improvements; (c) tapping into and using sewer and water lines on or adjacent to the Land; and (d) any other construction, maintenance or development work on or about the Land.

20.6 Easements for Public Utilities. The rights of the Owners to use and possess the Common Elements, as set forth in this Master Deed, shall be subject to a blanket easement over the Common Elements in favor of the Association and Declarant which shall authorize the Association and Declarant to grant public utilities serving the Condominium Property the right to lay, construct, renew, operate and maintain conduits, cables, pipes, electrical wiring, transformers and switching apparatus and other equipment, including housings for such equipment, into, over, under, along, and through the Common Elements for the purpose of providing utility services to the Condominium Property or any other property, together with reasonable rights of ingress to and egress from the Condominium Property for such purpose; and the right to install, lay, operate, maintain, repair and replace any pipes, electrical wiring, ducts, conduits, cables, public utility lines or structural components running through the walls of a Building. The Board may hereafter grant other or additional easements for utility purposes for the benefit of the Condominium Property, or any other property, over, under, along and on any portion of said Common Elements, and each Owner hereby grants the Board an irrevocable power of attorney coupled with an interest to execute, acknowledge and record in the name of such Owner such instruments as may be necessary or appropriate to effectuate the foregoing. Moreover, without limiting the generality of the foregoing, Declarant specifically reserves the right to grant easements to cellular phone and/or telecommunications companies for the installation, maintenance, repair, and replacement of lines, equipment, towers, and apparatus, subject to receipt of an indemnification from the cellular phone and/or telecommunications companies in favor of the Association and Declarant from and against any loss, liability, damage, or claim related to the installation, maintenance, repair, and replacement of such lines, equipment, towers, and apparatus on the Condominium Property.

20.7 Utility Easements Appurtenant to Each Unit. There shall be appurtenant to each Unit a non-exclusive easement for the use of all pipes, wires, cables, conduits, utility lines, flues and ducts serving Buildings within such Unit and situated in any other Unit or the Common Elements. Each Unit shall be subject to an easement in favor of other Units for the use of all pipes, wires, cables, conduits, utility lines, flues and ducts situated in Buildings within such Unit and serving the other Units. To the extent that the sprinkler system or any sprinkler room, electrical room, telephone equipment, telephone trunk line, utility line, water line, sewer line, cable TV lines, pipe, wire, or conduit serving any Unit, Units or the Common Elements shall lie

wholly or partially within the boundaries of another Unit or the Common Elements, or shall only be accessible from another Unit, such other Unit, Units, or the Common Elements shall be burdened with an easement for the use, access, maintenance, repair and replacement of such sprinkler system, electrical room, telephone equipment, telephone trunk line, utility line, pipe, wire or conduit, such easement to be in favor of the Association and the Unit, Units, or Common Elements served by the same. It shall be the obligation of the benefited Owner to maintain, replace and repair any pipe, line, conduit, duct or wire owned by such Owner, even if such pipe, line, conduit, duct or wire is located in the Unit of another Owner. In such circumstance, the benefited Owner shall repair all incidental damage to any Unit or the Common Elements resulting from performance of any such work. All Unit Owners hereby covenant and agree that as finished levels can have varying degrees, such repairs will be complete only to the extent of being "paint-ready". Components that may require repair or replacement, such as tile or trim, will be reinstated only to the extent that matching or similar materials are readily available at reasonable costs, as determined in the sole discretion of the Board.

20.8 Easements Deemed Created. All conveyances of Units within the Condominium Property, whether by Declarant or otherwise, shall be construed to grant and reserve the easements established in this Master Deed, even though no specific reference to such easements appears in the deed conveying the Unit.

20.9 Pest Control. The Association may, but shall not be obligated to, dispense chemicals for the extermination of insects and pests within the Buildings of the Units and Common Elements. In the event the Association chooses to provide such pest control, the Association and its duly authorized contractors, representatives, and agents shall have an easement to enter Buildings for the purpose of dispensing chemicals for the exterminating of insects and pests within the Buildings and Common Elements. Each Unit Owner shall either provide a key to the Buildings within its Unit for purpose of such entry or have someone available at such times as are designated by the Board of Directors to allow entry into the Buildings within the Unit for such purpose. The Association shall not be liable for any illness, damage, or injury caused by the dispensing of these chemicals for this purpose.

20.10 No View Easements. No view easements, express or implied, will be granted to any Owner in connection with the conveyance of a Unit to such Owner.

20.11 Governmental Easement. There is hereby granted to all policemen, firemen, ambulance personnel, and all similar emergency personnel, a general right and easement to enter upon any portion of the Condominium Property in the proper performance of their respective duties. Except in the event of emergencies, the rights under this Section 20.11 will be exercised only during reasonable daylight hours, and then, whenever practicable, only after advance notice to the Owner or Owners affected thereby.

20.12 Other Covenants, Easements and Restrictions. The Condominium Property shall be subject to all covenants, easements and restrictions of record, including, without limitation, those which shall be set forth on Exhibit "G" and attached hereto (the "Title Exceptions").

20.13 Easement for Encroachments. If any portion of the Common Elements encroaches upon any Building within a Unit or if any Unit encroaches upon any other Unit or

upon any portion of the Common Elements, or if any such encroachment shall occur hereinafter as a result of (a) encroachments caused by error, omission or variance from the original plans in the construction of the Common Elements or any Unit, (b) error in the Plans or this Master Deed; (c) settling or shifting of the earth or any portion of the Building or other Improvements, (d) alteration or repair to the Common Elements made by or with consent of the Board of Directors, (e) as a result of repair or restoration of the improvements or any Building damaged by fire or other casualty, (f) by changes in position caused by repair or reconstruction of any part of the Common Elements or any Building in substantial conformity to the Plans, or (g) as a result of condemnation or eminent domain proceedings, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the Common Elements remain standing. The Condominium Property shall also be subject to an easement in favor of all Owners, the Association, the Declarant and the Owner(s) of any encroaching Unit for the maintenance and repair of such encroachments.

## ARTICLE 21

### GENERAL PROVISIONS

21.1 Security. The Association may, but shall not be required to, from time to time, provide measures or take actions which directly or indirectly improve safety on the Condominium Property; however, each Owner, on behalf of such Owner and the Occupants, guests, licensees, and invitees, of each Building within the Unit acknowledges and agrees that the Association is not a provider of security and shall have no duty to provide security in and to the Condominium Property. It shall be the responsibility of each Owner to protect such Owner's persons and property and all responsibility to provide security shall lie solely with each Unit Owner. The Association shall not be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of safety measures undertaken. Neither the Association nor the Declarant shall in any way be considered insurers or guarantors of security within the Condominium Property, nor shall any of them be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. No representation or warranty is made that any security system or measures cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands and covenants to inform its tenants and all Occupants of its Unit that the Association, their respective boards of directors, officers and committees, and Declarant are not insurers and that each Person using the Condominium Property assumes all risks of personal injury and loss or damage to property, including Buildings and the contents of Buildings, resulting from acts of third parties.

21.2 Implied Rights. The Association may exercise any right or privilege provided under the Act or any right or privilege given to it expressly by this Master Deed, the Bylaws, the Articles of Incorporation, any use restriction or rule, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.

21.3 Amendment to Master Deed by Declarant. For so long as the Declarant has the right to appoint and remove one or more Directors of the Board of the Association as provided in this Master Deed, the Declarant, to the fullest extent provided by law, may unilaterally amend

this Master Deed for any purpose except as provided herein. Thereafter, the Declarant or the Board (by Majority vote) may unilaterally amend this Master Deed at any time and from time to time if such amendment is necessary (i) to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (ii) to enable any reputable title insurance company to issue title insurance coverage on the Units; (iii) to enable any institutional or governmental lender, purchaser, insurer or guarantor of Mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to make, purchase, insure or guarantee Mortgage loans on the Units; (iv) to enable any insurer to provide insurance required by this Master Deed; (v) to satisfy the requirements of any local, state or federal governmental agency; or (vi) to clarify any provision of this Master Deed or eliminate any conflict between provisions of this Master Deed, including the Exhibits hereto. However, any such amendment under this Section 21.3 shall not affect any Owner's Percentage Interest in the Common Elements or adversely affect the title to any Unit unless the Owner shall consent in writing.

21.3.1 By Owners. Except where a higher vote is required for action under any other provisions of this Master Deed or by the Act, in which case such higher vote shall be necessary to amend such provision, this Master Deed may be amended at any time and from time to time at a meeting of the Association called in accordance with the Bylaws and this Master Deed upon vote (or written consent) of the Owners holding at least two-thirds (2/3) of the Total Percentage Interests, together with the written consent and approval of the Declarant for so long as the Declarant owns a Unit within the Regime or has the right to appoint or remove members of the Board of Directors of the Association. Notice of any meeting at which a proposed amendment will be considered shall state the fact of consideration and the subject matter of the proposed amendment. No amendment shall be effective until certified by an officer of the Association and recorded in the ROD Office for Pickens County, South Carolina. Any action to challenge the validity of an amendment adopted under this Section must be brought within one (1) year of the effective date of such amendment. No action to challenge such amendment may be brought after such time. Notwithstanding anything contained herein to the contrary, the provisions of Article 20 regarding Declarant rights and any other provisions hereof granting rights to Declarant (including, without limitation, the right to amend this Master Deed), may not be amended at any time without the prior written consent of Declarant so long as Declarant owns one or more Units within the Regime.

21.4 Amendment to Bylaws and Rules and Regulations. Amendments to the Bylaws shall be made in accordance with the Bylaws. Amendments to the Rules and Regulations may be made by approval of a Majority of the Board of Directors.

21.5 Compliance. Every Owner and Occupant of any Unit shall comply with this Master Deed, the Bylaws and the Rules and Regulations of the Association. Failure to comply shall be grounds for an action by the Association or, in a proper case, by any aggrieved Unit Owner(s) to recover sums due, for damages or injunctive relief, or for any other remedy

available at law or in equity, in addition to those enforcement powers granted to the Association herein. Failure on the part of Declarant or the Association to exercise any right, power or remedy herein provided shall not be deemed a waiver of the right to enforce such right, power or remedy thereafter as to the same violation or breach, or as to any violation or breach occurring prior to subsequent thereto. No right of action shall accrue in favor of and no action shall be brought or maintained by any Person against Declarant or the Association because of its failure to bring an action as a result of any purported or threatened violation or breach by any Person of the provisions of this Master Deed, the Bylaws or any Rules and Regulations of the Association.

21.6 Severability. Whenever possible, each provision of this Master Deed shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Master Deed to any Person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application and, to this end, the provisions of this Master Deed are declared to be severable.

21.7 Captions. The captions of each Article and Section hereof, as to the contents of each Article and Section, are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular Article or Section to which they refer.

21.8 Conflicts with Act or Law. This Master Deed and all Exhibits attached hereto are intended to comply with the Act and, to the extent reasonable, shall be so construed. If any provision of this Master Deed clearly conflicts with a mandatory provision of the Act or applicable law, the provisions of the Act or applicable law shall govern. If such conflict invalidates any provision of this Master Deed, such invalidation will not affect any of the other provisions contained herein unless the result would clearly be inequitable, and the other provisions shall remain in full force and effect or be interpreted so as to comply with the invalidated provision as fully as lawful and feasible. If any provision of the Bylaws or Rules and Regulations clearly conflicts with a mandatory provision of the Act, applicable law, or this Master Deed, the provisions of the Act or the Master Deed shall govern.

21.9 Transfer of Declarant's Rights. Unless the transfer of a right or interest of Declarant is expressly stated in this Master Deed to occur upon the earlier happening of a defined event, any right or interest of Declarant reserved or contained in this Master Deed may be transferred or assigned by the Declarant, either separately or with other rights or interests, to any Person by written instrument executed by both Declarant and the transferee and recorded in the ROD Office for Pickens County, South Carolina.

21.10 Modifying System of Administration of Association. The system of administration of the Association may be modified in accordance with the provisions of South Carolina Code Section 27-31-160 or any successor statute defining the applicable procedure.

21.11 Notices. Notices provided for in this Master Deed or the Articles or Bylaws shall be in writing, and shall be addressed to any Owner at the address of the Unit and to the Declarant or the Association at the address of their respective registered agents in the State of South Carolina. Any Owner may designate a different address for notices to such Owner by giving

written notice to the Association. Notices addressed as above shall be deemed delivered three (3) business days after mailing by United States Registered or Certified Mail, postpaid, or upon delivery when delivered in person, including delivery by Federal Express or other reputable courier service.

21.12 Perpetuities. If any of the covenants, conditions, restrictions or other provisions of this Master Deed shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

21.13 Indemnification. To the fullest extent allowed by the South Carolina Nonprofit Corporation Act and applicable law, and in accordance therewith, the Association shall indemnify every current and former Declarant and officer, director and committee member of the Association (individually or collectively, "Indemnatee" or "Indemnitees") against any and all expenses, including, but not limited to, attorney's fees, imposed upon or reasonably incurred by any Indemnatee in connection with any action, suit or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which such Indemnatee may be a party by reason of being or having been the Declarant or an officer, director or committee member. The Indemnitees shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The Indemnitees shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association, and the Association shall indemnify and forever hold each such Indemnatee free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any Indemnatee may be entitled. The Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such coverage is reasonably available in the opinion of the Board.

21.14 Annual Maintenance, Inspections and Reports. The Board of Directors shall cause the Common Elements to be inspected and evaluated annually by a professional engineer, architect, general contractor, qualified property inspector, or other Qualified Professional (as defined below), who shall then render a maintenance recommendation report to the Board of Directors and to the Declarant as to the condition of the Common Elements, as well as any recommendations for repairs and maintenance of the same. Such report shall be used by the Association to assist it in the performance of the maintenance of the Common Elements. All of such reports shall be maintained in the files of the Association and may be reviewed by any Owner or Declarant, upon reasonable request. The cost of all such inspections and reports and the cost of any repair or maintenance recommended by the report shall be deemed a Common Expense. The Board of Directors shall also adopt, from time to time, a required maintenance schedule (the "Maintenance Protocol") which shall be the responsibility of the Association to administer on a timely basis. The Maintenance Protocol shall be revised and updated from time to time, as the Board shall deem appropriate. The Association shall give Declarant ten (10) days advance written notice of all periodic inspections, and the Declarant may elect to participate in the inspection, provided that in declining to participate the Declarant shall not be deemed to have waived any rights. The term "Qualified Professional" as used herein shall mean a person whose education, training and work experience, as well as license and other professional qualifications,

qualifies such person to perform the services provided for herein, in the reasonable discretion of the Board of Directors, after review of such qualifications. The Board of Directors shall report to the Association and the Declarant that any repair or maintenance suggested by such maintenance recommendation report has been corrected within ninety (90) days of receipt of such report.

21.15 Gender and Number. All pronouns used herein shall be deemed to include the masculine, the feminine and the neuter and the singular and the plural whenever the context requires or permits.

21.16 Effective Date. This Master Deed shall take effect upon recording in the ROD Office for Pickens County, South Carolina.

## ARTICLE 22

### ALTERNATIVE DISPUTE RESOLUTION

22.1 Mandatory Binding Arbitration. Any and all claims, disputes, demands, actions, causes of action, and other matters in question of every nature and kind which arise out of or are in any manner whatsoever related to this Master Deed or the breach thereof, the development, design, construction, sale, repair, maintenance, habitability of, or condition, of the Common Elements, Limited Common Elements, the individual Units, or the Project, or any alleged defects or deficiencies relating to a Unit and/or the Project, including without limitation, claims based on workmanship, design, product liability and personal injury (collectively, a "Dispute") that is asserted against the Association, Declarant, Declarant's contractors, engineers and architects for the Project (the "Declarant Contractors, Engineers and Architects"), their affiliates, or their respective agents, employees, owners, members, shareholders, partners, officers, directors, contractors, subcontractors, suppliers, consultants, successors, or assigns by the Association or any Owner or by any person or entity which now has or hereafter acquires any interest in a Unit, shall, upon demand by any party, be submitted to binding arbitration in Pickens County, South Carolina in accordance with the South Carolina Arbitration Act, S.C. Code Ann. § 15-48-10, et seq., as amended from time to time (the "SC Arbitration Act") and the Commercial Arbitration Rules published by the American Arbitration Association (the "AAA"), as amended and in effect on the date of service of the demand for arbitration. In the event of a conflict between the SC Arbitration Act and the terms of this Master Deed, this Master Deed shall govern. Demands for arbitration shall be served in accordance with the notice provisions of this Master Deed using the demand for arbitration forms prescribed by the AAA in effect on the date of any demand for arbitration hereunder. Written notice of the demand for arbitration shall be filed with the other parties and with the AAA within the time allowed by the applicable statute of limitation or repose. Once the arbitration notice has been given, no other Disputes related to the Dispute that has been submitted to arbitration may be decided in any other forum, and any party thereto shall be entitled to petition for an injunction prohibiting any such proceedings. The dispute shall be submitted to a single arbitrator who is knowledgeable in the multi-family residential condominium or construction industry, as applicable depending on the issues involved in the Dispute, unless the claim exceeds one million U.S. dollars (US \$1,000,000.00), in which case there shall be a panel of three arbitrators. The arbitrator(s) shall be agreed by the parties within thirty (30) days after the dispute has been submitted to arbitration, or if the parties do not agree



within such time period, then AAA shall choose such arbitrator in accordance with the AAA Rules. The arbitrator shall have the right to order any remedy available at law or in equity to the extent authorized under this Agreement, including, without limitation, the right to order specific performance; provided, however, in no event shall such award include incidental, special, punitive, exemplary, or treble damages or damages for emotional or mental distress. The award rendered or decision made by the arbitrator shall be final and binding upon all parties, and may be entered in any court of competent jurisdiction. In arriving at its decision, the arbitrator shall consider the pertinent facts and circumstances and shall be governed by the terms and conditions of this Master Deed or if those terms and conditions need to be interpreted or a solution is not found within the terms of this Master Deed, the arbitrator shall apply the law of South Carolina, without regard to its conflicts of laws rules. Each party shall be responsible for its own attorneys' fees. All other costs, including fees for arbitrator's time and rental of arbitration facilities, shall be allocated among the parties in the award according to the sound discretion of the arbitrator. In determining the allocation of the fees and expenses of the parties, the arbitrator may review the settlement offers of the parties.

- 22.1.1 Except as otherwise required by law, none of the parties nor the arbitrator may make any public disclosure of any of the following: (i) the existence of any controversy, dispute or claim related to this Master Deed or the Project; (ii) the existence of an arbitration proceeding hereunder; or (iii) the results of any arbitration proceeding hereunder; provided, however, the filing of a civil action in a Circuit Court of Pickens County, South Carolina, confirming an arbitration award pursuant hereto shall not be deemed a violation of this confidentiality provision.
- 22.1.2 Because this Master Deed provides for binding arbitration, the parties agree to refrain from commencing any action at law or in equity with respect to a Dispute, including, but not limited to, the commencement of an action for specific performance and the filing of a notice of lis pendens. If any party maintains such an action at law or in equity, including the filing of a notice of lis pendens, the other party shall be entitled to petition the presiding judge of the Circuit Court of Pickens County, South Carolina for and obtain an immediate order dismissing the action, and/or removing the lis pendens of record.
- 22.1.3 In any arbitration proceeding conducted pursuant hereto, the parties may exchange written discovery and depositions may be taken as allowed by the arbitrator, who shall reasonably limit the number and duration of said depositions in order to avoid excessive expense and delay. The parties shall exchange exhibits and witness lists at least ten (10) days prior to the arbitration hearing.
- 22.1.4 The written decision of the arbitrator may be confirmed and enforced in any court of competent jurisdiction.
- 22.1.5 All known claims, disputes, demands, actions, and causes of action shall be asserted in a single arbitration proceeding, and all persons and entities

which are subject to this arbitration provision may be joined in said proceeding so that all issues may be resolved in one forum.

22.1.6 The arbitrator shall issue a written decision identifying with specificity each claim or cause of action asserted in and resolved by the arbitration, including claims for injunctive relief. The principles of res judicata and collateral estoppel shall be applicable to any arbitration award.

22.1.7 **IN THE EVENT THAT THIS ARBITRATION PROVISION IS DEEMED INVALID OR UNENFORCEABLE BY A COURT OF COMPETENT JURISDICTION, THE ASSOCIATION AND ALL UNIT OWNERS HEREBY AGREE THAT ANY AND ALL DISPUTES, CLAIMS, DEMANDS, AND CAUSES OF ACTION SHALL BE TRIED NON-JURY, AND THEY EXPRESSLY WAIVE ALL RESORT TO TRIAL-BY-JURY OF ANY AND ALL ISSUES OTHERWISE SO TRIABLE.**

22.1.8 The provisions of this Section shall not be amended without the express permission of the Declarant.

22.1.9 Any party shall have the right to seek injunctive or other equitable relief to enforce their respective rights from any court of competent jurisdiction prior to resolution of any such matter pursuant to arbitration.

22.2 Exempt Claims. The following are specifically exempt from the provisions of such Section 23.1 and are "Exempt Claims":

22.2.1 any suit by the Association to enforce any Assessments or other charges under this Master Deed; and

22.2.2 any suit by the Association to obtain a temporary restraining order (or equivalent emergency equitable relief) and other relief the court may deem necessary in order to maintain the status quo and preserve any enforcement power of the Association until the matter may be resolved on the merits pursuant to Section 22.1; and

22.2.3 any suit between Owners which does not include the Declarant, the Association, or any of Declarant Contractors, Engineers and Architects as a party, if such suit asserts a claim which would constitute a cause of action independent of the Condominium.

22.3 Mediation. Prior to and as a precondition to any demand for arbitration, if the Dispute cannot be settled through direct discussions, the parties shall endeavor to resolve the Dispute between themselves, as well as between the parties and any other related contractor, architect, engineer, or construction or design professional, by participating in a mediation before a mediator mutually agreed upon by the parties.

22.4 Notice to Project Architect and Project Contractor of Possible Design or Construction Defects. In an effort to alleviate disputes arising out of possible design and/or construction defects, the Association shall (a) notify, in writing, the architect for the Project, (the "Project Architect") and general contractor or construction manager for the Project (the "Project Contractor"), of any deficiency allegedly related to the design and/or construction of the Project which the Association considers to be caused by the Project Architect and/or Project Contractor, and (b) prior to and as a condition precedent to any related legal action against the Project Architect or Project Contractor by the Association, provide to the Project Architect and Project Contractor an opportunity to correct any defect allegedly resulting from such design and/or construction deficiency. The Association shall perform or cause to be performed all periodic inspections and maintenance of the building reasonably recommended by the Association's consultants or reasonably recommended in a maintenance manual or manuals prepared by the Association's consultants. For a period of eight (8) years after substantial completion of the building, any reports of the findings of such inspections shall be available for annual inspection by the Project Architect and/or the Project Contractor, during normal business hours, after written request to the Association by the Project Architect and/or the Project Contractor. Such inspections shall occur in a manner that does not, in the opinion of the Board of Directors, unreasonably interfere with the normal business activities of the Association, the Association's consultants, or Owners and Occupants.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the below named Declarant has executed this Master Deed under seal, this 25<sup>th</sup> day of February, 2020

WITNESSES:

Deshaun D  
Kimberly S Newton

WALTO, LLC, a South Carolina limited liability company

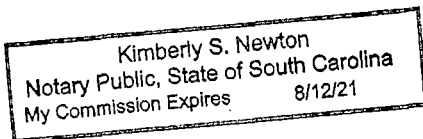
By: [Signature]  
Name: Tom Winkopp  
Its: member

STATE OF SC )  
COUNTY OF Pickens )

**ACKNOWLEDGMENT**

I, Kimberly S Newton (Notary Public), do hereby certify that Walto, LLC, a South Carolina limited liability company, by Tom Winkopp, its member personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and seal this 25<sup>th</sup> day of February, 2020



[Signature]  
Notary Public for SC  
My Commission Expires: 8/12/21

IN WITNESS WHEREOF, the below named Declarant has executed this Master Deed under seal, this 25<sup>th</sup> day of February, 2020

WITNESSES:

CRAWFORD EDGE HWY 178, LLC, a South Carolina limited liability company

[Signature]  
[Signature]

By: [Signature]  
Name: Mike Newton  
Its: member

STATE OF SC )

ACKNOWLEDGMENT

COUNTY OF Pickens )

I, Kimberly S. Newton (Notary Public), do hereby certify that Crawford Edge Hwy 178, LLC, a South Carolina limited liability company, by Mike Newton, its member personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and seal this 25<sup>th</sup> day of February, 2020

Kimberly S. Newton  
Notary Public, State of South Carolina  
My Commission Expires 8/12/21

[Signature]  
Notary Public for SC  
My Commission Expires: 8/12/21

**EXHIBIT "A"**

Description of the Condominium Property

**EXHIBIT A**

**PROPERTY DESCRIPTION**

All that certain piece, parcel or lot of land, situate, lying and being in the State of South Carolina, County of Pickens, (formerly Oconee County), Stone Church School District, and being Lot Number Eleven of the E. F. Robertson Estate Subdivision as shown on a plat prepared by C.C. Norman, dated May 6, 1944 and recorded in Plat Book I, at Page 87, records of Oconee County, South Carolina, and being bounded on the north by Clemson-Pendleton Highway, on the east by Lot 12, on the south by a 42 acre farm and on the west by Lot Number 10.

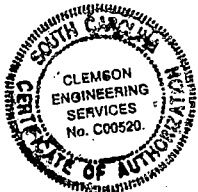
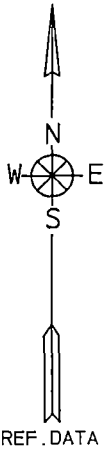
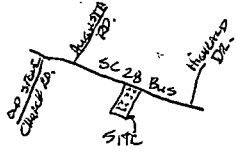
This is the same property conveyed to Walto, LLC by deed from Thomas P. Winkopp and Wallace W. Martell dated July 26, 1999 and recorded in the Office of the Register of Deeds for Pickens County, South Carolina in Deed Book 478, Page 325. Walto, LLC later conveying an undivided one-half (½) interest in and to said property unto Crawford Edge Hwy. 178, LLC dated January 26, 2017 and recorded January 30, 2017 in the Office of the Register of Deeds for Pickens County, South Carolina in Deed Book 1834, at Page 282.

**EXHIBIT "B"**

Plat or Plot Plan (As-built Survey) and Surveyor's Certificate



LINE	BEARING	LENGTH
A	S 60 18 01 E	11.50
B	N 60 04 31 W	11.24



STABLING  
HOLDING

WALTO  
LLC  
CES PLAT  
2/22/17

Proposed  
Parking

PENDLETON ROAD  
S.C. 28 BUS.  
124.13

L-12

I HEREBY STATE THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF, THE SURVEY SHOWN HEREIN WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE MINIMUM STANDARDS MANUAL FOR THE PRACTICE OF LAND SURVEYING IN SOUTH CAROLINA, AND MEETS OR EXCEEDS THE REQUIREMENTS FOR A CLASS B SURVEY AS SPECIFIED THEREIN.

NOTE: UNITS ARE UNDER CONSTRUCTION

### CLEMSON ENGINEERING SERVICES

PLAT OF UNBALANCED TRAVERSE  
PRECISION OF FIELD SURVEY- 1:10000  
SCALE 1 IN. = 50 FT.

50 0 50

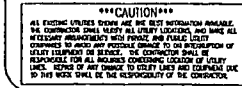
DATE: MARCH 27, 2017  
STATE OF SOUTH CAROLINA  
COUNTY OF PICKENS  
TOWNSHIP OF CLEMSON  
LOT 11 & P/O LOT 10 ON PENDLETON  
T.M. 4053-11-67-2278

PLAT PREPARED FOR

WALTO LLC

AREA WAS CALCULATED  
BY THE DMD METHOD

*R. Jay Cooper*  
R. JAY COOPER P.E. & L.S. 4682  
PHONE 864-654-2573

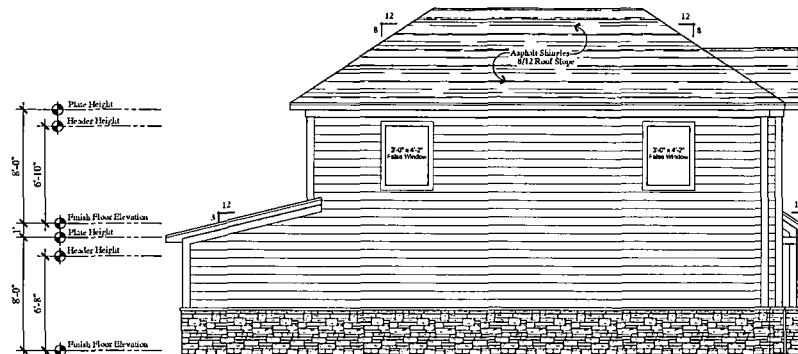
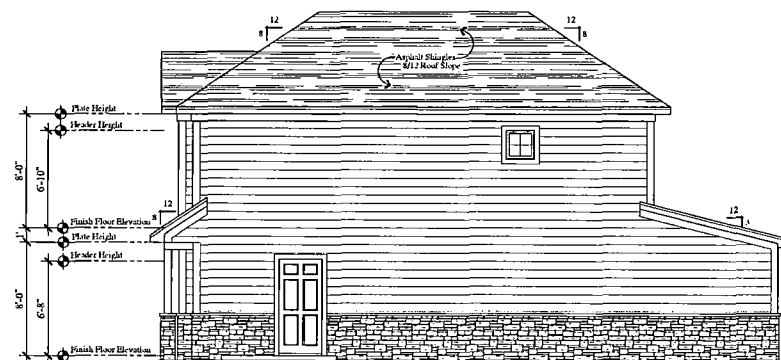
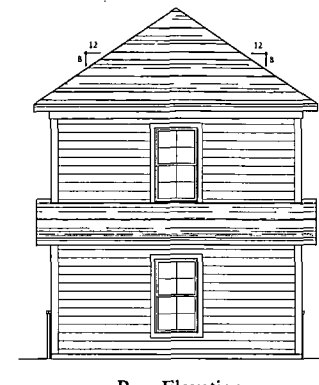
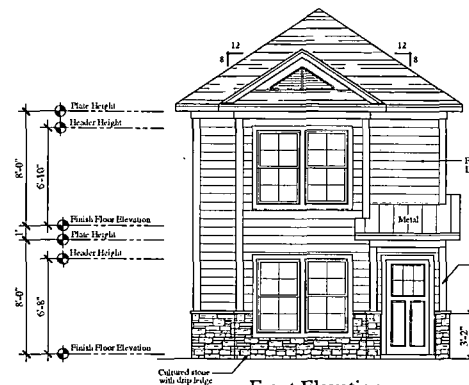
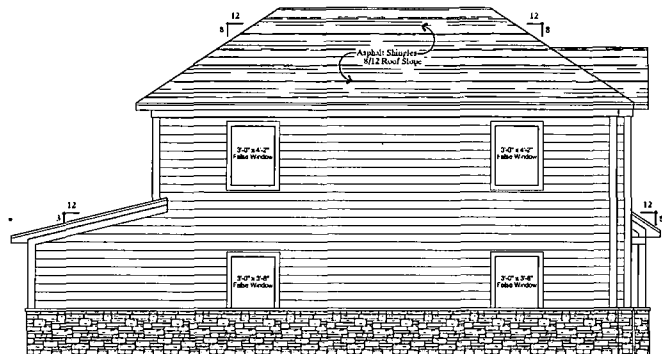
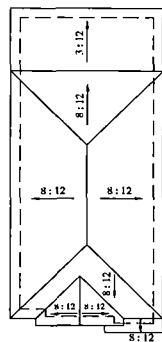
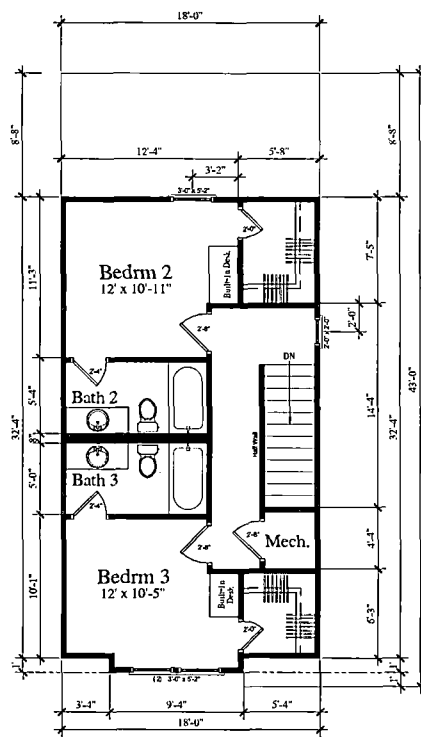
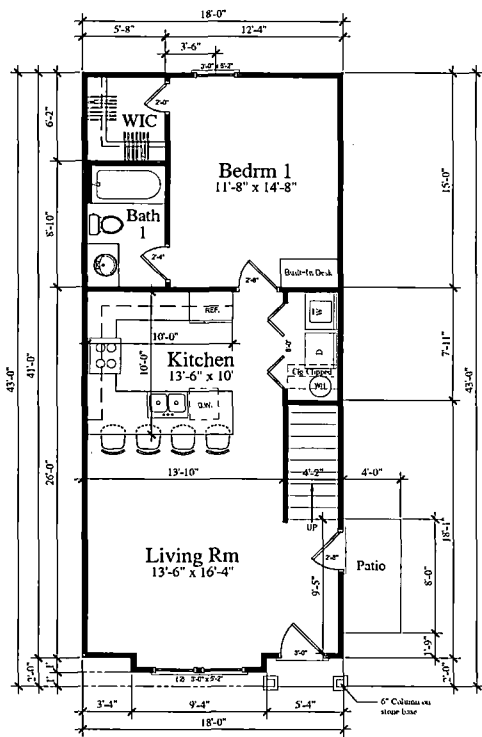


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SHEET  
C-2  
OVERALL  
SITE PLAN

**EXHIBIT "C"**

**Elevations, Floor Plans and Architect's Certificate**



**DraftWright, Inc.**  
Spartanburg, SC 29672  
Phone: (864) 886-0933  
wendy@draftwrightinc.com

Project No.:  
CT-Single-16

Clemson Townhomes (Single)

Clemson, SC

Dftr: WLK  
Scale: Noted  
Date: 12.15.16

Sheet  
A-1  
OF A-1

**EXHIBIT "D"****Draft Calculation and Specification of Percentage Interests**

Unit Number	Percentage Interest in General Common Elements
A	10%
B	10%
C	10%
D	10%
E	10%
F	10%
G	10%
H	10%
I	10%
J	10%

**Exhibit "E"**

Articles of Incorporation of

The Bamboo Cottages of Clemson Condominium Owners Association, Inc.

Filing ID: 171106-1518196

Filing Date: 11/06/2017

**STATE OF SOUTH CAROLINA  
SECRETARY OF STATE**

**ARTICLES OF INCORPORATION  
Nonprofit Corporation – Domestic  
Filing Fee \$25.00**

Pursuant to S.C. Code of Laws Section 33-31-202 of the 1976 S.C. Code of Laws, as amended, the undersigned corporation submits the following information

1. The name of the nonprofit corporation is

The Bamboo Cottages of Clemson Condominium Owners Association, Inc.

2. The initial registered office (registered agent's address in SC) of the nonprofit corporation is  
391 College Avenue Suite 103

(Street Address)

Clemson, South Carolina 29631

(City, State, Zip Code)

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

Wallace W. Martell

(Name)

I hereby consent to the appointment as registered agent of the corporation.

(Agent's Signature)

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

a. ☐ The nonprofit corporation is a public benefit corporation.

b. ☐ The nonprofit corporation is a religious corporation.

c. ☒ The nonprofit corporation is a mutual benefit corporation.

4. Check "a" or "b" whichever is applicable

a. ☒ This corporation will have members.

b. ☐ This corporation will not have members.

5. The principal office of the nonprofit corporation is  
391 College Avenue Suite 103

(Street Address)

Clemson, South Carolina 29631

(City, State, Zip Code)

The Bamboo Cottages of Clemson Condominium Owners Association, Inc.

Name of Corporation

6. If this nonprofit corporation is either a **public benefit** or **religious corporation** complete either "a" or "b", whichever is applicable, to describe how the remaining assets of the corporation will be distributed upon dissolution of the corporation: **If you are going to apply for 501(c)(3) status, you must complete section "a".**

a.

☐

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

☐

If you choose to name a specific 501(c)(3) entity to which the assets should be distributed, please indicate the name of the selected entity.

OR

b.

☐

If the dissolved corporation is not described in Section 501(c)(3) of the Internal Code, upon dissolution of the corporation, the assets shall be distributed to one or more public benefit or religious corporation or to one or more of the entities described in (i) above.

☐

If you chose to name a specific public benefit, religious corporation or 501(c)(3) entity to which the assets should be distributed, please indicate the name of the selected entity.

7. If the corporation is mutual benefit corporation complete either "a" or "b", whichever is applicable, to describe how the (remaining) assets of the corporation will be distributed upon dissolution of the corporation.

a.

☒

Upon dissolution of the mutual benefit corporation, the (remaining) assets shall be distributed to its members, or if it has no members, to those persons to whom the corporation holds itself out as benefiting or serving.

b.

☐

Upon dissolution of the mutual benefit corporation, the (remaining) assets, consistent with the law, shall be distributed to

8. The optional provisions which the nonprofit corporation elects to include in the articles of incorporation are as follows [See S.C. Code of Laws Section 33-31-202(c)].



The Bamboo Cottages of Clemson Condominium Owners  
Association, Inc.

Name of Corporation

9. The name and address of each incorporator is as follows (only one is required, but you may have more than one).

Wallace W. Martell

(Name)

391 College Avenue Suite 103

(Business Address)

Clemson, South Carolina 29631

(City, State, Zip Code)

(Name)

(Business Address)

(City, State, Zip Code)

(Name)

(Business Address)

(City, State, Zip Code)

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

Wallace W. Martell

(Name -- only if names in articles)

Signed as Filer: Richard L. Few, Jr.

(Signature of Director)

(Name -- only if names in articles)

(Signature of Director)

(Name -- only if names in articles)

(Signature of Director)

The Bamboo Cottages of Clemson Condominium Owners  
Association, Inc.

Name of Corporation

11. Each incorporator listed in #9 must sign the articles

Signed as Filer: Richard L. Few, Jr.

(Signature of Incorporator)

(Signature of Incorporator)

(Signature of Incorporator)

12. If the document is not to be effective upon filing by the Secretary of State, the delayed effective date/time is:

Business Name: The Bamboo Cottages of Clemson Condominium Owners Association, Inc.**Signature Page for a Secretary of State Business Filing**

This page must be completed, scanned, and attached to any business filing where one of the following is true.

- The filing party signs the digital form on behalf of official signee.
- An attorney's signature is required. (Articles of Incorporation for Corporation and Benefit Corporation)

**Official Signatures**

(Officer, Incorporator, Director, Agent, Partner, etc)

Required for forms where the signee is not present upon online submission and a filing party is providing a digital signing on their behalf. If the provided space is not enough, please attach multiple pages.

Wallace W. Martell

Name

10-31-2017

Date

Wallace W. Martell

Signature

Director & Incorporator

Title / Position

Name

Date

Signature

Title / Position

Name

Date

Signature

Title / Position

Name

Date

Signature

Title / Position

Name

Date

Signature

Title / Position

Scan and Upload this document to the Business Filing System during the filing process.  
File must be in one of these formats, PDF, GIF, JPEG

**EXHIBIT "F"**

Bylaws of

The Bamboo Cottages of Clemson Condominium Owners Association, Inc.

BY-LAWS  
OF  
THE BAMBOO COTTAGES OF CLEMSON CONDOMINIUM ASSOCIATION,  
INC.

ARTICLE I

NAME, LOCATION, AND PURPOSE

Section 1.1.      Name. The name of the non-profit corporation is THE BAMBOO COTTAGES OF CLEMSON CONDOMINIUM ASSOCIATION, INC. (the "Association").

Section 1.2.      Location. The principal office of the Association shall initially be located in Pickens County, South Carolina at 391 College Avenue, Clemson, South Carolina 29631. The registered office of the Association may be, but need not be, identical with the principal office.

Section 1.3.      Purpose. The purpose for which the Association is organized is to function as the council of co-owners as defined by The South Carolina Horizontal Property Act §27-31-10, et seq., South Carolina Codes of Laws 1976, as amended (the "Act") for the Owners of Units in the horizontal property regime established by that certain Master Deed of The Bamboo Cottages of Clemmons Horizontal Property Regime (as supplemented and amended, from time to time, the "Master Deed") executed by Walto, LLC and Crawford Edge Hwy 178, LLC (collectively, "Declarant") and recorded, or to be recorded, in the Office of the Register of Deeds, Pickens County, South Carolina ("ROD Office"), to provide services to the Owners, manage and maintain the Common Areas and administer and enforce all covenants and restrictions dealing with the Condominium Property, and any other purposes allowed by law.

ARTICLE II

DEFINITIONS

All capitalized terms when used in these By-Laws, or any amendment hereto (unless the context shall otherwise require or unless otherwise specified herein or therein) shall have the meanings set forth in the Master Deed.

ARTICLE III

MEETINGS OF MEMBERS

Section 3.1.      Annual Meetings. The first annual meeting of the Owners ("Members") shall be held in accordance with the provisions of the Master Deed, and each subsequent regular annual meeting of the Members shall be held as determined by the Board, in its sole discretion. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held on the first day following which is not a legal holiday.

Section 3.2. Special Meeting. Special meetings of the Members may be called at any time by the President of the Association, by the Board, or upon the written request of the Members pursuant to South Carolina law.

Section 3.3. Place of Meetings. All meetings of the Members shall be held at such place within Charleston County, South Carolina, as determined by the Board, from time to time.

Section 3.4. Notice of Meeting. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary of the Association or other person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, not less than ten (10) days nor more than sixty (60) days before the date of such meeting to each Member entitled to vote there at, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for notice purposes (or by hand-delivery if the Member's designated address is the Member's Unit). The notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose of the meeting.

Section 3.5. Voting Rights. The voting rights of the Members shall be appurtenant to the ownership of Units in proportion to their Percentage Interest. A majority of the Board is hereby irrevocably appointed as agent and attorney-in-fact for all of the Members to vote their interests at all meetings of the Members, unless an Owner is present or has filed a proxy.

Section 3.6. Declarant Control Period. Declarant shall have the right to appoint the members of the Board until the Turnover Date.

Section 3.7. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, or a majority of the Board authorized pursuant to Section 3.5 to cast, twenty percent (20%) of the votes appurtenant to the Units shall constitute a quorum for any action, except as otherwise provided in the Articles of Incorporation, the Master Deed, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, subsequent meetings may be called, subject to the same notice requirement, until the required quorum is present. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 3.8. Proxies. At all meetings of Members or any Member Group, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary of the Association prior to the scheduled meeting. Every proxy shall be revocable by the grantee and specific to the meeting or vote it is intended for and/or utilized at.

Section 3.9. Action by Members. Except as provided otherwise in the Articles of Incorporation, the Master Deed or these By-Laws, any act or decision approved by a majority vote of all votes entitled to be cast by all Members, present or represented by legitimate proxy at a legally constituted meeting at which a quorum is present, shall be regarded as the act of the Members. Notwithstanding any term or provision herein, the affirmative vote of no less than two-thirds (2/3) of all votes entitled to be cast by all Members shall be required in order for the Association to (a) file a complaint, on account of an act or omission of Declarant, with any

governmental agency which has regulatory or judicial authority over the Regime or any part thereof, or (b) assert a claim against or sue Declarant.

Section 3.10.      Waiver of Notice. Any Member may, at any time, waive notice of any meeting of the Members in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Member at any such meeting shall constitute a waiver of notice by such Member of the time and place thereof, except where such Member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called. If all of the Members are present at any meeting of the Members, no notice shall be required and any business may be transacted at such meeting.

Section 3.11.      Informal Action by Members. Any action which may be taken at a meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the persons who would be entitled to vote upon such action at a meeting and filed with the Secretary of the Association to be kept in the Association's minute book.

Section 3.12.      Class Voting Prohibited. Class voting is expressly prohibited under these By-Laws.

## ARTICLE IV

### BOARD OF DIRECTORS

Section 4.1.      Number. Prior to the Turnover Date, a Board of two (2) Directors shall be appointed by Declarant. The Directors appointed by Declarant do not need to be Members of the Association. The Board shall manage the business and affairs of the Association. At the first annual meeting of the Members following the Turnover Date, a Board of two (2) Directors shall be elected in accordance with Section 4.4 and Section 4.5.

Section 4.2.      Initial Directors.

- 4.2.1      The initial Board shall be appointed by Declarant. The initial Board shall serve from the date upon which the Master Deed is recorded in the ROD Office, until such time as their successors are duly appointed in accordance with Section 4.1, or duly elected and qualified as described in Section 4.4 and Section 4.5.

Section 4.3.      Nomination. Subject to Section 4.1, nominations for the first election of the Board after the Turnover Date shall be made (a) by any Member by written nomination, and/or (b) from the floor at a meeting of the Members. After such first election of Directors, the Board in its discretion may establish a nominating committee for nominations for election to the Board, but nominations may also be made from the floor at the annual meeting.

Section 4.4.      Election. After the Turnover Date, the Board shall be elected at the annual meeting of the Members by written ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the

provisions of the Articles of Incorporation, these By-Laws and the Master Deed. Subject to the terms of this ARTICLE IV, the persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 4.5. Term of Office. Each Director shall hold office for the term for which such Director was elected, or until his or her death, resignation, retirement, removal, disqualification or until his or her successor is elected and qualified. At the first election of Directors following the Turnover Date, the Members shall elect two (2) Directors. The Member who receives the most votes shall serve for a two (2) year term. The Member receiving the next highest number of votes shall serve for a one (1) year term. Votes shall be tallied at the meeting at which they are cast and, in the event of a tie vote, a run-off election shall be conducted at the same meeting. After the initial election of Directors, each Director shall thereafter serve for a two (2) year term. Any Director may be elected for an unlimited number of successive terms.

Section 4.6. Removal. Subject to Section 4.1, any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation, retirement, disqualification or removal of a Director, such Director's successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor. The Members may elect a Director at any time to fill any vacancy not filled by the remaining members of the Board.

Section 4.7. Compensation. No Director shall receive compensation for any service he or she may render to the Association. However, any Director may be reimbursed for his or her actual expenses incurred in the performance of duties as a Director pre-approved in writing by the Board.

## ARTICLE V

### MEETINGS OF DIRECTORS

Section 5.1. Regular Meetings. Meetings of the Board shall be held on a regular basis as often as the Board sees fit, but no less often than annually, on such days and at such place and hour as may be fixed from time to time by resolution of the Board. If the meeting falls upon a legal holiday, then that meeting shall be held at the same time on the next day that is not a legal holiday.

Section 5.2. Special Meetings. Special meetings of the Board shall be held when called by the President of the Association, or by any two (2) Directors, after not less than three (3) days notice to each Director.

Section 5.3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 5.4. Informal Action by Directors. Action taken by a majority of the Directors without a meeting is nevertheless Board action if written consent to the action in



question is signed by all of the Directors and filed with the minutes of the proceedings of the Board, whether done before or after the action so taken.

Section 5.5.      Chairman. A Chairman of the Board shall be elected by the Directors and shall preside over all Board meetings until the President of the Association is elected. Thereafter, the President shall serve as Chairman. In the event there is a vacancy in the office of the Presidency, a Chairman shall be elected by the Board and serve until a new President is elected.

Section 5.6.      Liability of the Board. The members of the Board shall not be liable to the Members for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Members shall indemnify, defend and hold harmless each of the Directors against all contractual liability to others arising out of contracts made by the Board on behalf of the Association, unless any such contract shall have been made in bad faith or contrary to the provisions of the Master Deed or these By-Laws. It is intended that the Directors shall have no personal liability with respect to any contract made by them on behalf of the Association, except to the extent that they are also Members.

## ARTICLE VI

### POWERS AND DUTIES OF THE BOARD

Section 6.1.      Powers. The Board, for the benefit of the Members, shall have the following specific powers and rights (without limitation, however, with respect to any other powers and rights which the Board may possess under South Carolina law or under the Master Deed):

- 6.1.1      To adopt and publish rules and regulations governing the use of the Common Elements and facilities and the personal conduct of the Members and their families, guests and invitees thereon, and to establish penalties for the infraction or violation thereof;
- 6.1.2      To suspend any Member's voting rights and right to use the Common Elements during any period in which such Member shall be in default in the payment of any Assessment levied by the Association. Such rights may also be suspended (after notice) for infraction or violation of published rules and regulations;
- 6.1.3      To exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the Members by other provisions of these By-Laws, the Articles of Incorporation, or the Master Deed;
- 6.1.4      To declare the office of a Director to be vacant in the event such Director is absent from three (3) consecutive regular meetings of the Board;

- 6.1.5 To employ an Association Manager, an independent contractor, or such other employee(s) as the Board deems necessary, to prescribe their duties, and to assign and/or delegate Board powers and responsibilities to them pursuant to a written Management Agreement or other like written agreement;
- 6.1.6 To grant all necessary easements and rights-of-way upon, over, under and across the Common Elements when it deems such action to be necessary and appropriate, including, but not limited to, easements for the installation and maintenance of electrical, telephone, cablevision, water, sanitary sewer, natural gas, and other utilities or drainage facilities, provided, however, until such time as Declarant no longer owns any portion of the Condominium Property, the Board may not grant such an easement or right-of-way without the prior written approval of Declarant;
- 6.1.7 To appoint and remove all officers, agents and employees of the Association, prescribe their duties, set their compensation and require of them such security or fidelity bonds as it may deem expedient;
- 6.1.8 To enter into agreements or contracts with utility companies with respect to utility installation, consumption and service matters relating to the Common Elements and/or the Association;
- 6.1.9 To retain the services of legal, accounting and other professional firms;
- 6.1.10 To employ or retain the services of architects, engineers, landscape designers, or other qualified persons to serve on or advise the Association;
- 6.1.11 To maintain contingency reserves for the purposes set forth in the Master Deed;
- 6.1.12 To enforce the provisions of the Master Deed and any amendment or supplement thereto and any rules or regulations made hereunder or thereunder;
- 6.1.13 To levy Assessments as more particularly set forth in the Master Deed; and
- 6.1.14 To take any and all other actions, and to enter into any and all other agreements, as may be necessary for the fulfillment of its obligations under the Master Deed or these By-Laws.

After the Turnover Date, the Board shall not be authorized or obligated to initiate, and the Association shall not initiate, any judicial or administrative proceeding, including arbitration proceedings, unless first approved by a seventy-five percent (75%) affirmative vote of the

Owners, except that no such approval shall be required for actions or proceedings: (1) initiated to enforce the provisions of the Master Deed, these By-Laws, or any Rules and Regulations; (2) initiated to challenge property taxation or condemnation proceedings; (3) to defend claims filed against the Association or to assert counterclaims in proceedings instituted against it. This paragraph shall not be amended unless such amendment is approved by the same percentage of votes necessary to institute proceedings.

Section 6.2. Duties. The Board, for the benefit of the Members, shall have the following specific duties (without limitation of other duties the Board may have):

- 6.2.1 To maintain current copies of the Master Deed, these By-Laws and other rules concerning the Regime, as well as Association books, records and financial statements, available for inspection upon reasonable notice and during normal business hours by all Owners, Mortgagees and insurers and guarantors of Mortgages that are secured by Units;
- 6.2.2 To supervise all officers, agents and employees of the Association to ensure that their duties are properly performed;
- 6.2.3 As more fully provided in the Master Deed:
  - 6.2.3.1 To set the amount of the Assessments;
  - 6.2.3.2 To send written notice of each Assessment to every Owner subject thereto before its due date; and
  - 6.2.3.3 To foreclose the lien against any Unit for which Assessments are not paid or to bring an action at law against the Owner personally obligated to pay the same;
- 6.2.4 To issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any Assessment has been paid, which certificate shall be conclusive evidence of such payment;
- 6.2.5 To procure and maintain adequate liability insurance covering the Association and the Directors and officers thereof and adequate hazard insurance on the Common Elements, all in accordance with the Master Deed;
- 6.2.6 To cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate, in accordance with the Master Deed;
- 6.2.7 To maintain or cause to be maintained the Common Elements in accordance with the Master Deed and to prepare, adopt and generally

adhere to operations and maintenance guidelines for the operation and maintenance of the Common Elements and facilities; and

- 6.2.8 To maintain or cause to be maintained any sidewalks, paths or boardwalks within the Condominium Property to the extent not maintained by a governmental authority.

## ARTICLE VII

### OFFICERS AND THEIR DUTIES

Section 7.1. Officers. The officers of the Association shall be a President, a Vice President, a Secretary, a Treasurer, and such other officers as the Board may, from time to time, by resolution create.

Section 7.2. Election of Officers. The election of officers shall take place at the first meeting of the Board following each annual meeting of the Members.

Section 7.3. Term. The Board shall elect each officer of the Association and each shall hold office for one (1) year or until his or her death, resignation, retirement, removal, disqualification, or his or her successor is elected and qualifies.

Section 7.4. Special Officers. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may, from time to time, determine.

Section 7.5. Resignation and Removal. The Board may remove any officer from office with or without cause. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7.6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7.7. Multiple Offices. The same person may hold the offices of Secretary and Treasurer. No person shall simultaneously hold more than one of any of the other offices, except in the case of special offices created pursuant to Section 7.4.

Section 7.8. Compensation. No officer shall receive any compensation for acting as an officer from the Association.

Section 7.9. Duties. The duties of the officers are as follows:

- 7.9.1 President - The President shall be the chief executive officer of the Association and, subject to the control of the Board, shall supervise and control the management of the Association. The President shall

perform the following duties: (a) preside at all meetings of the Board; (b) see that orders and resolutions of the Board are carried out; (c) sign all leases, mortgages, deeds and other written instruments; and (d) co-sign all checks and promissory notes.

7.9.2 Vice President - The Vice President shall act in the place and stead of the President in the event of his or her absence, inability or refusal to act, and shall exercise such authority and perform such other duties as required by the Board.

7.9.3 Secretary - The Secretary shall perform the following duties: (a) record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; (b) keep the corporate seal of the Association and affix it on all documents or papers requiring the corporate seal; (c) serve notice of meetings of the Board and of the Members; (d) keep appropriate current records showing the Members of the Association, together with their addresses; and (e) perform such other duties as required by the Board.

7.9.4 Treasurer - The Treasurer shall perform the following duties: (a) receive and deposit in appropriate bank accounts all monies of the Association; (b) disburse such funds as directed by resolution of the Board; (c) sign all checks and promissory notes of the Association; (d) keep proper books of account; (e) prepare an annual budget and a statement of income and expenditures to be presented to the Members at their regular annual meeting; and (f) perform such other duties as required by the Board.

## ARTICLE VIII

### COMMITTEES

The Board may appoint committees as it deems appropriate, from time to time, in carrying out its purposes.

## ARTICLE IX

### BOOKS AND RECORDS

The books, records and papers of the Association, the Master Deed, Articles of Incorporation and these By-Laws shall at all times, upon reasonable notice and during reasonable business hours, be subject to inspection by any Member and by any Eligible Mortgagee as defined in Section 18.5 of the Master Deed.

## ARTICLE X

### ASSESSMENTS

As more particularly described in the Master Deed, each Member is obligated to pay Assessments to the Association. Any Assessments which are not paid when due shall be delinquent. If an Assessment is not paid by its due date, as set forth in the Master Deed, the Assessment shall bear interest as provided therein. Any late charges, costs of collection and reasonable attorneys' fees related to any such delinquent Assessment may 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 or abandonment of its Unit.

## ARTICLE XI

### CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words THE BAMBOO COTTAGES OF CLEMSON HORIZONTAL PROPERTY REGIME - S.C.

## ARTICLE XII

### AMENDMENTS

Section 12.1. Reserved Right of Declarant to Amend. Declarant reserves the right to unilaterally amend these By-Laws at any time prior to the Turnover Date without the consent of any Owner or Owners, for any purpose provided that such amendment does not change the Percentage Interest or voting rights of any Owner other than Declarant without the written consent of any such Owner; provided further that such amendment shall not be effective if it violates the provisions of the Act. Declarant also reserves the right to amend these By-Laws to correct any typographical errors or scrivener's errors and/or to comply with any governmental or regulatory requirements, without obtaining the consent or approval of the Owners, their Mortgagees, or any other Person.

Section 12.2. Association Amendments. Any amendments to these By-Laws, except as herein expressly provided to the contrary, will be proposed by the Board in accordance with the following procedure:

12.2.1 Notice. Notice of the subject matter of the proposed amendment or amendments will be included in the notice of the meeting of the Association at which such proposed amendment or amendments are to be considered.

12.2.2 Adoption. The By-Laws may be amended at any time and from time to time at a meeting of the Association called in accordance with these By-Laws and the Master Deed upon the vote of the Members holding at least sixty-seven percent (67%) of the Percentage Interests.

12.2.3 Approval of the Declarant. No amendment of these By-Laws in derogation of any right reserved or granted to the Declarant by provisions of these By-Laws or the Master Deed or of Declarant's sales, rental, or marketing efforts may be made without the written approval of the Declarant.

### ARTICLE XIII

#### MISCELLANEOUS

The fiscal year of the Association shall be the calendar year and shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

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

### ARTICLE XIV

#### INDEMNIFICATION OF DIRECTORS AND OFFICERS

Neither Declarant, nor any Member, nor the Board, nor the Association, nor any officers, Directors, agents or employees of any of them shall be personally liable for debts contracted for or otherwise incurred by the Association or for a tort of another Member, whether or not such other Member was acting on behalf of the Association or otherwise. Neither Declarant, nor the Association, nor their Directors, officers, agents or employees shall be liable for any incidental or consequential damages for failure to inspect any premises, improvements or portions thereof or for failure to repair or maintain the same. Declarant, the Association or any other person, firm or entity making such repairs or maintenance shall not be liable for any personal injury or other incidental or consequential damages occasioned by any act or omission in the repair or maintenance of any premises, improvements or portions thereof.

The Association shall indemnify (a) any Director or officer of the Association, (b) any former Director or officer of the Association, or (c) any person who may have served at the request of the Association as a director or officer of another corporation, whether for profit or not for profit, against any loss, cost, expense, damage, liability, claim, action or cause of action (including reasonable attorneys' fees) actually and reasonably incurred by him in connection with the defense of or as a consequence of any threatened pending or completed action, suit or proceeding (whether civil or criminal) in which he or she is made a party or was (or is threatened to be made) a party by reason of being or having been such director or officer, except in relation to matters as to which he or she shall be adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct in the performance of a duty.

The indemnifications provided herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any statute, bylaw, agreement, vote of Members or any disinterested Directors or otherwise and shall continue as to any person who has ceased to

be a Director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person.

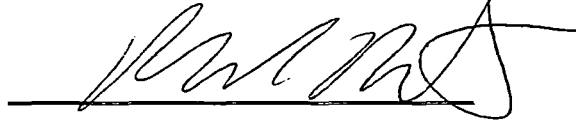
The Association may purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Association, or is or was serving at the Association's request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against and incurred by him or her in such capacity, or arising out of his or her status as such, whether or not the Association would have the power to indemnify against such liability.

The Association's indemnity of any person who is or was a Director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall be reduced by any amounts such person may collect as indemnification (i) under any policy of insurance purchased and maintained on his or her behalf by the Association, or (ii) from such other corporation, partnership, joint venture, trust or other enterprise.

Nothing contained in this ARTICLE XIV, or elsewhere in these By-Laws, shall operate to indemnify any Director or officer if such indemnification is for any reason contrary to any applicable state or federal law.



These By-Laws were adopted by the undersigned incorporator of the Association on the  
25 day of February, 2017.<sup>20</sup>

A handwritten signature in black ink, appearing to be "Paul M. S.", written over a horizontal line.

**EXHIBIT "G"**

**Title Exceptions**

1. Taxes and assessments not yet due and payable.
2. The proposed Master Deed, its Exhibits and amendments thereto, and all assessments and title matters referenced therein, along with all other Regime Documents, as defined herein;
3. Easements, agreements, restrictions, rights-of-way and the like of record this date or pursuant to which the development which includes the Regime is developed and organized; and
4. Easements for utilities servicing the Unit and/or the Regime, including, but not limited to, water, propose gas, electricity, telephone, and cable television and internet service.