

**MASTER DEED ESTABLISHING
3 CHISOLM STREET HORIZONTAL PROPERTY REGIME**

KNOW ALL MEN BY THESE PRESENTS, That this Master Deed is made on the date hereinafter set forth by CHISOLM STREET PARTNERS, LLC, hereinafter sometimes called "Developer," a limited liability company, organized under the laws of the State of Georgia and qualified to do business in South Carolina;

WHEREAS, Developer is the sole owner in fee simple of real property and buildings and improvements thereon (collectively the "Property"), which is located on the west side of Chisolm Street in the City of Charleston, Charleston County, South Carolina, and desires to submit the Property as hereinafter more fully described to a Horizontal Property Regime, according to the laws of the State of South Carolina (the "State") and subject to conditions and restrictions contained herein; and

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

NOW, THEREFORE, in consideration of the premises and the benefits expected to flow to Developer as a result of the submission of the herein described Property to a Horizontal Property Regime:

KNOW ALL MEN BY THESE PRESENTS that Chisolm Street Partners, LLC, for itself, its successors and assigns, subject to matters set forth herein, hereby submits the Property, to a Horizontal Property Regime according and subject to the terms and provisions of the Horizontal Property Act of the State of South Carolina as presently codified in the 1976 South Carolina Code of Laws at Section 27-31-10 et seq. (hereinafter sometimes referred to as the "Act") as it is now constituted and as it may from time to time be amended; PROVIDED, however, that such submission shall be and is made subject further to the conditions, provisions and restrictions contained herein, including exhibits attached hereto and incorporated herein by reference, that certain facade easement heretofore granted to Historic Charleston Foundation and that certain easement heretofore granted to Bellsouth Telecommunications, Inc., all of which shall be covenants, conditions, restrictions and easements which shall run with the land and shall bind and inure to the benefit of Developer, its successors and assigns, and all subsequent owners of any interest in the Property, their grantees, successors, heirs, executors, administrators, personal representatives, devisees or assigns.

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

conflict between the definitions of the Act and the within Master Deed, the provisions of the Act shall control.

(a) "Act" shall mean the Horizontal Property Act of the State of South Carolina as hereinabove defined.

(b) "Association" shall mean the 3 Chisolm Street Homeowners Association, Inc., a South Carolina corporation.

(c) "Common Elements" shall mean the limited common elements ("LCE") and general common elements ("GCE") as shown on the Plat and the Floor Plans.

(d) "Developer" shall mean, Chisolm Street Partners, LLC, a Georgia limited liability company, its successors and assigns.

(e) "Master Deed" shall mean the within Master Deed and all exhibits or other documents incorporated herein by reference.

(f) "Owner" as used in the Master Deed and any exhibits shall mean, if required by the context, "Co-owner" as defined in the Act.

(g) "Property" shall mean the property including, without limitation, the Land, Buildings and Improvements (as such terms are defined in Section 3 hereof).

(h) All terms defined in the Act are incorporated herein by reference.

2. NAME: The Property shall hereinafter be named 3 CHISOLM STREET HORIZONTAL PROPERTY REGIME (hereinafter sometimes called for convenience "Regime").

3. DESCRIPTION OF THE LAND, THE BUILDINGS, THE IMPROVEMENTS AND THE UNITS:

(a) The land (the "Land") which is subject to the provisions of the within Master Deed and owned in fee simple and which contains 53,143 square feet, more or less, is described as follows:

ALL that lot, piece or parcel of land, with the buildings and improvements thereon, situate, lying and being in the City and County of Charleston, State aforesaid, and being known and designated as 3 Chisolm Street on a plat dated September 29, 1999 prepared by E. M. Seabrook, Jr., Inc. Engineers, Surveyors, Planners entitled "City of Charleston, Charleston County, S.C. Plat of 1.22 Acre Tract Situate at 3 Chisolm Street Owned by School District No. 20 of Charleston County, the State of South Carolina, The City Board of Public School Commissioners for the City of Charleston and School District of Charleston County about to be conveyed to Chisolm Street Partners, LLC" and attached

hereto and recorded in the RMC Office for Charleston County. Said lot having such metes, bounds, measurements as shown thereon.

TMS#: 457-07-04-036

(b) The buildings (the "Buildings") are described generally as a three-story main building containing 51,088 square feet (the "Main Building"), a two-story gymnasium building containing 15,247 square feet (the "Gymnasium Building") and a two-story caretakers building which contains 1,308 square feet (the "Cottage") for a total square footage of 67,643 square feet. The square footage of the footprints of the Main Building, the Gymnasium Building and the Cottage is 25,885 square feet and expressed as a percentage of the square footage of the Land is forty-eight (48%) percent.

(c) The improvements (the "Improvements") consist of a utility building in which the phone system is located.

There is attached hereto as Exhibit "A" and incorporated herein a plat (the "Plat") prepared by E. M. Seabrook, Jr., Inc. ("Surveyor"), a registered land surveyor licensed to practice in South Carolina, which shows the Land and the horizontal location of the Buildings and the Improvements and the Common Elements within the boundary of the Land. In addition, there is attached hereto as Exhibit "A-1" a set of drawings showing the vertical location of the Buildings and the Improvements within the boundary of the Land.

(d) The Units. There are a total of twenty-six (26) units (the "Units") in the Buildings: nineteen (19) in the Main Building, six (6) in the Gymnasium Building and one (1) in the Cottage. The Units are more specifically described in the attached Exhibit "B" incorporated herein. There is attached hereto as Exhibit "C" a set of floor plans (the "Floor Plans") showing the dimensions, area and location of each unit and the Common Elements which provide access to each Unit, certified to by an engineer or architect authorized and licensed to practice in the State of South Carolina.

In addition to the description of each Unit as may be seen by reference to exhibits attached hereto, including without limitation Exhibits "B" and "C-2", each Unit is described as being bounded by the unfinished surfaces of its floors, ceilings and perimetric walls, and includes the glass windows of each Unit. Specifically included within each Unit are the finished surfaces of the Unit, paint, wall paper, tiles, paneling, carpeting and interior non-load bearing walls contained within the boundaries of each Unit as shown on the Floor Plans, together with all interior doors, the main entrance door or doors, window panes, window frames, sliding glass door frames and sliding glass plates, light fixtures, installed bathroom and kitchen appliances, HVAC system, and interior piping in connection therewith and installed heating devices and attachments measured from the interior of the Unit. Specifically excluded from each Unit are load-bearing columns, if any, located within the area bounded by the perimetric walls of a Unit, and pipes, wires and conduits below the surface of the unfinished surface of each Unit. The owner of each Unit shall be responsible for maintenance, upkeep and repair of

the Unit and the payment of his share of the expenses of the Common Elements subject to rules, regulations, covenants, and conditions set forth or incorporated herein by reference. Notwithstanding ownership of the Unit, no Unit owner may do anything or take any action which does or might change the exterior appearance of the Property without the consent of the Association. Floors and ceilings, and walls separating Units on the same horizontal level, except for the finished portions thereof, are common elements; nevertheless, the Co-owner of more than one (1) Unit which are adjacent either vertically or horizontally shall, with the approval of the Administrator, have the right and easement to cut apertures in such floors and ceiling, and in non-load bearing portions of such walls, and shall have the right and easement in said aperture for ingress, egress and access to and from each Unit and shall have the right and easement to construct stairs or other connecting devices in said aperture between Units; Provided, that in exercising such right any such Co-owner shall not interfere with any water, sewer, electrical or other lines or common elements in a manner detrimental to the use and enjoyment of other Units or to the detriment of the structural integrity of the building.

4. **LIMITATION ON NUMBER AND USE OF UNITS.** The maximum number of Units in the Buildings shall be twenty-six (26), and no Unit may be subdivided but may be combined with another Unit if approved by the Association. The Units shall not be (i) used in any "time sharing" arrangement; (ii) rented for less than sixty (60) day intervals; (iii) inhabited by more than two (2) unrelated adults, excluding paid domestic and healthcare personnel; and (iv) be utilized for any commercial business activity.

5. **PERCENTAGE OF OWNERSHIP:** The basic value of the Property as a whole (the "Basic Value") and the basic value of each Unit and, according to these basic values, the percentage appertaining to the Co-owners in the expenses of, and rights in, the elements held in common are set forth in Exhibit "D" attached hereto and incorporated herein by reference. The basic values set forth on Exhibit "D" are for purposes of the Master Deed only and shall not be construed in any way to establish circumstantial value for any Unit or for the Property from time to time. The percentage attributed to each Unit is computed by taking as a basis the basic value of the individual Unit in relation to the Basic Value of the Property as a whole. The stated percentage interest attributable to each Unit is permanent in character and cannot be altered without the consent and acquiescence of the Co-owners representing one hundred (100%) percent of the Units of the Property.

The percentage interest in the common elements, both general common elements and limited common elements, cannot be separated from the Unit to which it appertains and shall be automatically conveyed or encumbered with the Unit even though such interest is not expressly mentioned or described in the deed, mortgage or other instrument.

The Common Elements, both general and limited, shall remain undivided and no right to partition the same or any part thereof shall exist except as may be specifically provided in the Act.

6. DESCRIPTION OF LIMITED COMMON ELEMENTS: The limited common elements appurtenant to the Units are described as follows:

(a) One parking space is designated for each Unit, with the exception of Units 201, 204 and 301 in the Main Building, each of which shall have two (2) parking spaces, and Unit 305 in the Main Building which shall have three (3) parking spaces, all as shown on the Plat or the Floor Plans;

(b) The garden areas immediately adjacent to Unit 107 Main Building and the Cottage as shown on the Plat;

(c) The terrace immediately adjacent to Gym Unit 106 as shown on the Floor Plans;

(d) The balconies on the exterior of Units 204 and 304 in the Main Building and Unit G-105 as shown on the Floor Plans;

(e) The steps and outside entrance to Unit 107 as shown on the Plat and Floor Plans;

(f) The roof platform on the roof of the Main Building immediately above Unit 305 as shown on the Floor Plans;

(g) The storage area adjacent to parking space designated as LCE-204 on the ground floor of the Gymnasium Building as shown on the Plat;

(h) The condenser for each Unit as shown on the Plat and the Floor Plans;

(i) Any roof garden or deck installed on the roof pursuant to this paragraph in the area immediately above and within the vertical extension of the exterior walls of the respective units on the third floor of the Main Building shall be a limited common element serving only the Unit over which it is located. Such roof garden or deck may be constructed at the respective Unit owner's expense upon obtaining all required governmental approvals and permits. In addition, the installation of such roof garden or deck shall be done in a manner that shall not adversely impact the structural integrity of the Main Building and its roof as certified to the Regime by a recognized engineer licensed in the State of South Carolina and acceptable to the Regime. The Owner of each Unit on the third floor of the Main Building shall have the right and easement to penetrate the roof of the Main Building and to convert the portion of the roof area located immediately above and within the vertical extension of the exterior walls of the respective unit to a roof garden or deck, subject to the provisions of this paragraph; and

(j) LCE MB-1, LCE G-1, LCE G-2, LCE P-1, LCE P-2, LCE P-3, LCE P-4, LCE P-5, LCE P-6, LCE P-7, LCE P-8 and LCE P-9 as shown on the Plat or the Floor Plans are reserved for the Units owned by the Developer and may be assigned by it, in its sole discretion, to such Units owned by it, on a first come, first serve basis, upon the sale of such Units for such consideration as determined by the Developer. At such time as Developer no longer owns a

Unit, to the extent that such LCE's have not been assigned to a Unit Owner for a specified Unit, they shall be converted to General Common Elements of the Regime. Any such assignments or conversion of such LCE's shall be evidenced and documented by an amendment to this Master Deed and shall be recorded in the RMC Office for Charleston County, and further the Developer shall have the right to make such amendment without the consent of any other person or entity.

7. DESCRIPTION OF GENERAL COMMON ELEMENTS: All of the Property not contained within or described as part of a Unit nor described as a limited common element nor otherwise designated herein as being owned by the Co-owner(s) of a Unit(s) shall be general common elements.

8. ADMINISTRATION: The Regime shall be administered by a Council of Co-owners which shall be constituted as a non-profit corporation under the laws of the State of South Carolina for the purpose of administration of the Property and to be known as 3 Chisolm Street Homeowners Association, Inc. (herein sometimes called the "Association"). The percentage of vote of each Co-owner in the Association shall be equal to the percentage of the basic value of the Unit owned by such Co-owner as set forth in Exhibit "D" attached hereto and incorporated herein by reference. The Association shall be governed by By-Laws attached hereto as Exhibit "E" and incorporated herein by reference.

9. INSURANCE: The Association shall insure the Property against risk of fire, liability, windstorm and all other risks normally insured against, including flood and earthquake insurance if available, and against such other risks as the Association may decide in accordance with provisions of its By-Laws. Such insurance does not cover the Unit and each Co-owner shall be responsible for obtaining insurance on his Unit and the contents thereof.

10. DISBURSEMENTS OF CASUALTY INSURANCE PROCEEDS: In the event it should be proper under the Act to repair or reconstruct the Property or any portion thereof, the proceeds of insurance, together with funds of the Co-owners sufficient to defray all expenses of repair or reconstruction above the insurance proceeds shall be placed in a separate bank account and disbursed by the Treasurer of the Association. Such disbursements shall be made only upon receipt of American Institute of Architects Request and American Institute of Architects Certificates for Payment signed by the supervising architect, if any, of said repair or construction and general contractor, in the case of hard construction costs, or invoices approved for payment by the President and Secretary of the Association in the case of non-construction invoices. If no supervising architect is employed, all funds shall be disbursed by the Treasurer only upon receipt by him of written approval of the President and Secretary. Should it not be proper to proceed with repair or reconstruction of the Property or any portion thereof under the Act, the insurance proceeds shall be disbursed to the Co-owners on a pro-rata basis according to their percentage of ownership.

11. MAINTENANCE OF LIMITED COMMON ELEMENTS: The Association shall be responsible for the maintenance, repair and replacement with comparable material of equal quality of all limited common elements. The Co-owner of a Unit may upon approval of the Association make minor maintenance, repair and replacements to those limited common elements appurtenant to, or associated with his Unit alone, provided that all such maintenance,

repair and replacement by a Co-owner shall be done in a manner so as to maintain the harmonious exterior appearance of the Property.

12. ASSESSMENTS: The Co-owner of each Unit shall be responsible for his share of assessments established by the Regime as follows:

(a) Creation of lien and personal obligation for assessments. Each of the Co-owners of the Units are bound to contribute pro-rata in the percentage computed as set forth on Exhibit "D", and each Unit is and shall be subject to a lien and permanent charge in favor of the Regime for, the payment of annual and special assessments for the expenses of administration and of maintenance and repair of the general and limited common elements of the Property and toward any other expenses lawfully agreed upon or properly chargeable to the Unit Co-owner. If a lien for unpaid assessments is enforced by the Association, either by suit for damages or foreclosure, the Association shall be entitled to collect all costs of that action including attorneys fees. All sums assessed by the Association or other form of administration but unpaid for the share of common expenses, both general and limited, chargeable to any Unit shall constitute a lien on such Unit prior to all other liens except only (i) tax liens on the Unit in favor of any assessing unit, and (ii) mortgage and other liens, duly recorded, encumbering the Unit. Such lien may be foreclosed by suit by the Association or other form of administration, if any, acting on behalf of the Council of Co-owners, or by the Council of Co-owners itself, and in like manner as a mortgage of real property. In any such foreclosure the Unit Co-owner shall be required to pay a reasonable rental for the Unit after the commencement of the foreclosure action and the plaintiff in such foreclosure shall be entitled to the appointment of a receiver to collect such rents. The Association or other form of administration, acting on behalf of the Council of Co-owners, shall have power to bid in the Unit at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. Suit for recovery of a money judgment for unpaid common expenses may be maintained without instituting foreclosure proceedings.

(b) Where the mortgagee of any mortgage of record or other purchaser of a Unit other than the defaulting Unit owner obtains title at the foreclosure sale of such a mortgage, such acquirer of title, his/its heirs, successors and assigns, shall not be liable for the share of common expenses or assessments by the Association chargeable to such Unit accruing after the date of recording such mortgage but prior to the acquisition of title to such Unit by such acquirer. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all of the Unit Co-owners, including such acquirer, his/its heirs, successors and assigns. The foregoing shall be without prejudice to the right of the Association or any Co-owner to seek recovery from the defaulting Unit owner.

The purchaser of a Unit (other than a purchaser at a foreclosure sale as described above) shall be jointly and severally liable with the Seller for the amounts owing by the latter to the Association for assessments up to the time of the conveyance, without prejudice to the purchaser's right to recover from the other party the amounts paid by him such joint debtor. The Association shall provide for the issuance and shall issue to any purchaser, upon his request, a statement of such amounts due by the seller and the purchaser's liability hereunder shall be limited to the amount as set forth in this statement.

(c) No later than December 20th of each calendar year, the Board of Directors of the Association shall set the annual assessments by estimating the common expenses to be incurred during the immediately succeeding calendar year and shall prorate such common expenses among the Co-owners of the Units in accordance with the percentage interest appurtenant to such Unit and shall give written notice to each Unit Co-owner of the annual assessment affixed against his Unit for such immediately succeeding calendar year. One-twelfth (1/12th) of such annual assessments shall be due and payable by the Co-owner to the Association or its designated agent in advance on or before the fifth day of each month.

(d) Developer anticipates that ad valorem taxes and other governmental assessments, if any, upon the Property will be assessed by the taxing authorities upon the Unit Co-owners and that each assessment will include the assessed value of the Unit and of the undivided interest of the Unit Co-owner in the common elements. Any such taxes and governmental assessments upon the property which are not so assessed shall be included in the budget of the Association as a recurring expense and shall be paid by the Association as a common expense. Each Unit Co-owner is responsible for making his own return of taxes and such returns shall include such owners undivided interest in the common elements, both general and limited.

(e) Special Assessments. In addition to the annual assessments, the Association may levy in any calendar year special assessments for the purpose of supplementing the annual assessments if the same are inadequate to pay the common expenses and for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, repair or replacement of the general common elements or the limited common elements, provided that in the case of limited common elements, such special assessments shall be assessed only against those Units and the Co-owners thereof which shall be entitled to the use and benefit of such limited common elements, including the necessary fixtures and personal property related thereto; PROVIDED, HOWEVER, that any such special assessments shall have the assent of a majority of the votes of the Co-owners to be affected thereby represented, in person or by proxy, at a meeting at which a quorum is present, duly called for the expressed purpose of approving such expenditure, written notice of which shall be sent to all affected owners not less than fifteen (15) days nor more than thirty (30) days in advance of the meeting, which notice shall set forth with particularity the purpose of a meeting. Special assessments shall be fixed against the Units involved in proportion to the percentage interest attributable to each Unit. The period of assessment and manner of payment shall be determined by the Board of Directors of the Association.

(f) Date of Commencement of Annual Assessments. The responsibility of each Co-owner who purchases from Developer for assessments provided for herein shall as to each Unit commence upon the date of conveyance thereof (the "Commencement Date"). The first monthly payment of the annual assessment for each such Unit shall be an amount rounded to the nearest whole dollar equal to the monthly payment for the fiscal year in progress on such Commencement Date, divided by the number of days in the month of conveyance and multiplied by the number of days then remaining in such month; PROVIDED, HOWEVER, that at the Commencement Date any purchaser of a Unit from the Developer shall pay to the Developer the pro-rata portion of any prepaid expenses paid by the Developer, such as by way of example only

and not as a specification or limitation, prepaid insurance premiums for flood and hazard insurance.

13. TRANSFER OF INTEREST IN UNITS: (a) Upon the transfer or attempted transfer of an interest in any Unit, whether such transfer be by deed, lease, sublease, gift, devise, or by any means other than by first mortgage, sale pursuant to foreclosure of first mortgage or deed in lieu of foreclosure of said first mortgage, the Association shall have the right of first refusal in such interest as follows:

(i) SALE OR LEASE: Any Co-owner who wishes to sell or lease an interest in a Unit (or any lessee of any Unit wishing to assign or sublease such Unit) to any person not related by blood or marriage to the Co-owner shall give to the Association written notice of the terms of any such contemplated transfer, together with the name and address of the proposed purchaser, assignee, lessee or sublessee. The Association shall at all times have the first right and option to purchase or lease such Unit upon the same terms, which option shall be exercisable for a period of ten (10) days following the date of receipt of such notice. If said option is not exercised by the Association within said option period, the Co-owner (or lessee) may, at the expiration of said period and at any time within ninety (90) days after the expiration of said period, or for such longer period of time as the Association may agree to in writing, sell or lease (or sublease or assign) such Unit ownership upon the terms specified in such notice.

(ii) GIFT: Any Co-owner who wishes to make a gift of an interest in a Unit ownership or any interest therein to any person or persons or entity who would not be heirs at law of the owner under the laws of intestate succession of this state as of the date such gift is proposed, (or to any person or persons or entity who would not be an heir at law as aforesaid of any principal of Co-owner, if Co-owner is not a natural person), shall give to the Association written notice of intent to make such gift. The Association shall at all times have the first right and option to purchase such Unit ownership or interest therein for cash at fair market value to be determined by mutual agreement between such owner and the Association or if mutual agreement cannot be reached, then by arbitration as herein provided, which option shall be exercisable until the date of expiration as provided herein. If Co-owner and Association cannot agree within five (5) days of such notice to Association on fair market value, then within fifteen (15) days after receipt by the Association, of said written notice, the Association and the owner desiring to make such gift shall each appoint a qualified real estate appraiser to act as arbitrators. The two arbitrators so appointed shall, within fifteen (15) days after their appointment, appoint another qualified real estate appraiser to act as the third arbitrator. Within fifteen (15) days after the appointment of said arbitrator, the three arbitrators shall determine, by majority vote, the fair market value of the Unit ownership or interest therein which the Co-owner contemplates conveying by gift, and shall thereupon give written notice of such determination to the Co-owner and the Association. The Association's option to purchase the Unit ownership or interest therein shall expire thirty (30) days after the date of receipt by it of such notice or after agreement in writing between Co-owner and Association as to fair market value of the Unit, unless exercised in writing within said period and closed within thirty (30) days thereof. If the Association shall elect to

exercise such option to purchase, closing shall be held within thirty (30) days of exercise at the office of the attorney for the Association with the purchase price payable at the option of the Association (1) in cash or (2) Twenty-five (25%) Percent in cash and the balance payable in accord with a note and purchase money mortgage payable in monthly installments of principal and interest over five (5) years plus interest at Eight (8%) Percent.

(iii) **DEVISE:** In the event any natural person who is a Co-owner dies leaving a will devising his Unit or any interest therein to any person or persons not heirs at law of such owner under the laws of intestate succession of this state and said will is admitted to probate, the Association shall have an option (to be exercised in the manner hereinafter set forth) to purchase said Unit ownership or interest therein either from the devises or devisees thereof named in said will or, if a power of sale is conferred by said will upon the personal representative named therein, from the personal representative acting pursuant to said power, for cash at fair market value which is to be determined by mutual agreement or by arbitration. If fair market value cannot be determined by agreement then within fifteen (15) days after notice to the Association of the appointment of a personal representative for the estate of the deceased owner, the Association shall appoint a qualified real estate appraiser to act as an arbitrator, and shall thereupon give written notice of such appointment to the said devises or devisees or personal representative, as the case may be. Within fifteen (15) days thereafter said devises or devisees, or personal representative, as the case may be, shall appoint a qualified real estate appraiser to act as an arbitrator. Within fifteen (15) days after the appointment of said arbitrator, the two so appointed shall appoint another qualified real estate appraiser to act as the third arbitrator. Within thirty (30) days thereafter, the three arbitrators shall determine, by majority vote, the fair market value of the Unit or interest therein devised by the deceased owner, and shall thereupon give written notice of such determination to the Association and said devisee or devisees, or personal representative, as the case may be. The Association's right to purchase the Unit or interest therein at the price determined by the three arbitrators shall expire thirty (30) days after the date of receipt by it of such notice if the personal representative of the deceased owner is empowered to sell, and shall expire three (3) months after the appointment of a personal representative who is not so empowered to sell. The Association shall be deemed to have exercised its option if it tenders the required sum of money to said devises or devisees or to said personal representative, as the case may be, within the said option periods. Nothing herein contained shall be deemed to restrict the right of the Association or its authorized representative, pursuant to authority given to the Association by the Co-owners as hereinafter provided, to bid at any sale of the Unit or interest therein of any deceased Co-owner which is held pursuant to an order or direction of the court having Jurisdiction over that portion of the deceased Co-owner's estate which contains his Unit or interest therein.

(iv) **CONSENT OF VOTING MEMBERS:** The Association shall not exercise any option hereinabove set forth to purchase any Unit or interest therein without the prior written consent of Co-owners of seventy-five (75%) percent of the Basic Value of the Property. The Association may bid to purchase at any sale of a Unit or any interest therein of any deceased Co-owner which is held pursuant to an order or direction of a

court upon the prior written consent of Co-owners of seventy-five (75%) percent of the common elements, which consent shall set forth a maximum price which the Association is authorized to bid and pay for said Unit or interest therein.

(v) **RELEASE OR WAIVER OF OPTIONS:** Upon the written consent of Co-owners of fifty-one (51%) percent of the Basic Value of the Property, any of the options contained in this article may be released or waived prior to the expiration of such option and the Unit or any interest therein which is subject to an option set forth in this article may be sold, conveyed, leased, given, or devised free and clear of the provisions of this article.

(vi) **PROOF OF TERMINATION OF OPTION:**

(a) A certificate executed and acknowledged by the Secretary of the Association stating that the provisions of this article as hereinabove set forth have been met by a Co-owner, or duly waived by the Association, and that the rights of the Association hereunder are terminated, shall be conclusive upon the Association and the Co-owner in favor of persons who rely thereon in good faith, and such certificate in recordable form shall be furnished to any Co-owner who has in fact complied with the provisions of this article or in respect to whom the provisions of this article have been valued, upon request.

(b) **Mortgaging.** No Unit Co-owner may mortgage his Unit or any interest therein without the approval of the Association, except as to a first mortgage lien and an equity line made to a bank, life insurance company, savings and loan association or other federally or state licensed lending institution, in which event approval shall not be required but notice shall be required. Notice shall be given to the Association as to the name and address of such mortgagee. Upon request by the Association, the Co-owner of a Unit shall provide to the Association a copy of all mortgage documents relating to the Unit.

(c) **Transfer Voidable.** Any sale, voluntary transfer, conveyance, or lease for a period exceeding two (2) months or mortgage which is not authorized by the terms of this Master Deed or for which authorization has not been obtained pursuant to the terms hereof is voidable and may be voided by the Association at its election by notice to the grantee or mortgagee within sixty (60) days of the date on which the Board hears of the transfer or mortgage.

(d) **Infra-Family Transfer.** Notwithstanding anything herein to the contrary, any Co-owner may, without restriction, give, devise, lease, sell, mortgage or bequeath his interest in any Unit (i) to any person who would be an heir at law under the laws of intestate succession in the State; or (ii) to a corporation, limited liability company or partnership of which all classes of stock, membership or partnership interests are one hundred (100%) percent owned by such Unit Co-owner and/or any person who would be an heir at law under the laws of intestate succession in the State; or (iii) to a trustee of a trust (or similar

entity), the beneficiary(s) of which would be any person who would be an heir at law under the laws of intestate succession in the State, for estate planning purposes, without the prior written consent of the Association.

(e) Rights of Subsequent Purchasers. Subsequent purchasers of Units shall be entitled to receive, upon written request therefor, a certification from the Association that the Association has had no objections to any prior conveyances or, in the alternative, that there have been no prior conveyances of the Unit requiring approval by the Board.

14. MANAGEMENT AGENT:

(a) Interim Management Agent and Assessments. Developer reserves to itself the right to manage the Association as Interim Management Agent ("Interim Management Agent") until Developer has sold all of the Units of the Regime, or until December 31, 2002, or until Developer elects to abandon its right of management, whichever shall first occur. Developer may designate its management function to any person, association or corporation whatsoever.

(b) Regular management and assessments. Upon Developer (or its designee) ceasing to act as Interim Management Agent, the Association shall select a Regular Management Agent ("Regular Management Agent"). Any excess of interim assessments over total, actual operating expenses shall be deposited by the Interim Managing Agent to the account of the Association.

15. REGIME WORKING CAPITAL: At or before the time title is conveyed to a Co-owner, each Co-owner shall contribute to the working capital reserve established by the Interim Management Agent the sum of twice the monthly assessment attributable to his Unit. Such funds shall be used solely for initial operating and capital expenses of the Property. At the time of selection of the Regular Management Agent, the Interim Management Agent shall pay to the account of the Association all such unused funds and shall provide an accounting of all revenues and expenditures.

16. UNITS SUBJECT TO MASTER DEED AND OTHER DOCUMENTS: All present and future Co-owners, tenants and occupants of Units and their guests or invitees, shall be subject to, and shall comply with, the provisions of the Master Deed and exhibits as amended from time to time. The acceptance of a deed of conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of the Master Deed and exhibits are accepted and ratified by such Co-owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the lands and shall bind any person having at any time any interest or estate in such Unit as though such provisions were made a part of each and every deed of conveyance or lease. Failure to comply with the provisions of those documents shall entitle the Association or any Co-owner or other interested party to seek legal and/or equitable relief. In addition to other matters set forth herein, the Property is submitted to a Horizontal Property Regime as set forth herein subject to the following:

- (1) Easements, covenants, conditions, restrictions and rights of way of public record;
- (2) Rules and regulations of applicable governmental authorities, including zoning laws or ordinances, subdivision regulations, special assessments and ad valorem real property taxes;
- (3) Rules and Regulations of 3 Chisolm Street Homeowners Association, Inc. attached hereto as Exhibit "F" and incorporated herein by reference as the same shall be amended from time to time by majority vote of the Board of Directors of 3 Chisolm Street Homeowners Association, Inc.

17. AMENDMENT OF MASTER DEED: This Master Deed may be amended by the affirmative vote of the Co-owners of sixty-six and two-thirds (66 2/3%) percent in interest of the Property as based on percentage interests set forth in Exhibit "D" attached hereto and incorporated herein by reference, cast at a meeting duly held in accordance with the provisions of the By-laws. PROVIDED, however, that Section 4 is a permanent restriction which shall not be amended. No such amendment shall be effective until recorded in the RMC Office for Charleston County. PROVIDED, in no event may the Master Deed be amended so as to deprive the Developer of any rights granted herein or to impose any additional duties, financial or otherwise, upon the Developer without the consent in writing of the Developer; PROVIDED, FURTHER, that this Master Deed may not be amended in any respect without the written consent of Developer until Developer has sold all of the Units of the Regime, or until December 31, 2002, or until Developer elects to terminate its control of the Association whichever shall first occur. Developer reserves the right to make changes in the Master Deed, whether to correct typographical or similar errors or other changes in its derivation, provided that any such correction shall not adversely affect the interest of any Co-owner, by recording an appropriate document in the RMC Office for Charleston County, South Carolina. Any such corrective documents need be executed by Developer only until such time as Developer's right to manage the Association as herein provided shall terminate; thereafter any such document shall be executed by the Association.

18. INVALIDITY: The invalidity of any provisions of this Master Deed shall not impair or affect the validity and enforceability of the remainder of this Master Deed, and in such event, all of the other provisions of this Master Deed, shall continue in full force and effect as if such invalid provision had never been included.

19. WAIVER: No provisions contained in this Master Deed shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

20. LAW CONTROLLING: This Master Deed and the By-Laws attached hereto shall be construed under and controlled by the laws of the State of South Carolina.

21. WARRANTIES: Developer acknowledges that all contractual warranties in its favor set forth in the building renovation contract, for material and equipment in the Units, shall

accrue to the benefit of the Co-owner of such Unit, along with all warranties, if any, provided by the manufacturer or supplier of appliances, air conditioning, heating and utility systems in the Unit. THE CLOSING OF TITLE OR OCCUPANCY OF THE UNIT SHALL CONSTITUTE AN ACKNOWLEDGMENT BY THE UNIT OWNER THAT DEVELOPER MAKES NO OTHER IMPLIED OR EXPRESS WARRANTIES RELATING TO THE UNIT OR THE COMMON AREAS AND FACILITIES, EXCEPT FOR SUCH WARRANTIES AS MAY BE SET FORTH IN THE DEED TO THE UNIT.

22. EASEMENTS: Easements are hereby granted, extended, saved, excepted or reserved, as the case may be as follows:

(a) Easement for Encroachments: In the event that any portion of the common elements now or hereafter encroaches upon any Unit, or in the event that any portion of any Unit encroaches upon any other common elements now or hereafter, or in the event that any portion of one Unit now or hereafter encroaches upon another Unit, a valid easement for the encroachment and for the maintenance of the same, so long as it stands, does and shall exist. In interpreting any and all provisions of this instrument, the exhibits attached hereto, and subsequent deeds and mortgages to individual Units, the actual location of any specific Unit shall be deemed conclusively to be the property intended to be conveyed, reserved or encumbered notwithstanding any minor deviations, either horizontally or vertically from the proposed locations or size as indicated on exhibits attached hereto. To the extent that such minor variations in location or size do or shall exist, a valid easement therefor, and the maintenance thereof, does and shall exist.

(b) Easement for Utilities: A valid easement does and shall exist and continue to exist throughout the common elements for the purpose of installation, maintenance, repair and replacement of elevators, cable TV systems, if any, sewer, water, power and telephone pipes, lines, mains, conduits, wires, poles, transformers and any and all other equipment or machinery necessary or incidental to the proper functioning of any utility system. The Association by instrument signed by the President and by one other officer of the Association may hereafter grant easements for utility purposes for the benefit of the Property, including, the right to install, lay, maintain, repair and replace water lines, pipes, sewer lines, storm drainage lines, gas lines, telephone and television wires and equipment and electrical conduits, and wires over, under and along (but not through) any portion of the Units and/or general or limited common elements which are not limited in use to only one Unit; and each Unit Co-owner by the acceptance of a deed to a Unit hereby grants to the Association, or its designee, an irrevocable power of attorney to execute, acknowledge and record for and in the name of each Unit owner such instruments as may be necessary to effectuate the foregoing.

(c) Easement for Workmen, Equipment, etc: There is declared to be a valid easement in, upon and over the common elements for all workmen, laborers, suppliers or materialmen, deliverymen, servicemen, employees, architects and supervisory and management personnel lawfully upon the Property at the instance or request of the Association, Developer or Unit Co-owner, a prospective mortgagee or other persons having a valid and legally enforceable interest in a Unit. The Association shall have the irrevocable right, to be exercised by its duly authorized officer or agent, to have access to each Unit and any common elements from time to

time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the common elements therein or accessible therefrom and at any time for making emergency repairs necessary to prevent damage to the Property or any part of the Property, and in the exercise of such rights the Association or its agents shall have the right to cut through floors, ceilings and walls, provided, that the Association shall leave a Unit after the exercise of such rights in as good condition as before the exercise.

23. STRUCTURAL ALTERATIONS: Upon the affirmative vote of the Co-owners owning two-thirds (2/3rds) of the Basic Value of the Property, after submission to them of detailed plans and specifications and a fixed price contract for the proposed work at a duly called meeting of the Association, the Association may be authorized to make or have made structural alterations in the general common elements and/or limited common elements; provided, however, that any structural alterations in all or part of the terraces or balconies shall be uniform. No Co-owner of a Unit may make any structural alterations or additions to the Property without first having the plans and specifications therefor approved in writing by the Association and depositing with the Association an amount of money sufficient, in the sole discretion of the Association, to defray all costs, if any, of modifying this Master Deed and recording said modification, including attorneys fees.

24. PARKING SPACES: Each Unit shall be assigned one (1) permanent specified parking space, except for Units 201, 204 and 301 in the Main Building which shall have two (2) parking spaces and Unit 305 which shall have three (3) assigned parking spaces, as shown on the Plat and the Floor Plans as Limited Common Elements. The remaining spaces shall be assigned by the Association for invitees, guests, handicapped persons and for such other purposes as it shall determine. No boats, camping vehicles or non-functioning automobiles may be kept in the parking area for more than seventy-two (72) hours.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, Chisolm Street Partners, LLC, a limited liability company, has executed this Master Deed this 29 day of November, 2001.

WITNESSES:

CHISOLM STREET PARTNERS, LLC,
a Georgia limited liability company

BY: MURRAY SCHOOL PARTNERS, LLC,
a Georgia limited liability company, its Manager

[Signature]
[Signature]

By: [Signature]
David L. Perdue, Manager

[Signature]
[Signature]

By: [Signature]
A. Rhodes Perdue, Manager

[Signature]
[Signature]

By: [Signature]
John W. Wilcox, III, Manager

STATE OF Georgia)
)
COUNTY OF Gwinnett)

ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 29 day of November, 2001, by CHISOLM STREET PARTNERS, LLC,* a limited liability company, by MURRAY SCHOOL PARTNERS, LLC, a limited liability company, its Manager, by David L. Perdue, its Manager.

[Signature]
Notary Public for Georgia
My Commission Expires:

Notary Public, Gwinnett County, Georgia
My Commission Expires July 7, 2004

NOTARY PUBLIC
STATE OF GEORGIA
COMMISSION EXPIRES 07/07/2004

STATE OF Georgia)
)
COUNTY OF Gwinnett)

ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 29 day of November, 2001, by CHISOLM STREET PARTNERS, LLC, a limited liability company, by MURRAY SCHOOL PARTNERS, LLC, a limited liability company, its Manager, by A. Rhodes Perdue, its Manager.

Jeresa J. Platt
Notary Public for Georgia
My Commission Expires:

Notary Public, Gwinnett County, Georgia
My Commission Expires July 7, 2004

STATE OF Georgia)
)
COUNTY OF Gwinnett)

ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 29 day of November, 2001, by CHISOLM STREET PARTNERS, LLC, a limited liability company, by MURRAY SCHOOL PARTNERS, LLC, a limited liability company, its Manager, by John W. Wilcox, III, its Manager.

Jeresa J. Platt
Notary Public for Georgia
My Commission Expires:

Notary Public, Gwinnett County, Georgia
My Commission Expires July 7, 2004

BK V390PG676

EXHIBIT "A"
TO MASTER DEED ESTABLISHING
3 CHISOLM STREET HORIZONTAL PROPERTY REGIME

PLAT

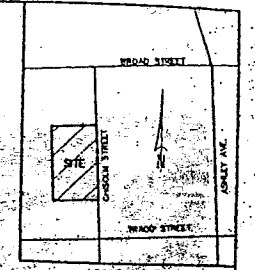
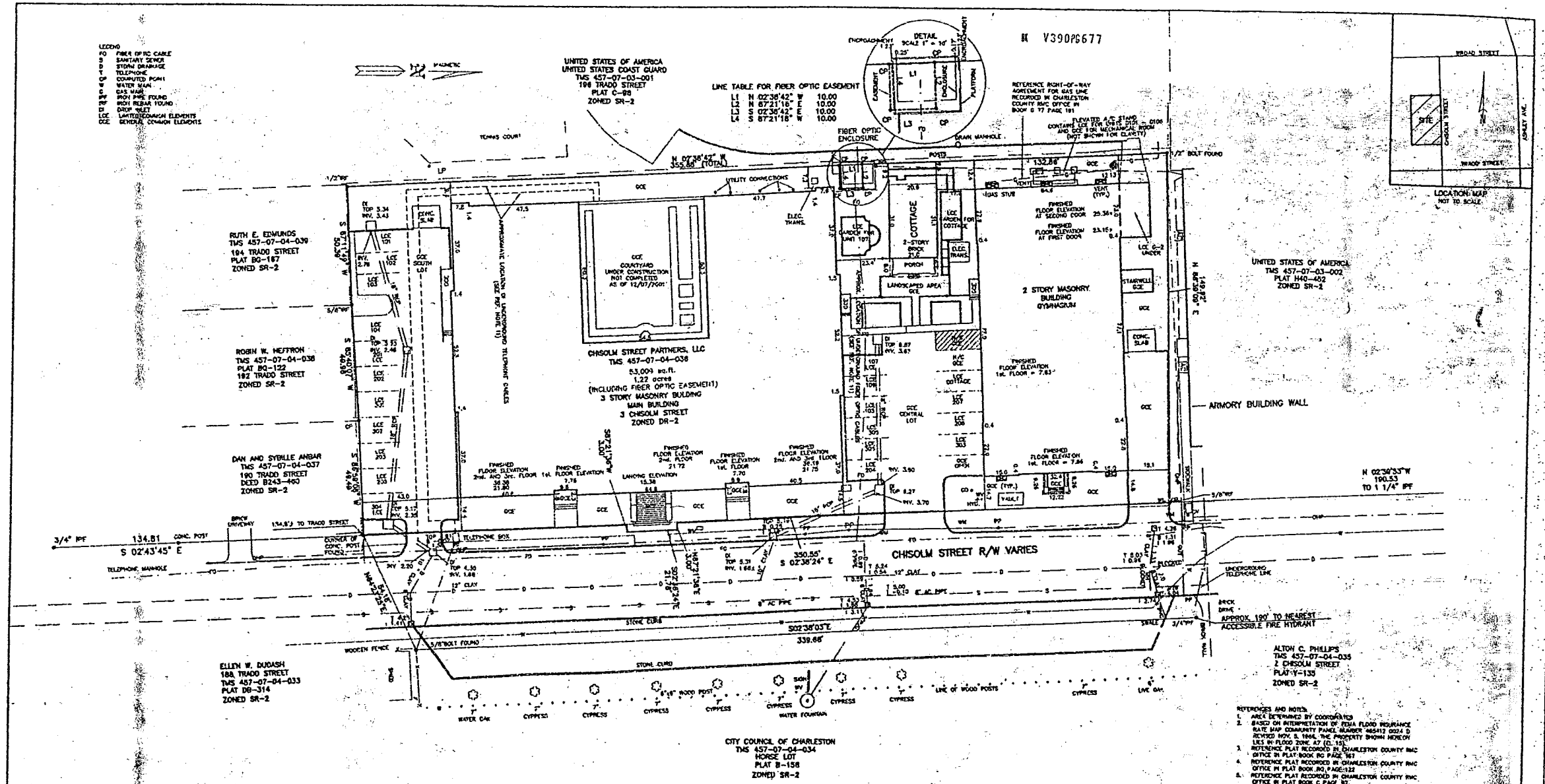
LEGEND
 FO FIBER OPTIC CABLE
 S SANITARY ZONING
 SD STORM DRAINAGE
 T TELEPHONE
 CP COMPUTED POINT
 W WATER MAIN
 GAS GAS
 RW R/W PIPE FOUND
 RW R/W REBAR FOUND
 RW R/W REBAR
 LCE LIMITED/NO-DAMAGE ELEMENTS
 OCE GENERAL CONDUIT ELEMENTS

UNITED STATES OF AMERICA
 UNITED STATES COAST GUARD
 TMS 457-07-03-001
 188 TRADD STREET
 PLAT C-89
 ZONED SR-2

LINE TABLE FOR FIBER OPTIC EASEMENT

L1	N 02°30'42" W	10.00
L2	N 87°21'18" E	10.00
L3	S 02°30'42" E	10.00
L4	S 87°21'18" W	10.00

W V390P677



RUTH E. EDMUNDS
 TMS 457-07-04-039
 184 TRADD STREET
 PLAT D0-187
 ZONED SR-2

ROBIN W. HEFFRON
 TMS 457-07-04-038
 PLAT B0-122
 182 TRADD STREET
 ZONED SR-2

DAN AND SYBILLE ANBAR
 TMS 457-07-04-037
 190 TRADD STREET
 DEED B243-460
 ZONED SR-2

CHISOLM STREET PARTNERS, LLC
 TMS 457-07-04-038
 63,003 sq. ft.
 1.22 acres
 (INCLUDING FIBER OPTIC EASEMENT)
 3 STORY MASONRY BUILDING
 MAIN BUILDING
 3 CHISOLM STREET
 ZONED DR-2

UNITED STATES OF AMERICA
 TMS 457-07-03-002
 PLAT H40-402
 ZONED SR-2

N 02°30'33" W
 100.53'
 TO 1 1/4" R/W

ELLEN W. DUDASH
 18A TRADD STREET
 TMS 457-07-04-033
 PLAT D0-314
 ZONED SR-2

ALTON C. PHILLIPS
 TMS 457-07-04-035
 2 CHISOLM STREET
 PLAT W-135
 ZONED SR-2

CITY COUNCIL OF CHARLESTON
 TMS 457-07-04-034
 HORSE LOT
 PLAT B-158
 ZONED SR-2

CITY OF CHARLESTON
 CHARLESTON COUNTY, S. C.
 RESURVEY OF 3 CHISOLM STREET
 HORIZONTAL PROPERTY REGIME
 OWNED BY CHISOLM STREET PARTNERS, LLC

SCALE: 1" = 20' NOVEMBER 27, 2001
 REVISED DECEMBER 3, 2001



- REFERENCES AND NOTES
1. AREA DETERMINED BY COORDINATED
 2. BASED ON INTERPRETATION OF FEMA FLOOD INSURANCE RATE MAP COMMUNITY PANEL NUMBER 46512 0024 D REVISED NOV. 8, 1996. THE PROPERTY SHOWN HEREON LIES IN FLOOD ZONE A7 (0.15).
 3. REFERENCE PLAT RECORDED IN CHARLESTON COUNTY REC OFFICE IN PLAT BOOK 80 PAGE 165.
 4. REFERENCE PLAT RECORDED IN CHARLESTON COUNTY REC OFFICE IN PLAT BOOK 80 PAGE 122.
 5. REFERENCE PLAT RECORDED IN CHARLESTON COUNTY REC OFFICE IN PLAT BOOK C PAGE 87.
 6. REFERENCE PLAT RECORDED IN CHARLESTON COUNTY REC OFFICE IN PLAT BOOK 3 PAGE 154.
 7. REFERENCE PLAT RECORDED IN CHARLESTON COUNTY REC OFFICE IN PLAT BOOK C PAGE 86.
 8. REFERENCE RIGHT-OF-WAY AGREEMENT RECORDED IN CHARLESTON COUNTY REC OFFICE IN BOOK 677 PAGE 181.
 9. REFERENCE COVENANTS, CONDITIONS AND RESTRICTIONS RECORDED IN CHARLESTON COUNTY REC OFFICE IN BOOK 1-43 PAGE 327.
 10. REFERENCE COVENANTS, CONDITIONS AND RESTRICTIONS RECORDED IN CHARLESTON COUNTY REC OFFICE IN BOOK 1-172 PAGE 43 AMENDED JULY 24, 1993, AND RECORDED IN CHARLESTON COUNTY REC OFFICE IN BOOK 1-221 PAGE 463.
 11. REFERENCE PLAT BY TRICO ENGINEERING & SURVEYING, INC. DATED MARCH 3, 1993, FILED "PLAT SHOWING TRACT 'A', A 1.524 ACRE TRACT OF LAND PROPERTY OF CITY BOARD OF PUBLIC SCHOOLS DIST. NO. 30, WITH A GOOD ADJACENT EASEMENT BEING GRANTED TO BRUNSWICK BELL TELEPHONE & TELEGRAPH COMPANY, LOCATED AT 2 CHISOLM STREET, IN THE CITY OF CHARLESTON COUNTY, SOUTH CAROLINA.
 12. PLAT BY E. M. SEABROOK, JR., INC. DATED SEPTEMBER 28, 1999, FILED "PLAT OF A 1.22 ACRE TRACT SITUATE AT 3 CHISOLM STREET OWNED BY SCHOOL DISTRICT NO. 30 OF CHARLESTON COUNTY, THE STATE OF SOUTH CAROLINA, THE CITY BOARD OF PUBLIC SCHOOLS COMMISSIONERS FOR THE CITY OF CHARLESTON AND SCHOOL DISTRICT OF CHARLESTON COUNTY" AND TO BE CONVEYED TO CHISOLM STREET PARTNERS, LLC.
 13. UNDERGROUND UTILITIES SHOWN ARE BASED ON LOCATIONS PROVIDED BY UTILITIES OR BY INTERPRETATION OF FIELD SURVEY OF ABOVE-MENTIONED FEATURES. LOCATIONS OF UNDERGROUND UTILITIES OR STRUCTURES ARE NOT GUARANTEED AND DRAWING REPRESENTS THEM CONSTRUCTED AS OF 12/07/2001. THE AREAS AROUND THE DITCHES WERE TAKEN FROM ARCHITECTURAL DRAWING (NOT YET CONSTRUCTED).

I hereby state that to the best of my knowledge, information, and belief, the survey shown herein and the instruments with the measurements of the Minimum Standards Manual for the Practice of Land Surveying in South Carolina, and plans or records or the measurements for a Class A survey as specified herein.

LEWIS E. SEABROOK
 CIVIL ENGINEER & LAND SURVEYOR
 S. C. REG. NO. 09990
 P. O. BOX 99
 MT. PLEASANT, S. C. 29465
 (803) 854-4489

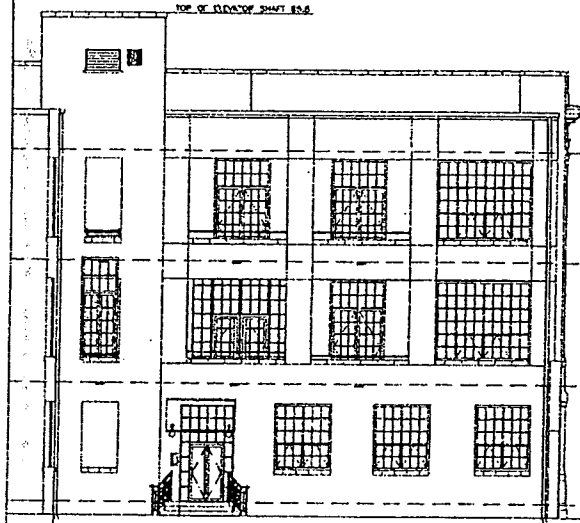


E. M. SEABROOK, JR., INC.
 ENGINEERS - SURVEYORS - PLANNERS

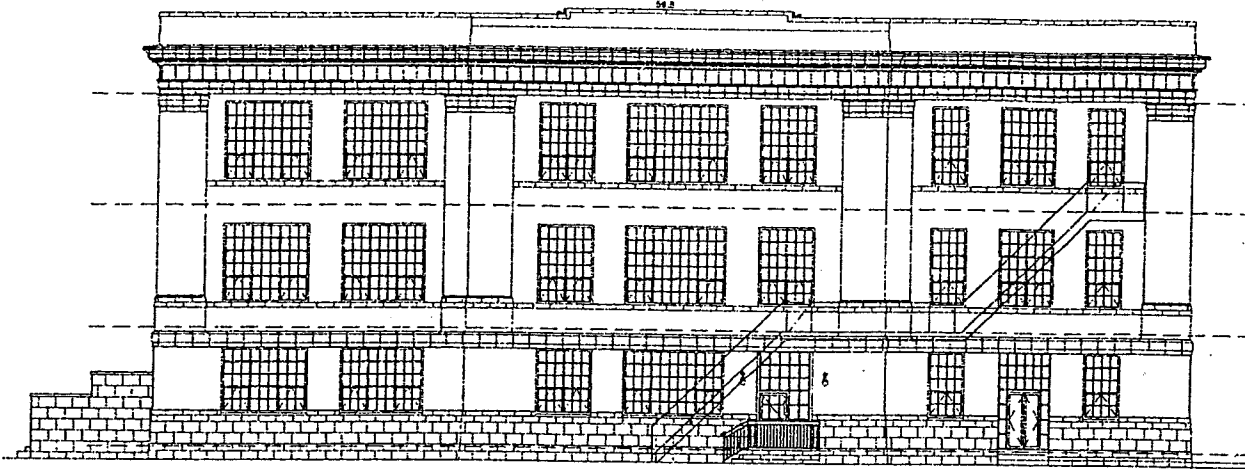
EXHIBIT "A-1"
TO MASTER DEED ESTABLISHING
3 CHISOLM STREET HORIZONTAL PROPERTY REGIME

DRAWINGS SHOWING THE VERTICAL LOCATION
OF THE BUILDINGS AND IMPROVEMENTS

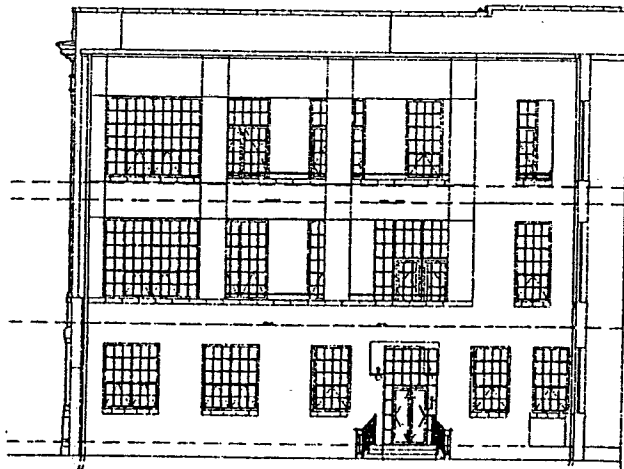
V390P681



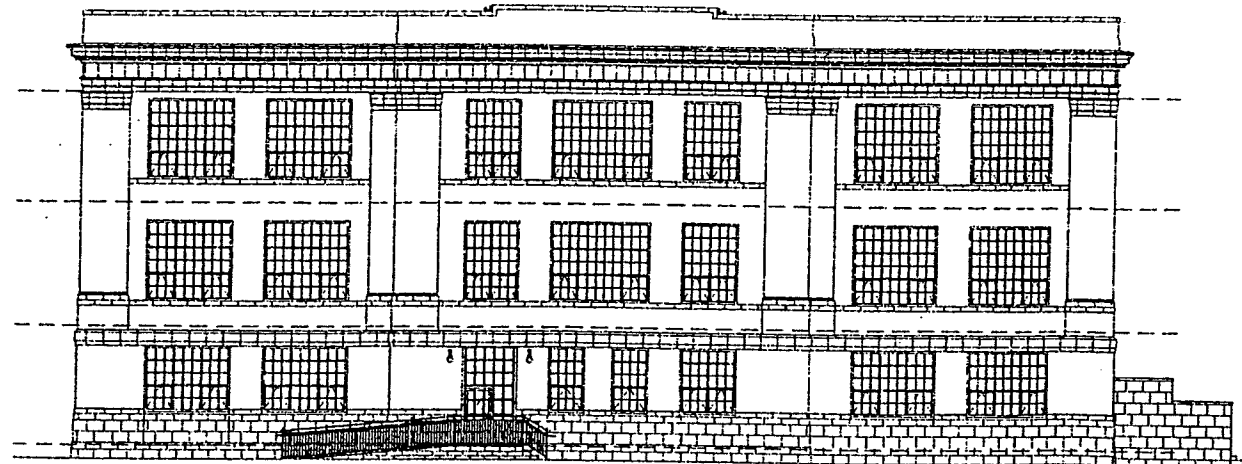
NORTH FACE - COURTYARD



NORTH SIDE



SOUTH FACE - COURTSIDE



SOUTH SIDE

EXHIBIT "A-1" TO MASTER DEED
ESTABLISHING 3 CHISOLM STREET
HORIZONTAL PROPERTY REGIME

BASE DRAWINGS PROVIDED BY ARCHITECT
ELEVATIONS ADDED BY E. M. SEABROOK, JR., INC.



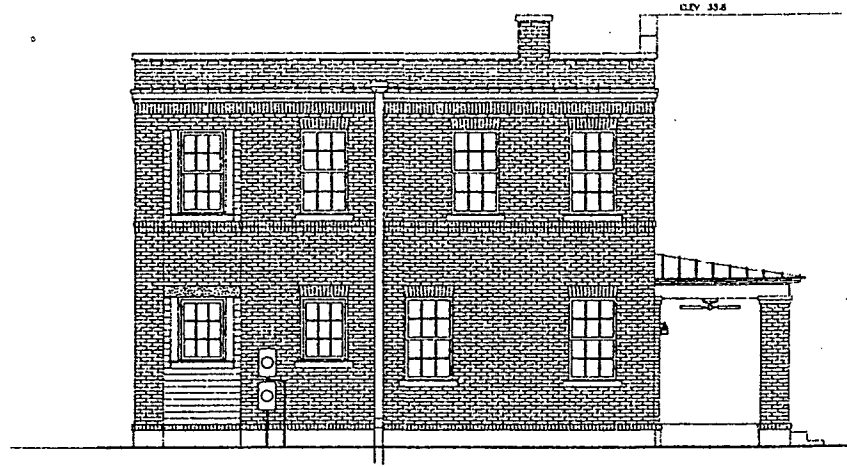
MAIN BUILDING ELEVATION
3 CHISOLM STREET
HORIZONTAL PROPERTY REGIME
CITY OF CHARLESTON

E. M. SEABROOK, JR., INC.
ENGINEERS-SURVEYORS-PLANNERS
1081 JOHNNIE DODDS BLVD., BOX 96
MOUNT PLEASANT, SC 29568
PHONE (843) 884-4496

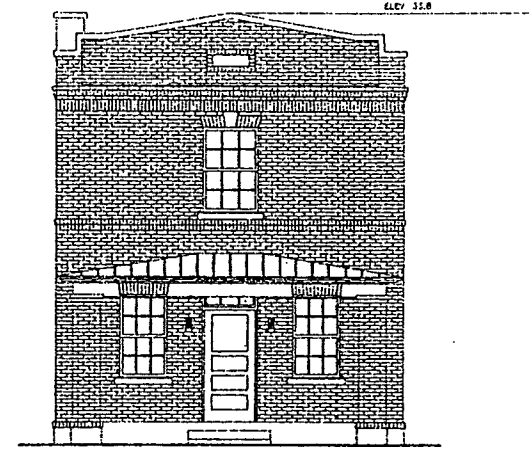
DATE	
REVISED	
DRAWN BY	LES
CHECKED BY	LES
JOB NO.	9917
SCALE	NONE
DATE	DECEMBER 7 2001

SHEET
3
OF
4

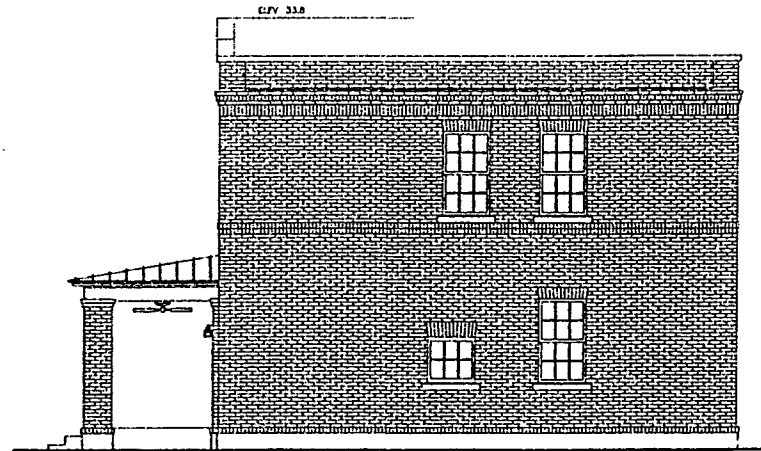
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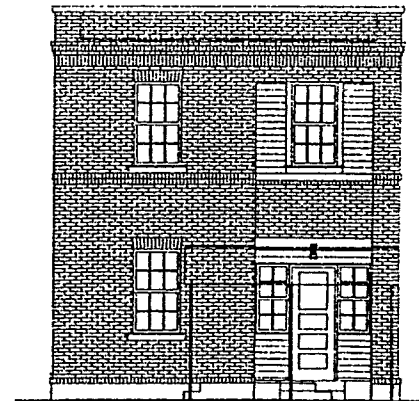
SOUTH SIDE



FRONT



NORTH SIDE



REAR



COTTAGE ELEVATION
3 CHISOLM STREET
HORIZONTAL PROPERTY REGIME
CITY OF CHARLESTON

E. M. SEABROOK, JR., INC.
ENGINEERS-SURVEYORS-PLANNERS
1061 JOHNNIE DODDS BLVD./BOX 96
MOUNT PLEASANT, SC 29565
PHONE (843) 864-4495

NO.	
DATE	
DESIGNED BY	LES
CHECKED BY	LES
JOB NO.	20171
SCALE	NONE
DATE	DECEMBER 7, 2001

EXHIBIT "A-1" TO MASTER DEED
ESTABLISHING 3 CHISOLM STREET
HORIZONTAL PROPERTY REGIME

BASE DRAWINGS PROVIDED BY ARCHITECTS
ELEVATIONS ADDED BY E. M. SEABROOK, JR., INC.

SHEET
4
OF
4

EXHIBIT "B"
TO MASTER DEED ESTABLISHING
3 CHISOLM STREET HORIZONTAL PROPERTY REGIME

DESCRIPTION OF UNITS

Unit 101 Main Building ("Unit 101MB") is located in the southwestern corner of the first floor of the Main Building and contains approximately 2,160 square feet, as more fully shown on the Floor Plans.

Unit 102 Main Building ("Unit 102MB") is located in the middle on the south side of the first floor of the Main Building and contains approximately 1,244 square feet, as more fully shown on the Floor Plans.

Unit 103 Main Building ("Unit 103MB") is located in the southeastern corner of the first floor of the Main Building and contains approximately 1,342 square feet, as more fully shown on the Floor Plans.

Unit 104 Main Building ("Unit 104MB") is located in the center on the courtyard of the first floor of the Main Building and contains approximately 1,702 square feet, as more fully shown on the Floor Plans.

Unit 105 Main Building ("Unit 105MB") is located in the northeastern corner of the first floor of the Main Building and contains approximately 1,344 square feet, as more fully shown on the Floor Plans.

Unit 106 Main Building ("Unit 106MB") is located in the middle on the north side of the first floor of the Main Building and contains approximately 1,249 square feet, as more fully shown on the Floor Plans.

Unit 107 Main Building ("Unit 107MB") is located in the northwestern corner of the first floor of the Main Building and contains approximately 2,117 square feet, as more fully shown on the Floor Plans.

Unit 201 Main Building ("Unit 201MB") is located in the southwestern corner of the second floor of the Main Building and contains approximately 3,148 square feet, as more fully shown on the Floor Plans.

Unit 202 Main Building ("Unit 202MB") is located in the southeastern corner of the second floor of the Main Building and contains approximately 1,910 square feet, as more fully shown on the Floor Plans.

Unit 203 Main Building (“Unit 203MB”) is located in the center front on the east side of the first floor and second floor of the Main Building and contains approximately 649 square feet on the first floor and 630 square feet on the second floor, as more fully shown on the Floor Plans.

Unit 204 Main Building (“Unit 204MB”) is located in the center on the courtyard of the second floor of the Main Building and contains approximately 1,594 square feet, as more fully shown on the Floor Plans.

Unit 205 Main Building (“Unit 205MB”) is located in the center front on the east side of the first floor and second floor of the Main Building and contains approximately 660 square feet on the first floor and 627 square feet on the second floor, as more fully shown on the Floor Plans.

Unit 206 Main Building (“Unit 206MB”) is located in the northeastern corner of the second floor of the Main Building and contains approximately 1,905 square feet, as more fully shown on the Floor Plans.

Unit 207 Main Building (“Unit 207MB”) is located in the northwestern corner of the second floor of the Main Building and contains approximately 3,146 square feet, as more fully shown on the Floor Plans.

Unit 301 Main Building (“Unit 301MB”) is located in the southwestern corner of the third floor of the Main Building and contains approximately 3,148 square feet, as more fully shown on the Floor Plans.

Unit 302 Main Building (“Unit 302MB”) is located in the southeastern corner of the third floor of the Main Building and contains approximately 1,910 square feet, as more fully shown on the Floor Plans.

Unit 303 Main Building (“Unit 303MB”) is located in the center front on the east side of the third floor of the Main Building and contains approximately 1,440 square feet, as more fully shown on the Floor Plans.

Unit 304 Main Building (“Unit 304MB”) is located in the center of the third floor of the Main Building overlooking the courtyard and contains approximately 1,594 square feet, as more fully shown on the Floor Plans.

Unit 305 Main Building (“Unit 305MB”) is located in the north side of the third floor of the Main Building and contains approximately 5,051 square feet, as more fully shown on the Floor Plans.

The Cottage (the “Cottage”) is a two-story brick structure in the center of the Property and contains a total of 1,095 square feet with 525 square feet on the lower level and 570 square feet on the upper level.

Unit 101 Gymnasium ("Unit 101G") is located in the southeastern corner of the Gymnasium and contains 1,464 square feet, 836 square feet on the lower level and 628 square feet on the mezzanine level, as more fully shown on the Floor Plans.

Unit 102 Gymnasium ("Unit 102G") is located in the northeastern corner of the Gymnasium and contains 1,483 square feet, 815 square feet on the lower level and 668 square feet on the mezzanine level, as more fully shown on the Floor Plans.

Unit 103 Gymnasium ("Unit 103G") is located in the middle on the south side of the Gymnasium and contains 1,364 square feet, 869 square feet on the lower level and 495 square feet on the mezzanine level, as more fully shown on the Floor Plans.

Unit 104 Gymnasium ("Unit 104G") is located in the middle on the north side of the Gymnasium and contains 1,558 square feet, 891 square feet on the lower level and 667 square feet on the mezzanine level, as more fully shown on the Floor Plans.

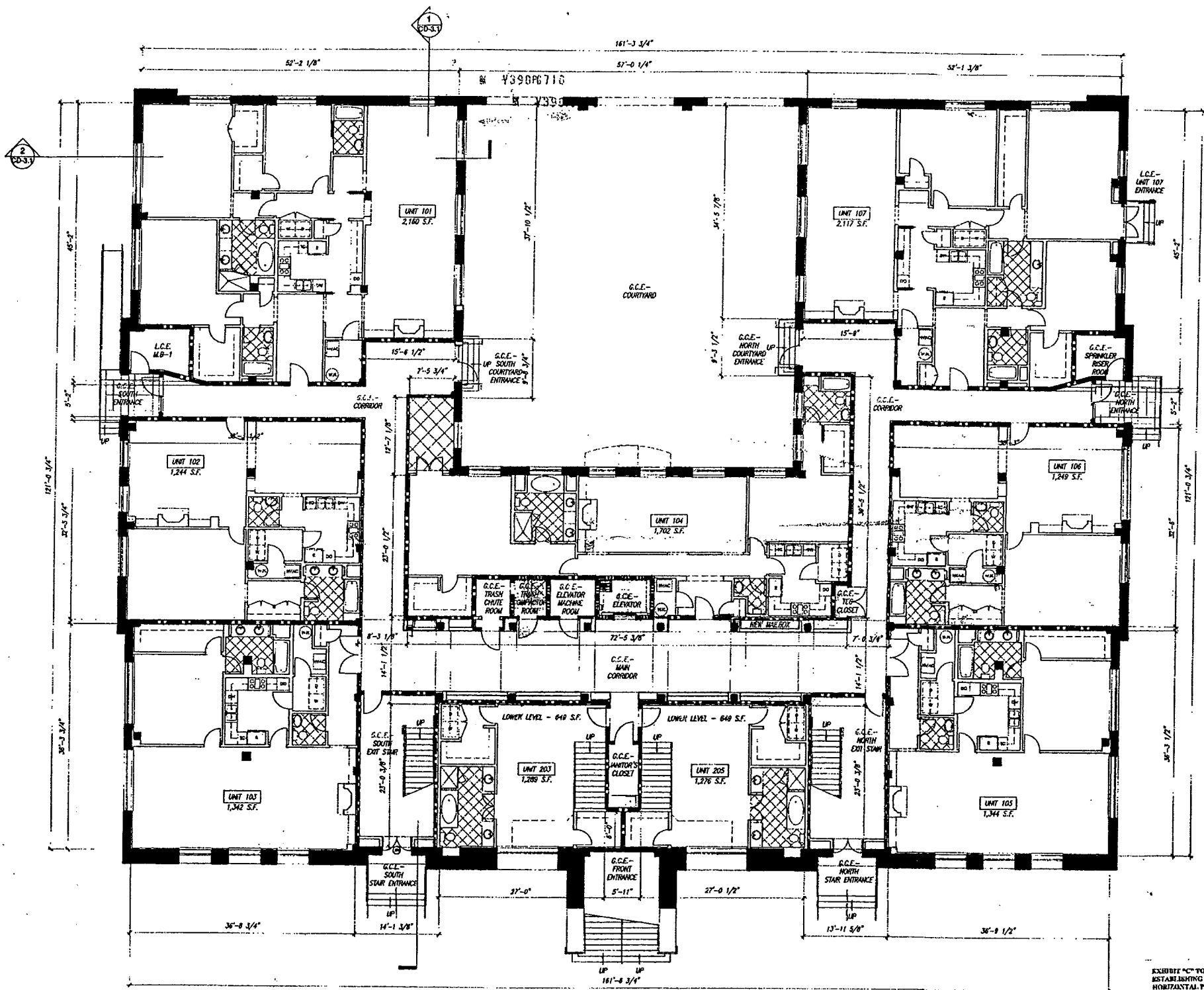
Unit 105 Gymnasium ("Unit 105G") is located in the southwestern corner of the Gymnasium and contains 1,757 square feet, 1,281 square feet on the lower level and 476 square feet on the mezzanine level, as more fully shown on the Floor Plans.

Unit 106 Gymnasium ("Unit 106G") is located in the northwestern corner of the Gymnasium and contains 1,542 square feet, 1,070 square feet on the lower level and 472 square feet on the mezzanine level, as more fully shown on the Floor Plans.

BK: V390PG686

EXHIBIT "C"
TO MASTER DEED ESTABLISHING
3 CHISOLM STREET HORIZONTAL PROPERTY REGIME

FLOOR PLANS



FIRST RESIDENTIAL FLOOR
SCALE: 1/8" = 1'-0"

This floor plan and the dimensions and square footage calculations hereon are only approximations. Any Unit Owner who is concerned about any representations regarding this floor plan should do his/her own investigation as to the dimensions, measurements and square footage of the Unit.

The undersigned, a registered architect or engineer has visited the site known as Three Chisolm Street Condominiums, and viewed the property and to the best of his knowledge, information, and belief: (1) the exterior walls and roof of such structure are in place as shown on said plans; and (2) such walls, partitions, floors and ceilings, in the extent shown on said plans as constitute the horizontal boundaries, if any, and the vertical boundaries of each unit (including convertible space) have been sufficiently constructed so as to clearly indicate the physical boundaries of each unit.

David G. Brock
Architect & Engineer
Date: 11/1/01
Certificate No. 80130

BROCK GREEN
ARCHITECTS & PLANNERS
434 MARSHALL STREET NW
SUITE 301
ATLANTA, GA. 30318
VOICE 404-525-6200
FAX 404-525-9492

CONSULTANTS:

PROJECT NO.: 9936

PROJECT TITLE:
THREE CHISOLM STREET CONDOMINIUMS
Charleston, South Carolina

SHEET TITLE:
FIRST LEVEL FLOOR PLAN

DATE: 11-01-01

ISSUE:

DRAWN BY: BK

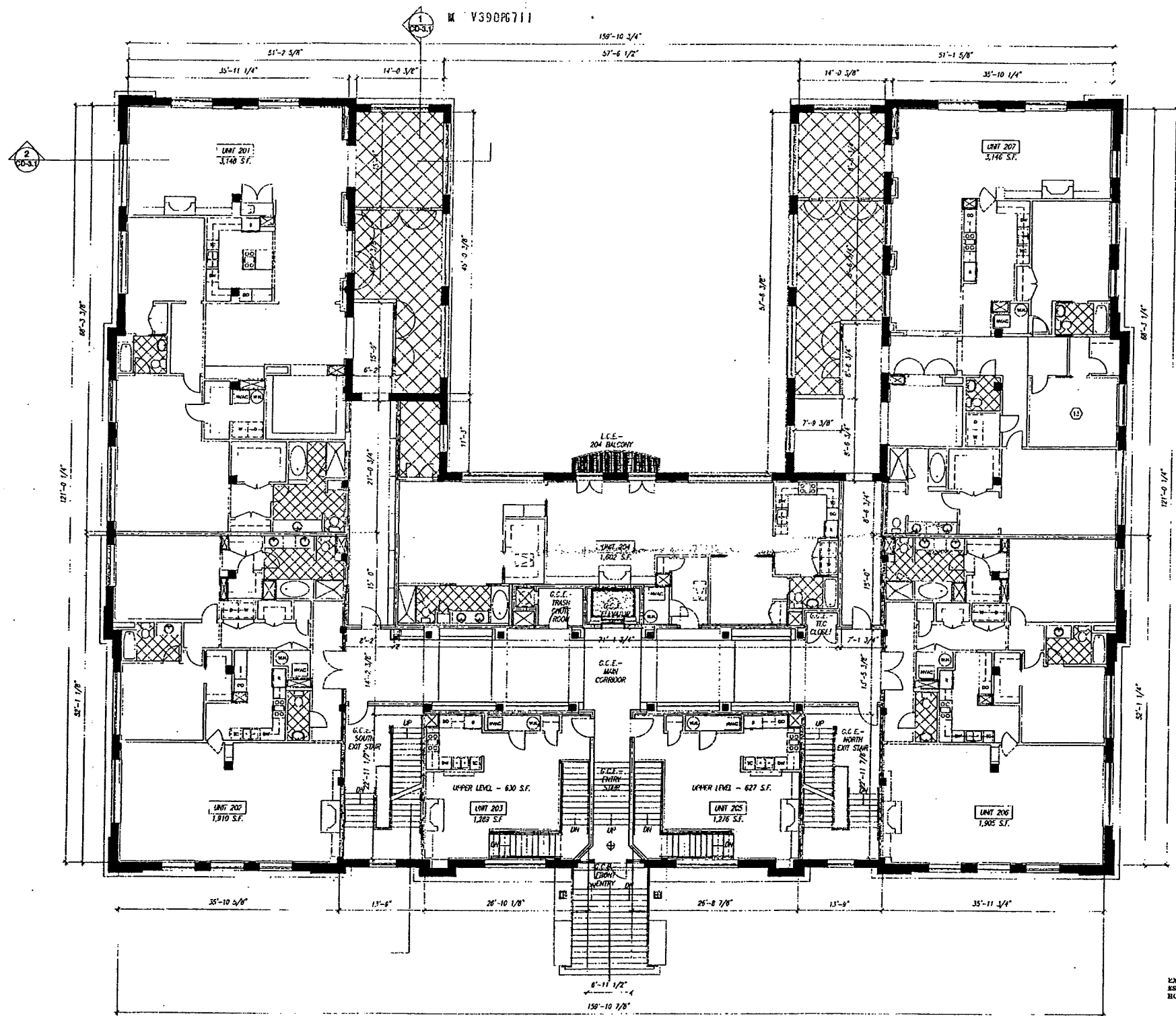
CHECKED BY: EB

SEAL:
STATE OF SOUTH CAROLINA
BROCK GREEN
ARCHITECT & ENGINEER
11/01/01
REGISTERED ARCHITECT

SHEET NO.:
CD-2.1

OF

EXHIBIT "C" TO MASTER DEED ESTABLISHING 3 CHISOLM STREET HORIZONTAL PROPERTY MARLINE



SECOND RESIDENTIAL FLOOR
SCALE: 1/8" = 1'-0"

The floor plan and the dimensions and square footage calculations herein are only approximations. Any unit Owner who is concerned about, or representations regarding this floor plan should do his/her own investigation as to the dimensions, measurements and square footage of the Unit.

The undersigned, a registered architect or engineer has visited the site known as Three Chisolm Street Condominiums, and views the property and to the best of his knowledge, information, and belief: (1) the exterior walls and roof of each such structure are in place as shown or said plans; and (2) such walls, partitions, floors and ceilings, to the extent shown on said plans as constituting the fractional boundaries, if any, and the vertical boundaries of such unit (including convertible space) have been sufficiently constructed so as to clearly establish the physical boundaries of such unit.

Daniel G. [Signature]
Architect's Signature
Date: 11/28/01
Certificate No. 99130

BROCK GREEN
ARCHITECTS & PLANNERS
421 MARBLE STREET NW
SUITE 201
ATLANTA, GA 30313
VOICE 404-513-0494
FAX 404-513-0482

CONSULTANTS:

PROJECT NO.:
9936
PROJECT TITLE:

**THREE CHISOLM STREET
CONDOMINIUMS**
Charleston, South Carolina

SHEET TITLE:
**SECOND LEVEL
FLOOR PLAN**

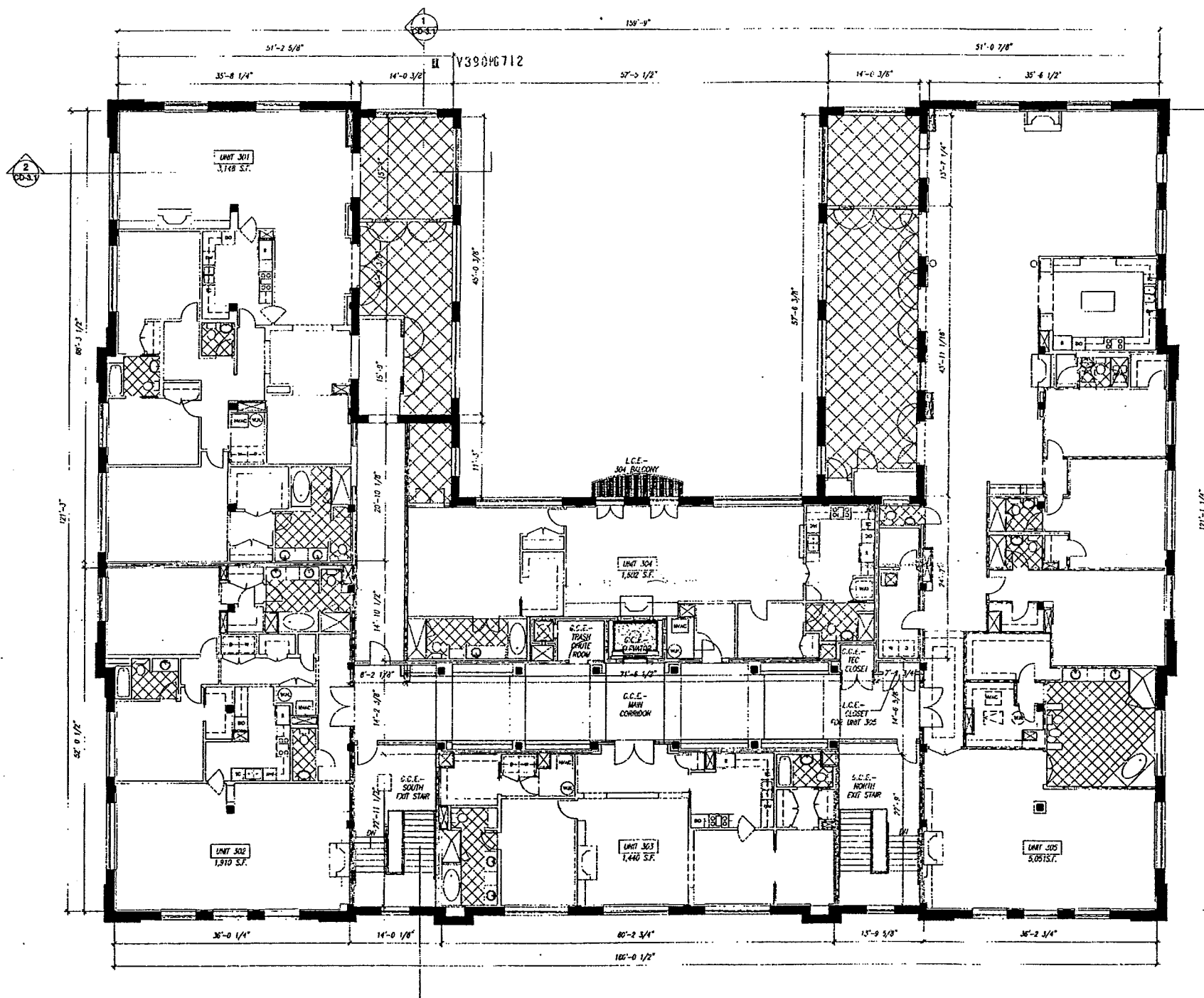
DATE:	ISSUE:
11-28-01	

DRAWN BY: BK
CHECKED BY: EB



SHEET NO.:
CD-2.2

EXHIBIT "C" TO MASTER DEED
ESTABLISHING 3 CHISOLM STREET
HORIZONTAL PROPERTY REGIME P.2



ARCHITECTS & PLANNERS
 434 MARSHALL STREET NW
 SUITE 301
 ATLANTA, GA 30318
 VOICE (404) 233-8100
 FAX (404) 233-8100

CONSULTANTS:

PROJECT NO.:
8936

PROJECT TITLE:

**THREE CHISOLM STREET
 CONDOMINIUMS**
 Charleston, South Carolina

SHEET TITLE:
**THIRD LEVEL
 FLOOR PLAN**

DATE: ISSUE:

DRAWN BY: BK

CHECKED BY: EB

SEAL:



SHEET NO.:

CD-2.3

OF

This floor plan and the dimensions and square footage calculations herein are only approximations. Any unit owner who is concerned about any representations regarding this floor plan should do his/her own investigation as to the dimensions, measurements and square footage of the unit.

The undersigned, a registered architect or engineer has visited the site known as Three Chisolm Street Condominiums, and viewed the property and to the best of his knowledge, information, and belief, (1) the exterior walls and roof of each such structure are in place as shown on said plans; and (2) such walls, partitions, floors and ceilings, in the extent shown on said plans as constitute the horizontal boundaries, if any, and the vertical boundaries of each unit (including convertible space) have been sufficiently constructed so as to clearly establish the physical boundaries of such unit.

[Signature]
 Date: 11/11/11
 Certificate No. 99730

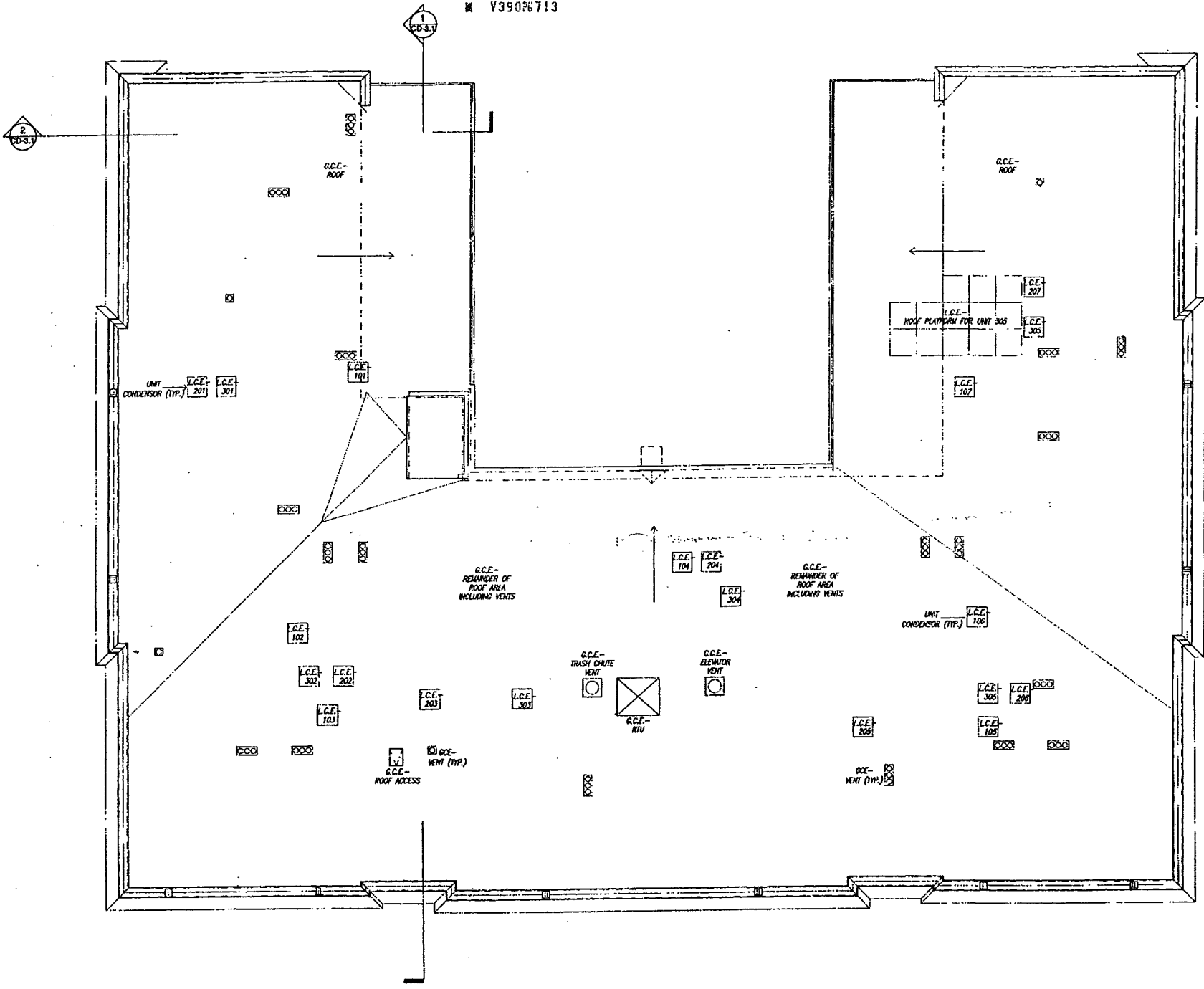
EXHIBIT "C" TO MASTER DEED
 ESTABLISHING 3 CHISOLM STREET
 HORIZONTAL PROPERTY REGIME
 P.3

1 THIRD RESIDENTIAL FLOOR
 SCALE: 1/8" = 1'-0"

**THREE CHISOLM STREET
 CONDOMINIUMS**
 Charleston, South Carolina



V39076713



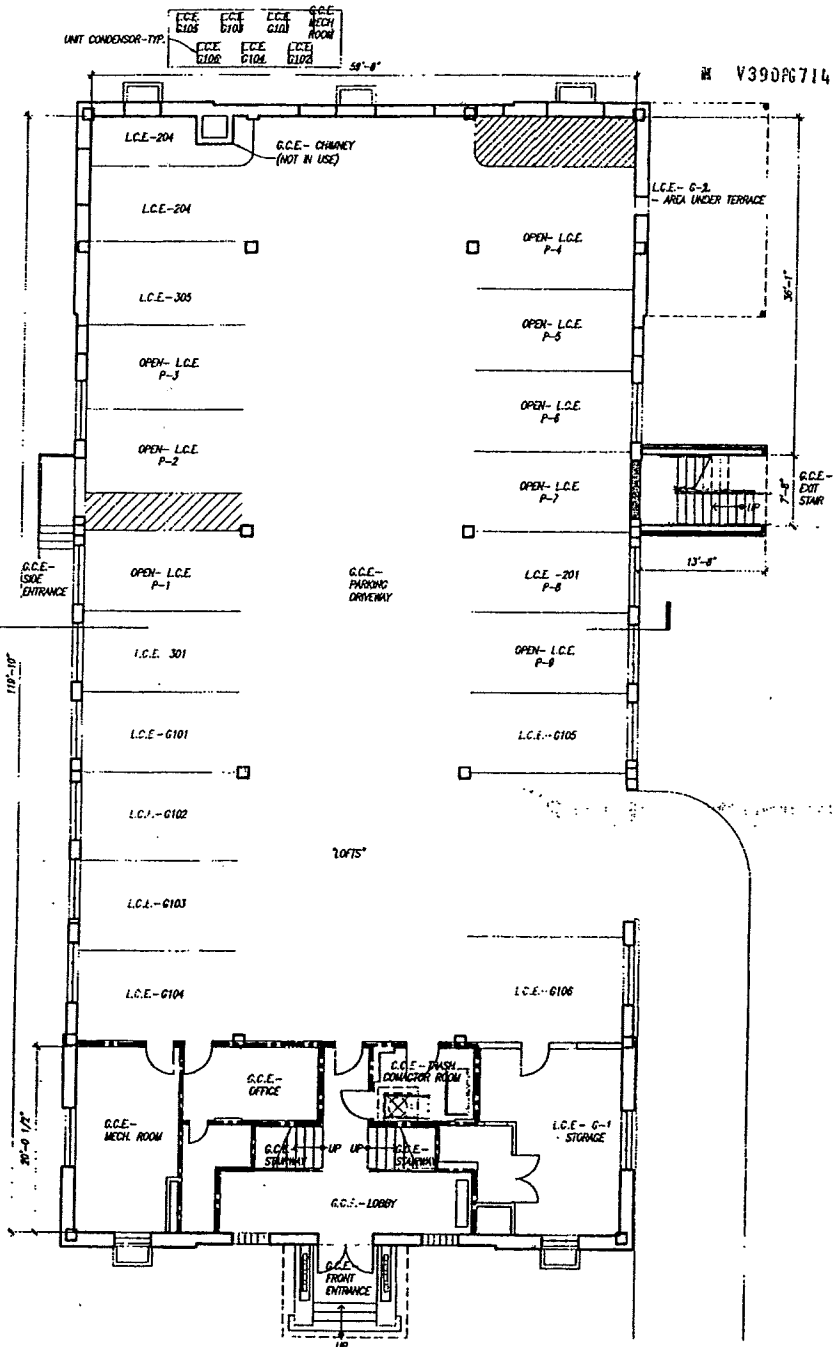
The floor plan and the dimensions and square footage calculations herein are only approximations. Any unit owner who is concerned about any representations regarding this floor plan should do his/her own investigation as to the dimensions, measurements and square footage of the Unit.

The undersigned, a registered architect or engineer has visited the site known as Three Chisolm Street Condominiums, and viewed the property and to the best of his knowledge, information, and belief: (1) the exterior walls and roof of each such structure are in place as shown on said plans; and (2) such walls, partitions, floors and ceilings, to the extent shown on said plans as coincide the horizontal boundaries, if any, and the vertical boundaries of each unit (including convertible space) have been sufficiently constructed so as to clearly establish the physical boundaries of such unit.

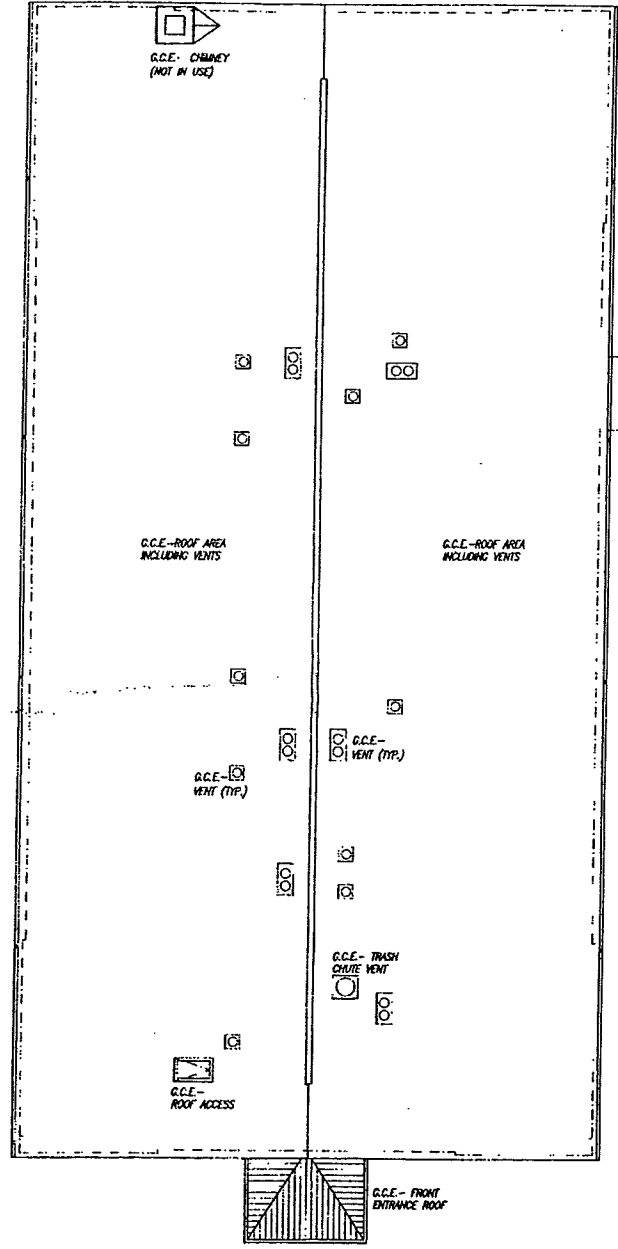
David Green
 Architect's Signature
 Date
 Certificate No. 99130

EXHIBIT "C" TO MASTER DEED ESTABLISHING 3 CHISOLM STREET HORIZONTAL PROPERTY REGIME. P.4

1 ROOF PLAN
 1/8" = 1'-0"



1 **PARKING LEVEL**
SCALE: 1/8" = 1'-0"



2 **ROOF PLAN**
SCALE: 1/8" = 1'-0"

This floor plan and the dimensions and square footage calculations hereon are only approximations. Any unit Owner who is concerned about any representations regarding this floor plan should do his/her own investigation as to the dimensions, measurements and square footage of the Unit.

The undersigned, a registered architect or engineer has visited the site known as Three Chisolm Street Condominiums, and based on the best of his knowledge, information, and belief: (1) the exterior walls and roof of each such structure are in place as shown on said plans; and (2) such walls, partitions, floors and ceilings, to the extent shown on said plans as constitute the horizontal boundaries, if any, and the vertical boundaries of each unit (including convertible space) have been sufficiently constructed so as to clearly establish the physical boundaries of each unit.

David Green
Architect's Signature
Date: 11/1/01
Certificate No. 90130

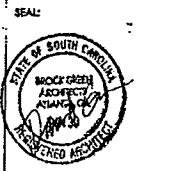
BROCK GREEN
ARCHITECTS & PLANNERS
434 MARISTEA STREET NW
SUITE 201
ATLANTA, GA 30318
VOICE 404-383-9888
FAX 404-312-9492

CONSULTANTS:
PROJECT NO.: 9936
PROJECT TITLE:

**THREE CHISOLM STREET
CONDOMINIUMS**
Charleston, South Carolina

SHEET TITLE:
**GYMNASIUM:
PARKING LEVEL**

DATE: 11-28-01 ISSUE:
DRAWN BY: BK
CHECKED BY: EB



SHEET NO.:
CD-2.5

EXHIBIT "C" TO MASTER DEED ESTABLISHING 3 CHISOLM STREET HORIZONTAL PROPERTY REGIME P.5

OF

**THREE CHISOLM STREET
 CONDOMINIUMS**
 Charleston, South Carolina

SHEET TITLE:
**GYMNASIUM:
 FIRST & MEZZANINE
 LEVELS**

DATE: 11-2-99
 ISSUE:

DRAWN BY: BK

CHECKED BY: EB

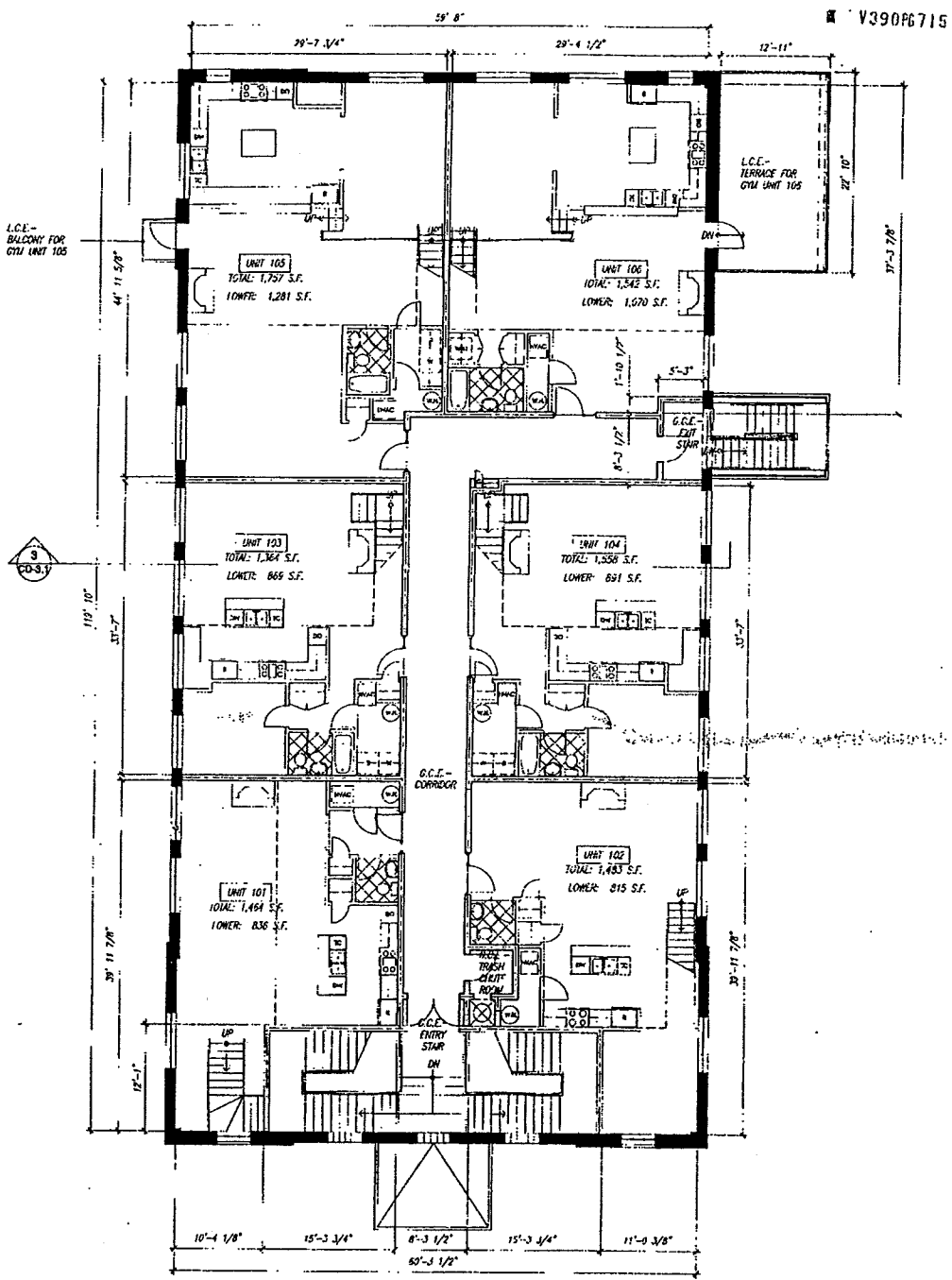
SEAL:



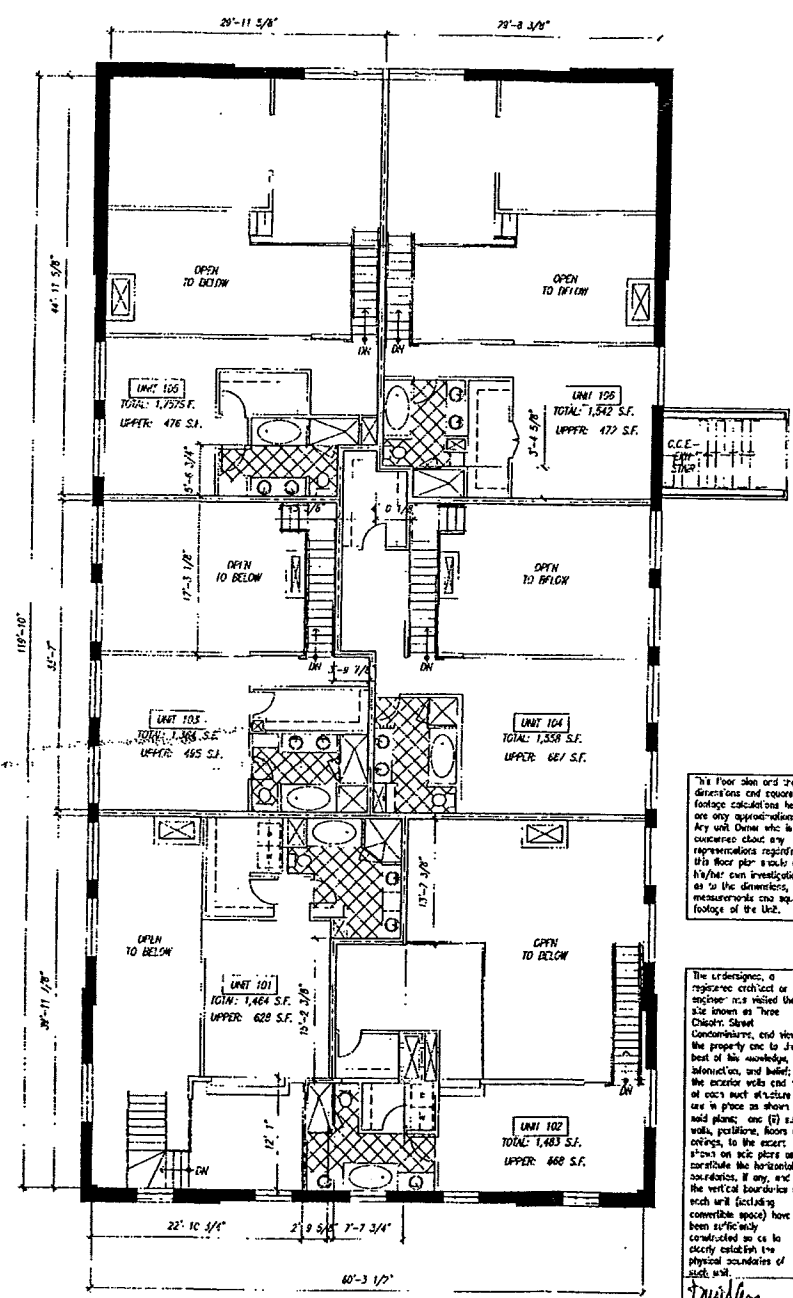
SHEET NO.:

CD-2.6

OF



1 MAIN RESIDENTIAL LEVEL
 SCALE: 1/8" = 1'-0"



2 MEZZANINE LEVEL
 SCALE: 1/8" = 1'-0"

This floor plan and the dimensions and square footage calculations herein are only approximations. Any unit owner who is concerned about any representations regarding this floor plan or any unit should have an independent investigation as to the dimensions, measurements and square footage of the unit.

The undersigned, a registered architect or engineer, has visited the site shown on Three Chisolm Street Condominiums, and viewed the property and to the best of his knowledge, information, and belief: (1) the exterior walls and roof of each such structure are in place as shown on said plans; and (2) each wall, partition, floor and ceiling, to the extent shown on said plans or otherwise the horizontal coordinates, if any, and the vertical boundaries of each unit (including convertible space) have been satisfactorily constructed so as to clearly establish the physical boundaries of each unit.

[Signature]
 Architect's Signature
 D.C.A.
 Certificate No. 99-30

EXHIBIT "C" TO MASTER DEED ESTABLISHING CHISOLM STREET HORIZONTAL PROPERTY REGIME P6

V390P6715

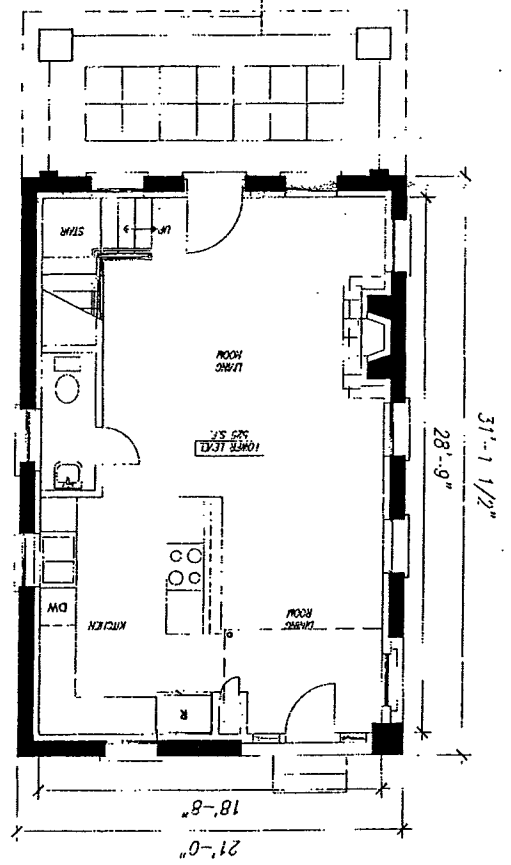


The floor plan and elevations are based on the information provided by the owner and are not to be construed as a representation of the actual conditions of the site. The architect is not responsible for the accuracy of the information provided by the owner.

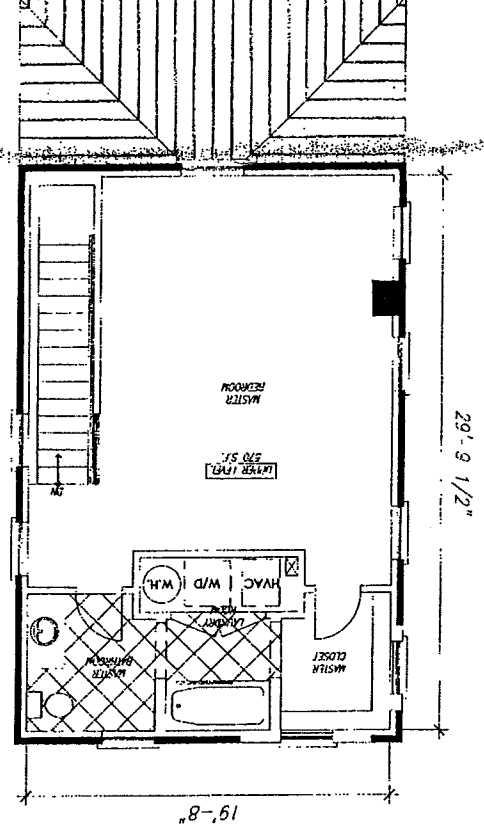
The architect, a registered architect in the State of Georgia, has prepared these plans in accordance with the Georgia Board of Architecture and Professional Engineers, Inc. rules and regulations. The architect is not responsible for the accuracy of the information provided by the owner. The architect is not responsible for the accuracy of the information provided by the owner.

EXHIBIT "C" TO MASTER DEED
 1774 SHELBY STREET
 CHARLOTTE, NORTH CAROLINA
 HORIZONTAL PROPERTY REGIME

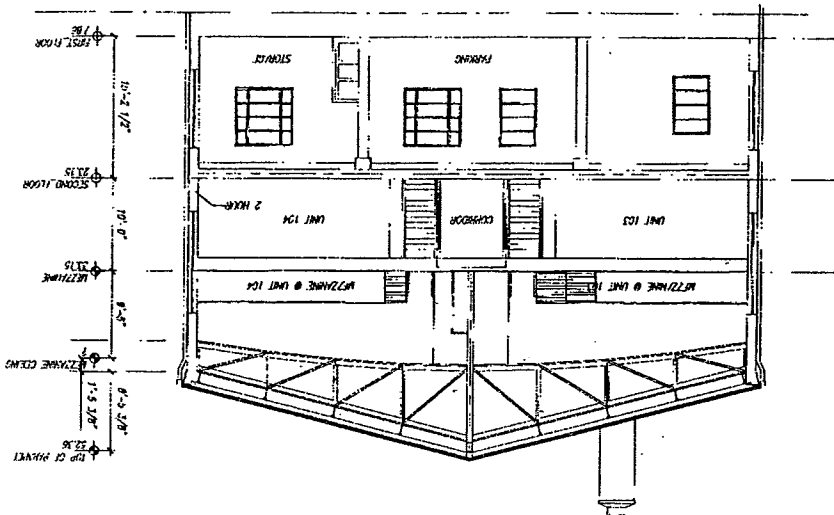
1 COTTAGE FIRST LEVEL
 SCALE: 1/4" = 1'-0"



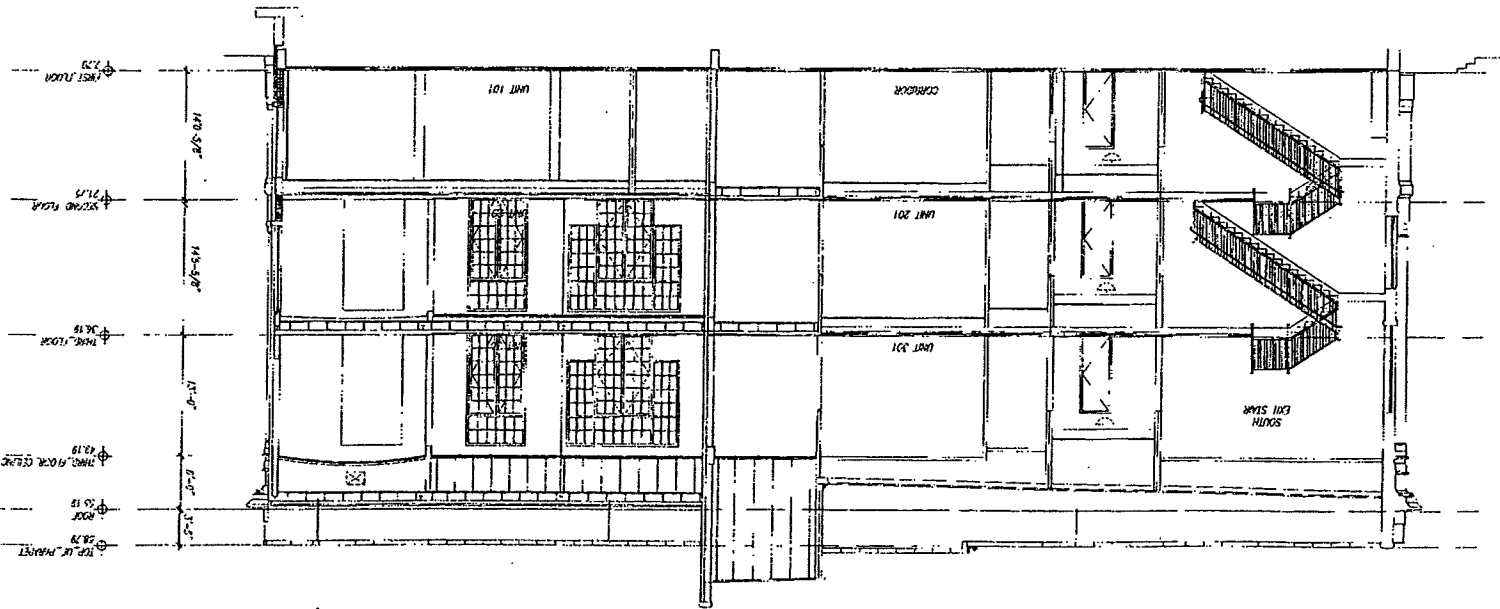
2 COTTAGE SECOND LEVEL
 SCALE: 1/4" = 1'-0"



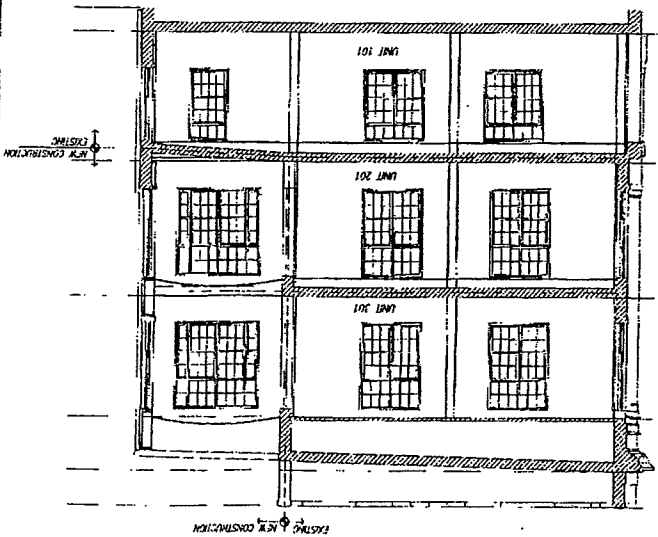
3 NORTH-SOUTH GYM SECTION
SCALE: 1/8" = 1'-0"



1 EAST-WEST SCHOOL SECTION
SCALE: 1/8" = 1'-0"



2 NORTH-SOUTH SCHOOL SECTION
SCALE: 1/8" = 1'-0"



THE UNDERSIGNED, a duly Licensed Professional Engineer, hereby certifies that the above described work was prepared by me or under my direct supervision and that I am a duly Licensed Professional Engineer in the State of South Carolina.

DATE: 1-28-81
ISSUE: SECTIONS
SHEET TITLE: SCHOOL & GYM BUILDING SECTIONS

PROJECT NO.: 8836
PROJECT TITLE: THREE CHISOLM STREET CONDOMINIUMS
Charleston, South Carolina

CONSULTANTS:
ARCHITECTS & PLANNERS
BROCK GREEN ARCHITECTS, P.A.
120 MARSHALL STREET NW
ATLANTA, GA 30309
PHONE: 404-525-8836

DRAWN BY: BK
CHECKED BY: EB
SEAL:

UNIT NO.: 59130
DATE: 1/28/81
PROJECT: 8836

CD-3.1



PROJECT NO.: 8836
PROJECT TITLE: THREE CHISOLM STREET CONDOMINIUMS
Charleston, South Carolina

DATE: 1-28-81
ISSUE: SECTIONS
SHEET TITLE: SCHOOL & GYM BUILDING SECTIONS

THREE CHISOLM STREET
CONDOMINIUMS
Charleston, South Carolina

PROJECT NO.: 8836
PROJECT TITLE: THREE CHISOLM STREET CONDOMINIUMS
Charleston, South Carolina

CONSULTANTS:
ARCHITECTS & PLANNERS
BROCK GREEN ARCHITECTS, P.A.
120 MARSHALL STREET NW
ATLANTA, GA 30309
PHONE: 404-525-8836

BROCK GREEN

R 93906717



The floor plan and the dimensions of square, rectangular, and other polygonal shapes are not to scale. Any wall lines are shown as they appear on the floor plan. The floor plan is not to be used for construction purposes. The floor plan is not to be used for construction purposes. The floor plan is not to be used for construction purposes.

The undersigned, a registered architect of the State of South Carolina, has prepared the architectural drawings and specifications for the project described herein. The drawings and specifications are based on the information furnished by the client and on the site visit. The drawings and specifications are not to be used for construction purposes. The drawings and specifications are not to be used for construction purposes. The drawings and specifications are not to be used for construction purposes.

EXHIBIT "C" TO MASTER DEED
ESTABLISHING 3 CONDOMINIUMS
HORIZONTAL PROPERTY REGIME

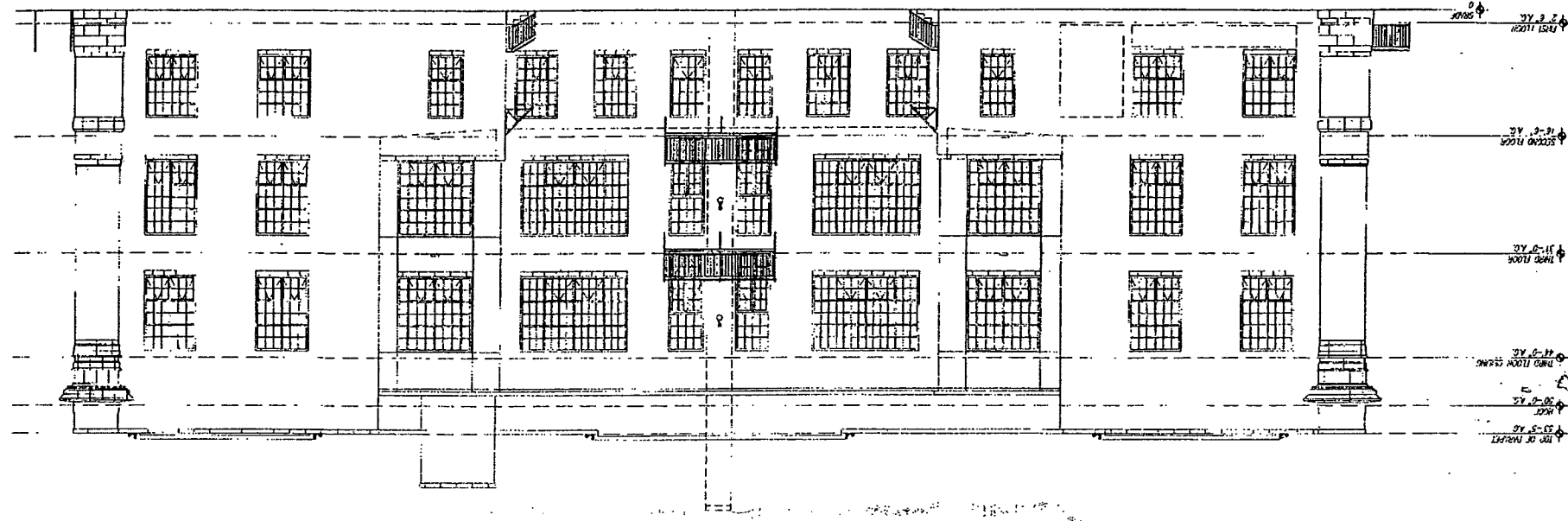
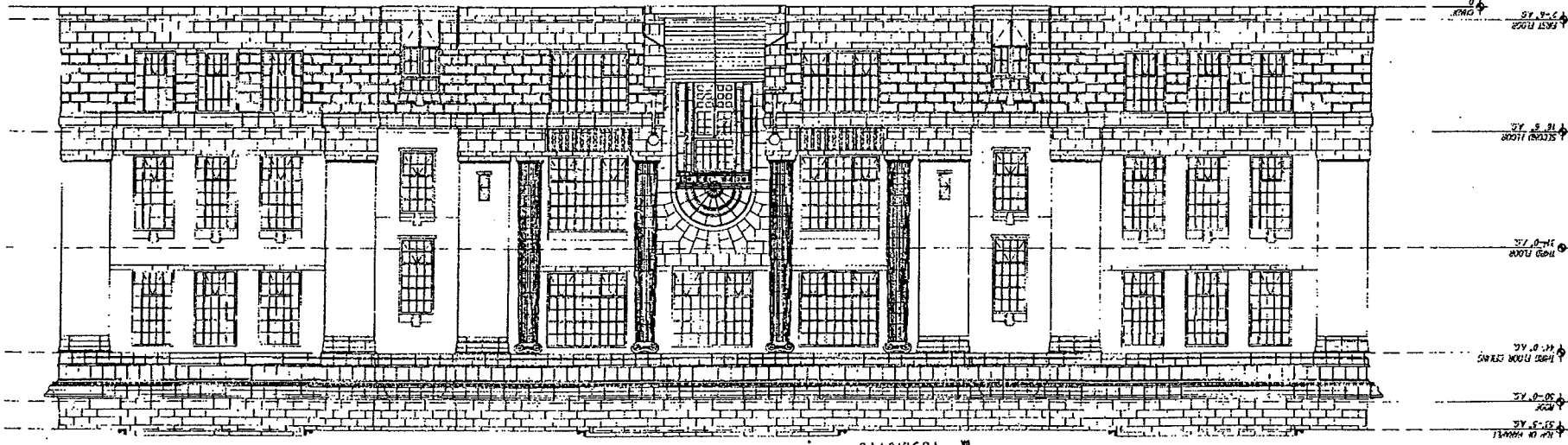
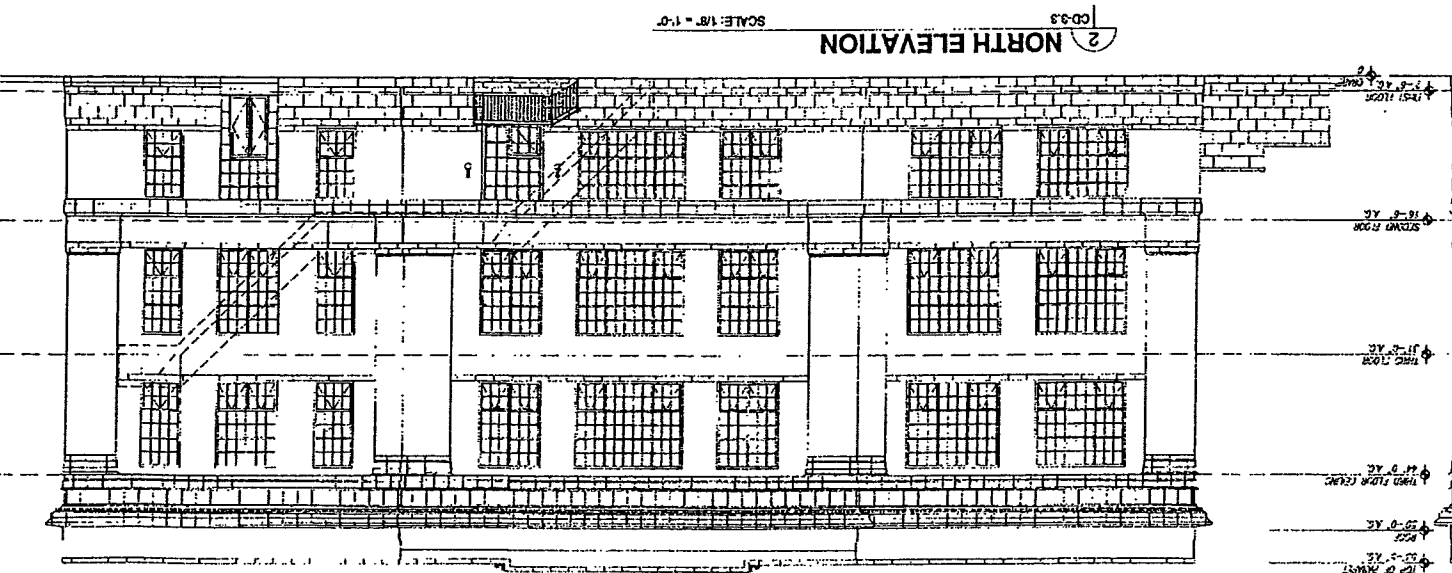


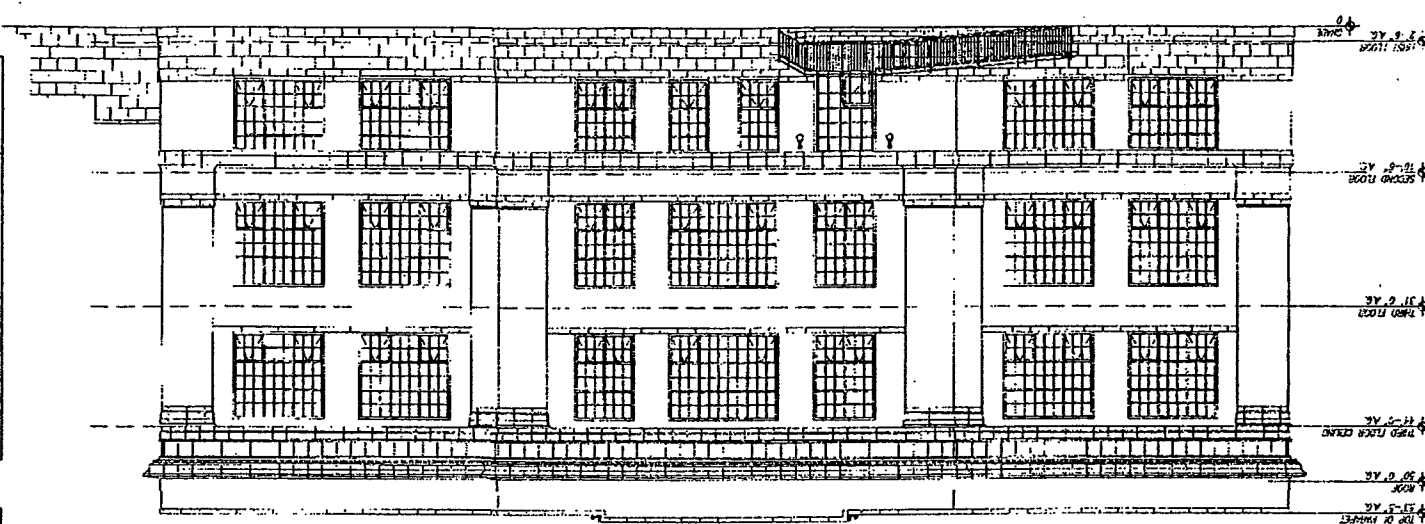
EXHIBIT "C" TO MASTER DEED
ESTABLISHING A CHISOLM STREET
CONDOMINIUM PROJECT

The undersigned, a registered architect and member of the South Carolina Board of Architecture, has prepared the architectural drawings and specifications for the building described herein. I have not been furnished with any title insurance policy or other documents which would affect the title to the land. I have not been furnished with any title insurance policy or other documents which would affect the title to the land. I have not been furnished with any title insurance policy or other documents which would affect the title to the land.

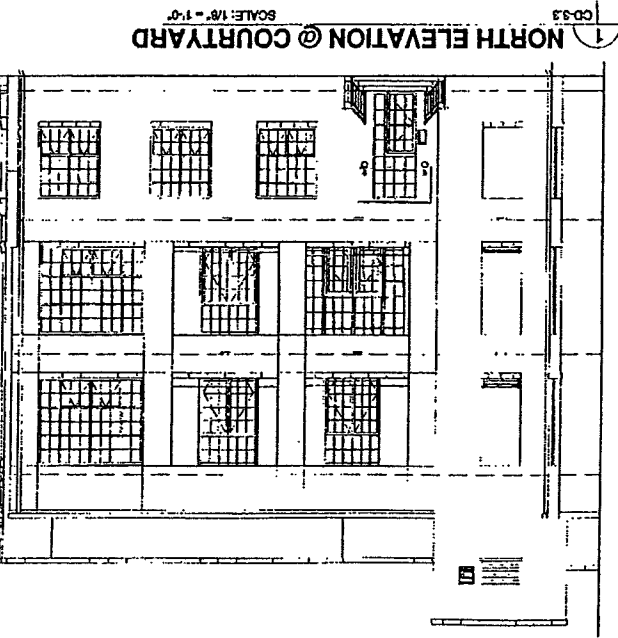
The four sets of the drawings and specifications are deposited with the Charleston City Clerk's Office. Any and all questions regarding the drawings and specifications should be directed to the architect.



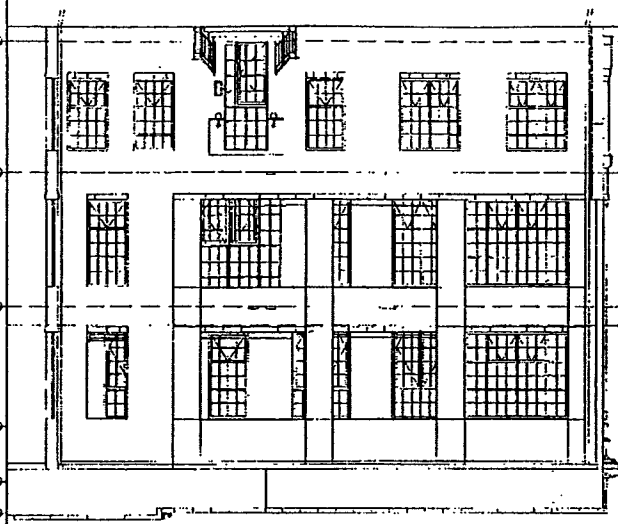
2 NORTH ELEVATION
CD-3.3
SCALE: 1/8" = 1'-0"



4 SOUTH ELEVATION
CD-3.3
SCALE: 1/8" = 1'-0"



1 NORTH ELEVATION @ COURTYARD
CD-3.3
SCALE: 1/8" = 1'-0"



3 SOUTH ELEVATION @ COURTYARD
CD-3.3
SCALE: 1/8" = 1'-0"

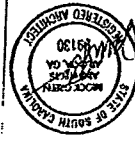
THREE CHISOLM STREET
CONDOMINIUMS
Charleston, South Carolina

SHEET TITLE:
COTTAGE
ELEVATIONS

DATE: _____
ISSUE: _____

DRAWN BY: BK
CHECKED BY: EB

SEAL:



CD-3.5

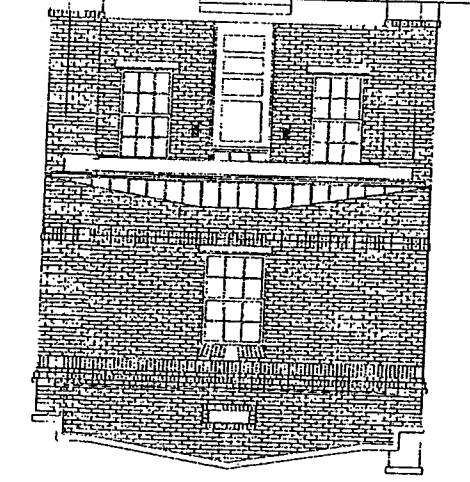
OF

The floor plan and 2-D perspective views of the building are to be reviewed and approved by the Department of Building Inspection and Code Enforcement, City of Charleston, South Carolina. Any and all other work and any other information required for the building permit application shall be provided by the applicant. The architect shall be responsible for the accuracy of the information provided and for the building permit application.

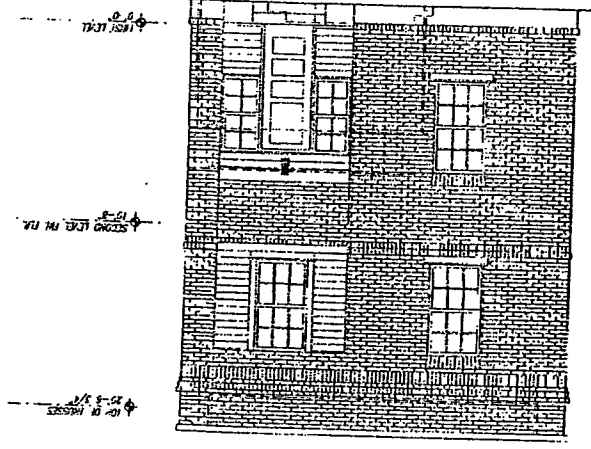
The architect shall be responsible for the accuracy of the information provided and for the building permit application. The architect shall be responsible for the accuracy of the information provided and for the building permit application. The architect shall be responsible for the accuracy of the information provided and for the building permit application.

EXHIBIT "C" TO MASTER PLAN
ESTABLISHING 3 CHISOLM STREET
HORIZONTAL PROPERTY RECORD
P.12

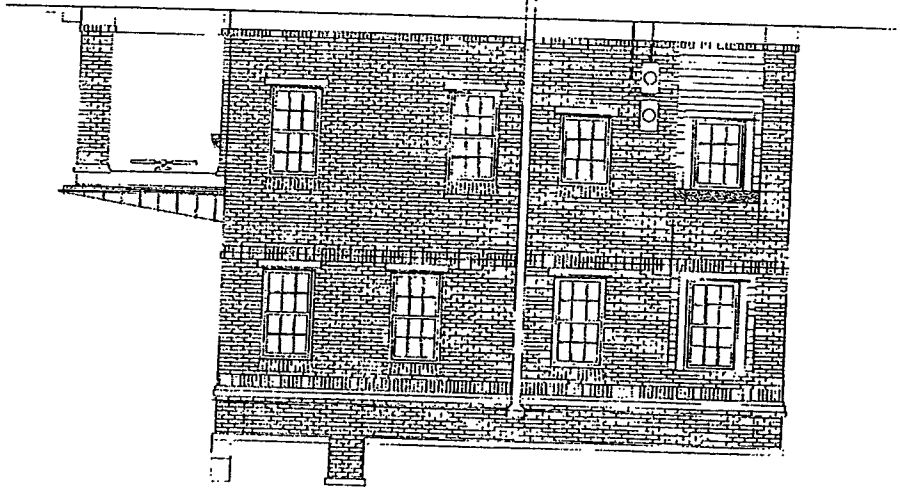
CD-3.5



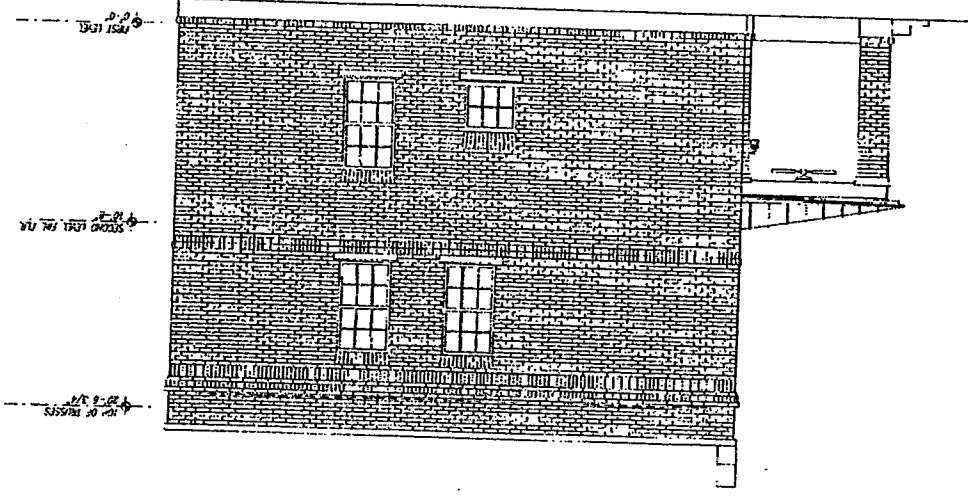
2 EAST ELEVATION
CD-3.5
SCALE: 1/4" = 1'-0"



4 WEST ELEVATION
CD-3.5
SCALE: 1/4" = 1'-0"



1 SOUTH ELEVATION
CD-3.5
SCALE: 1/4" = 1'-0"



3 NORTH ELEVATION
CD-3.5
SCALE: 1/4" = 1'-0"

EXHIBIT "D"
TO MASTER DEED ESTABLISHING
3 CHISOLM STREET HORIZONTAL PROPERTY REGIME

THE BASIC VALUE OF THE PROPERTY AS A WHOLE
AND THE BASIC VALUE OF EACH UNIT

UNIT NO.	BASE VALUE	CO-OWNER'S % OF EXPENSES AND RIGHTS IN THE COMMON ELEMENTS
1st Floor/Main Building:		
101	\$ 650,000	3.7037%
102	\$ 650,000	3.7037%
103	\$ 650,000	3.7037%
104	\$ 650,000	3.7037%
105	\$ 650,000	3.7037%
106	\$ 650,000	3.7037%
107	\$ 650,000	3.7037%
2nd Floor/Main Building:		
201	\$ 650,000	3.7037%
202	\$ 650,000	3.7037%
203	\$ 650,000	3.7037%
204	\$ 650,000	3.7037%
205	\$ 650,000	3.7037%
206	\$ 650,000	3.7037%
207	\$ 650,000	3.7038%
3rd Floor/Main Building:		
301	\$ 650,000	3.7037%
302	\$ 650,000	3.7037%
303	\$ 650,000	3.7037%
304	\$ 650,000	3.7037%
305	\$1,300,000	7.4074%
Gym:		
G-101	\$ 650,000	3.7037%
G-102	\$ 650,000	3.7037%
G-103	\$ 650,000	3.7037%
G-104	\$ 650,000	3.7037%
G-105	\$ 650,000	3.7037%
G-106	\$ 650,000	3.7037%
Cottage		
	\$ 650,000	3.7037%
TOTAL	\$17,550,000	100.00%

EXHIBIT "E"
TO MASTER DEED ESTABLISHING
3 CHISOLM STREET HORIZONTAL PROPERTY REGIME

BY-LAWS
OF
3 CHISOLM STREET HOMEOWNERS ASSOCIATION, INC.

SECTION I

IDENTITY: These are the By-laws of 3 CHISOLM STREET HOMEOWNERS ASSOCIATION, INC., a nonprofit corporation existing under the laws of the State of South Carolina (hereinafter sometimes called "Association"). The Association has been organized for the purpose of managing, operating and administering the 3 CHISOLM STREET HORIZONTAL PROPERTY REGIME (hereinafter sometimes called "Regime") established pursuant to the Horizontal Property Act of the State of South Carolina (hereinafter sometimes called the "Act"), on real property shown on a plat thereof recorded in Plat Book ____, Page ____, RMC Office for Charleston County, South Carolina, and located generally on the west side of Chisolm Street between Broad Street and Tradd Street in Charleston, South Carolina, and being more particularly described in the Master Deed establishing the said Horizontal Property Regime.

1. **OFFICE:** The office of the Association shall be on the premises of 3 CHISOLM STREET HORIZONTAL PROPERTY REGIME, or at such other place as the Association shall select.
2. **FISCAL YEAR:** The fiscal year of the Association shall be the calendar year.
3. **SEAL:** The seal of the Association shall consist of a circle around the outer edge of which shall be the name of the Association and in the center of which is inscribed the word "Seal" or such facsimile thereof as may be used from time to time by the Association.
4. **DEVELOPER:** The term "Developer" means CHISOLM STREET PARTNERS, LLC, a limited liability company under the laws of the State of Georgia, its successors and assigns.

SECTION II
MEMBERSHIP: MEMBERS MEETINGS: VOTING AND PROXIES

1. **MEMBERSHIP:** Members of the Association shall be the Council of Co-owners, as that term is defined in 1976 South Carolina Code of Laws Section 27-31-10 et seq., of the Regime. The percentage of stock ownership of each Co-owner in the Association shall be equal

to the percentage of his right to share in the common elements as computed in accordance with the provision of the Act.

2. **ANNUAL MEETINGS:** The annual meeting of the Association shall be held at the office of the Association at 5 o'clock, P.M., or at such other time or location as the Association may select on the first Monday in February of each year, commencing with the year 2001, for the purpose of hearing reports of the officers, electing members of the Board of Directors, and for transacting any other business authorized to be transacted by the members; provided, however, that if that day is a legal holiday, then the meeting shall be held on the next business day thereafter at the same hour and place.

3. **SPECIAL MEETINGS:** Special meetings of the Association shall be held at the place of business of the Association whenever called by the President or Vice-President or by a majority of the Board of Directors. A Special Meeting must be called by such officers upon receipt of a written request for such meeting signed by members entitled to cast not less than ten (10%) percent of the votes of the entire membership.

4. **NOTICE:** Notice of all meetings of the membership stating the time and place and the object for which the meeting is called shall be given by the President, Vice President or Secretary unless waived in writing as set forth herein. Such notice shall be in writing to each member at his address as it appears on the books of the Association and shall be mailed not less than 14 days nor more than 21 days prior to the date of the meeting; or such notice may be given personally. Proof of such notice shall be given by affidavit of the person giving the notice. Notice of meeting may be waived by any member before, during or after meetings by the signing of a document setting forth a waiver by such member.

5. **SECRET BALLOT:** A secret ballot shall be used upon demand made prior to voting by ten percent of the members present and voting during the course of any vote upon any question during any meeting of the Association.

6. **QUORUM:** A quorum at meetings of the Association shall consist of Co-owners with fifty-one (51%) percent or more of the basic value of the Regime property as a whole, as set forth in the Master Deed. The joinder of a member in the action of a meeting by signing and occurring in the minutes thereof shall constitute the presence of such member for the purpose of determining a quorum. When a quorum is present at any meeting, the affirmative vote of owners of at least fifty-one (51%) percent of the value of the Regime property present and voting shall be required to adopt decisions brought before the meeting and shall be binding upon the members except where approval by a greater percentage is required by the Act, the Master Deed establishing the Regime, the Charter of the Association or these By-laws. A Co-owner represented by proxy shall be counted as present for purpose of quorum count and for all other purposes.

7. **VOTING RIGHTS:** Each Co-owner shall have a vote equal to his percentage ownership in the regime property as a whole, as set forth in the Master Deed. Such votes may be cast in person or by proxy. If a unit is owned by one person, his right to vote shall be established by the record title to his unit. If a unit is owned by more than one person, the person entitled to

cast the vote for the unit shall be one of the record Co-owners designated by a certificate signed by all of the record owners of the unit and filed with the Secretary of the Association. If a unit is owned by a corporation, the person entitled to cast a vote for the unit shall be designated by a certificate of appointment signed by the President or Vice-President and attested by the Secretary or Assistant Secretary of the Corporation and filed with the Secretary of the Association. If a unit is owned by a partnership, the person entitled to cast a vote for the unit shall be designated by a certificate of appointment signed by all the partners. Any such certificate shall be valid until revoked, until superseded by a subsequent certificate or until a change in the ownership of the unit concerned. A certificate designating the person entitled to cast the vote of a unit Co-owner may be revoked in like manner as provided hereinabove. If such a certificate is not on file, the vote of such Co-owner shall not be considered in determining the requirement for a quorum nor for any other purpose.

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

9. ADJOURNED MEETINGS: If any meeting or meetings of members cannot be organized because a quorum is not present, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

10. ORDER OF BUSINESS: At annual meetings of the Association and as far as practical at all other meetings of the Association, the order of business shall be as follows:

- A. Calling of the roll and certifying of proxies.
- B. Proof of notice of meeting or waiver of notice.
- C. Reading and handling of any unapproved minutes.
- D. Reports of Officers.
- E. Reports of Committees.
- F. Election of inspectors of election.
- G. Election of directors.
- H. Unfinished business.
- I. New business.
- J. Adjournment.

11. DEVELOPER CONTROL: Until the Developer has completed and sold all of the units of the Regime, or until December 31, 2002, or until the Developer elects to terminate its control of the Association, whichever shall first occur, the proceedings of all meetings of members of the Association shall have no effect unless approved in writing by the Developer.

12. PRESIDING OFFICER; MINUTE BOOKS: The President of the Association, or the Vice-President in the President's absence, shall preside at all meetings of the Association. If neither officer be present at a duly called meeting, then the membership in attendance shall select a presiding officer by the vote of a majority in interest of the membership present. Minute Books of the Association shall be maintained by the Secretary.

SECTION III DIRECTORS

1. **DIRECTORS:** The initial Board of Directors (the "Initial Directors") shall consist of two (2) members appointed by the Developer, which Directors shall hold office until the event set out in Section III, 2(D). Upon the happening of the event set out in Section III, 2(D), the Association shall elect, and the Board of Directors shall consist of five (5) members elected by the Association as provided herein. From their election three (3) Directors shall serve until the first annual meeting of the Association in February of 20___, or until their successors be elected. Two (2) Directors shall serve until the annual meeting of the Association in February of 20___ and the two (2) directors to serve until February of 20___ shall be so designated at the time of their election.

2. **ELECTION:** Election of Directors shall be conducted in the following manner:

A. Election of Directors shall be held at the annual members meeting upon a majority vote taken on each Directorship.

B. Except as to vacancies arising from removal of Directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining Directors.

C. Any Directors may be removed by concurrence of two-thirds (2/3rds) of the votes of the entire membership at a special meeting of the members called for that purpose. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting.

D. Provided, however, that until the Developer has completed and sold all the units of the Regime, or until December 31, 2002, or until Developer elects to terminate its control of the Regime, whichever shall first occur, the Initial Directors of the Association shall serve, and in the event of vacancies the remaining Director shall fill the vacancy, and if there are not remaining Directors the vacancy shall be filled by the Developer.

3. **TERM:** Except as otherwise provided herein, the terms of each director's service shall be two (2) years and thereafter until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

4. **ORGANIZATIONAL MEETING:** The organizational meeting of a newly elected Board of Directors shall be held within ten (10) days of its election at such place and time as shall be fixed by the directors at the meeting at which they were elected and no further notice of the organizational meeting shall be necessary.

5. **REGULAR MEETINGS:** Regular Meetings of the Board of Directors may be held not less often than once each quarter at such time and place as shall be determined from

time to time by a majority of the Directors. Notice of regular meetings shall be given to each director personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting unless such notice is waived in writing. Any such waiver may be given prior to, at or within ten (10) days of the meeting.

6. SPECIAL MEETINGS: Special Meetings of the directors may be called by the President at any time and must be called by the Secretary at the written request of not less than one-third of the directors. Not less than three (3) days notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Notice of Special Meetings may be waived as in the case of regular meetings. In the case of genuine emergency certified to by a majority of the Board of Directors, special meetings may be held upon call of any Director.

7. WAIVER OF NOTICE: Any Director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

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

9. ADJOURNED MEETINGS: If at any meeting of the Board of Directors there is less than a quorum present, a majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice.

10. JOINDER IN MEETING BY APPROVAL OF MINUTES: The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for the purpose of determining a quorum.

11. PRESIDING OFFICER: The presiding officer of Directors' meetings shall be the Chairman of the Board if such an officer has been elected by the Board of Directors; and if none, then the President shall preside. In the absence of such presiding officers, the Directors present shall designate one of their number to preside. The Chairman of the Board must be a member of the Board of Directors.

12. ORDER OF BUSINESS: The order of business at Directors' meetings shall be:

- (a) Calling of Roll.
- (b) Proof of due notice of meeting.
- (c) Reading and handling of any unapproved minutes.
- (d) Reports of officers and Committees.
- (e) Election of officers.
- (f) Unfinished business.
- (g) New business.

(h) Adjournment.

13. **DIRECTORS' FEES:** Directors shall be reimbursed for reasonable out of pocket expenses as determined and approved by the members of the Association, but shall not be paid a fee for serving as a Director.

SECTION IV POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the "Council of Co-owners" and of the Association, shall be exercised by the Board of Directors (acting directly or through its agents, contractors or employees) including those existing under the Act, the Articles of Incorporation, these By-laws and the documents establishing the Regime. Such powers and duties of the Directors shall be exercised in accordance with the provisions of the said documents, and shall include but not be limited to the following:

1. To make and collect assessments against members to defray the costs of the Regime.
2. To use the proceeds of assessments in the exercise of its powers and duties.
3. To provide for the maintenance, repair, replacement and operation of the Regime property.
4. To provide for the reconstruction of improvements after casualty and the further improvement of the property.
5. To make and amend regulations with respect to the use of the Regime property.
6. To enforce by legal means the provisions of the Regime documents including without limitation the Master Deed, the Articles of Incorporation of the Association, these By-laws, the Rules and Regulations, and the applicable provisions of the Act.
7. To enter into Management Agreements and contract for the maintenance and care of the Regime property and to delegate to such contractor all powers and duties of the Association except as are specifically required by the Regime documents to have approval by the Board of Governors or the membership of the Association or any portion thereof.
8. To pay taxes and assessments which are liens against any property of the Regime other than the individual units and the appurtenances thereto, and to assess for payment of same.
9. To purchase and carry insurance for the protection of unit owners and the Association against casualty and liability.

10. To pay the cost of all power, water, sewer and other utilities services rendered to the Regime and not billed to owners of individual units.

11. To employ personnel for reasonable compensation to perform the services required for proper administration of the purposes of this Association.

12. To indemnify and hold harmless, or to protect by the purchase of appropriate insurance, on behalf of the Association, members of the Board of Directors appointed by Developer, including successor Directors appointed by Developer, for action taken in good faith in their capacity as Directors of the Association.

SECTION V OFFICERS

1. **EXECUTIVE OFFICERS:** The executive officers of the Association shall be a President, who shall be a Director, a Vice President, who shall be a Director, a Treasurer and a Secretary, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by vote of the Directors at any meeting. Any person may hold two or more offices except that the President shall not also be the Secretary. The Board of Directors shall from time to time elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association. The Board of Directors may select from itself a Chairman of the Board.

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

3. **VICE PRESIDENT:** The Vice President shall in the absence or disability of the President exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

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

5. **TREASURER:** The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep the books

of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of the Treasurer.

6. **COMPENSATION:** The compensation of all officers and employees of the Association shall be fixed by the Directors. The provision that the Directors' fee shall be determined by the members shall not preclude the Board of Directors from employing a Director as an employee of the Association nor preclude the contracting with a Director for the management of the Regime.

SECTION VI MAINTENANCE, UPKEEP AND REPAIR

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

1. Units.

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

(i) All common elements, including portions of a unit, except interior surfaces, contributing to the support of the Building, which portions shall include but not be limited to load-bearing columns and load-bearing walls, all conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services contained in the portions of a unit maintained by the Association; and all such facilities contained within a unit that service part or parts of the Regime, including other units, other than the unit in which they are contained. Interior surfaces of a unit shall be maintained by the Co-owner.

(ii) All incidental damage caused to a unit by such work shall be promptly repaired at the expense of the Association.

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

(i) To maintain, repair and replace at his expense all portions of his unit other than those portions to be maintained, repaired and replaced by the Association, including, but not limited to, service equipment, such as dishwasher, refrigerator, oven, stove, hot water heater, whether or not such items are built-in equipment, and interior fixtures, such as electrical and plumbing fixtures, and floor and wall coverings. Such shall be done without disturbing the rights of other Co-owners.

(ii) No Co-owner shall paint or otherwise decorate or change the appearance of any portion of the exterior of the regime property, including the building(s) thereon.

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

2. Common elements.

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

(b) The Association shall have the power to determine the use to be made of the common elements from time to time, unless the use thereof is otherwise specifically provided for herein or in the Master Deed, provided that no such use shall discriminate against a Co-owner except as may be provided in the Master Deed or exhibits thereto. The Association may establish reasonable charges to be paid to the Association for the use of general common elements not otherwise inconsistent with other provisions of the Master Deed, the Charter or these By-Laws.

SECTION VII FISCAL MANAGEMENT

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

1. **ASSESSMENTS:** The Association shall assess each Co-owner, including the Developer, for his proportionate share of the common expenses, such share being the same as the undivided share of such Co-owner in the general common elements appurtenant to his unit, which assessment shall be made and collected in the manner hereinafter provided, and all such assessments shall be adjusted based on actual costs to the Association.

2. **ACCOUNTS:** The funds and expenditures of the Association shall be credited and charged according to good accounting practices consistently applied to accounts under the following classifications (and such further classification as may be determined from time to time) as shall be appropriate, all of which expenditures shall be common expenses unless other provided:

(a) "Current expense", which shall include all funds and expenditures to be made within the year for which the funds are budgeted, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, to additional improvements or to operations. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expense for the succeeding year.

(b) "Reserve for deferred maintenance", which shall include funds for maintenance items which occur less frequently than annually.

(c) "Reserve for replacement", which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.

(d) "Additional improvements", which shall include the funds to be used for capital expenditures for additional improvements or additional personal property which will be part of the common elements. If capital funds and expenditures are for alterations or further improvements of common elements, the cost thereof shall be charges to the Co-owners of units in the manner elsewhere provided.

3. BUDGET: The Board of Directors of the Association shall adopt a budget for each calendar year which shall include the estimated funds required to defray the common expense and to provide and maintain funds for the following accounts and reserves (and such further accounts and reserves as the Board may determine from time to time) according to good accounting practices as follows:

(a) "Current expense"

(b) "Reserve for deferred maintenance"

(c) "Reserve for replacement"

(d) "Additional improvements". Provided, however, that no item for this account shall be budgeted without the approval of the Co-owners in the manner elsewhere provided for alteration or further improvement of the common elements.

(e) Provided, however, that until the Developer has completed and sold all of the units of the Regime or until December 31, 2002, or until Developer elects to terminate its control of the Regime, whichever shall first occur, the Board of Directors may omit from the budget all allowances for contingencies and reserves.

(f) "Notice of Budget". Copies of the budget and proposed assessments shall be transmitted to each Co-owner on or before the December 1st preceding the year for which the budget is made. If the budget is subsequently amended, a copy of the amended budget shall be furnished to each Co-owner.

4. ASSESSMENT PROCEDURE.

(a) ANNUALLY; INSTALLMENTS: Assessments against the Co-owners for their shares of the items of the budget shall be mailed for the calendar year annually in advance on or before December 20th preceding the year for which the assessments are made. Such assessments shall be due in twelve (12) equal installments on the first day of each month of the year for which the assessments are made. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment and monthly payments thereon shall be due upon each installment payment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments therefor may be amended at any time by the Board of Directors of the

Association. The unpaid assessment for the remaining portion of the calendar year for which the amended assessment is made shall be due in equal monthly installments on the first day of each month thereafter during the year for which the assessment is made. The first assessment shall be determined by the Board of Directors of the Association.

(b) ACCELERATION OF ASSESSMENT INSTALLMENTS UPON DEFAULT. If a Co-owner shall be in default in the payment of an installment upon an assessment, the Board of Directors of the Association may accelerate the remaining installments of the assessment upon notice thereof to the Co-owner, and thereupon the unpaid balance of the assessment shall come due upon the date stated in the notice, which date shall be not less than 10 days after delivery thereof to the Co-owner, nor less than 20 days after the mailing of such notice to him by registered or certified mail, whichever shall first occur.

(c) ASSESSMENTS FOR EMERGENCIES. Assessments for emergency common expenses which cannot be paid from the annual assessments for common expenses shall be made only after notice of the need therefor to the Co-owners concerned. After such notice and upon approval in writing by Co-owners owning fifty-one (51%) percent or more of the common elements owned by the Co-owners concerned, the assessment shall become effective, and it shall be due after thirty (30) days' notice thereof in such manner as the Board of Directories of the Association shall require.

5. LIABILITY FOR ASSESSMENTS. A Co-owner shall be liable for all assessments coming due while he, she or it is the owner of a Unit. The Association shall provide for the Issuance, and shall issue to every prospective purchaser, or mortgagee, upon his, her or its request, a statement of the status of the assessment account of the seller or mortgagor. Such a certificate made by the duly authorized representative of the Association as to the status of a Co-owner's assessment account shall limit the liability of any person for whom it is made and who shall justifiably rely thereon, other than the Co-owner.

6. COLLECTION OF ASSESSMENTS.

(a) INTEREST; APPLICATION OF PAYMENTS. Assessments and installments thereon paid on or before ten (10) days after the date when due shall not bear interest, but all sums not paid on or before ten (10) days after the date when due shall bear interest at the lesser of eighteen percent (18%) or the maximum legal rate from the date when due until paid. All payments upon account shall be first applied to interest and then to the assessment payment first due.

(b) LIEN. All assessments against any Co-owner shall constitute a lien against the Co-owner's Unit in favor of 3 CHISOLM STREET HOMEOWNERS ASSOCIATION, INC., as provided by the Act, which lien shall become effective when a notice, claiming such lien, has been duly recorded by the Association in the RMC Office for Charleston County, South Carolina. Such claim of lien shall state the description of the Unit, the name of the record owner, and the amount due and the date when due. Such claim of lien shall be signed and verified by an officer or agent of the Association prior to its being recorded; and no such claim of lien shall be made by the Association unless the assessment, charge or expense, giving

rise to the lien, remains unpaid for more than ten (10) days after same becomes due. Any such lien may be foreclosed by the Association in the manner provided by law for the foreclosure of real estate mortgages. The lien shall secure the payments of all assessments as described in said claim of lien and, in addition thereto, shall secure the payment of subsequent assessments which come due after the filing of the claim of lien and prior to the satisfaction of such lien by foreclosure or otherwise, including interest thereon as provided herein together with all costs and reasonable attorneys' fees incurred by the Association incident to the collection of such assessments or the enforcement of such lien. If foreclosure suit is not commenced within one (1) year after the date of filing such a claim of lien, such claim shall not thereafter be foreclosed, nor shall such claim thereafter constitute a lien on the unit described in such claim. The right of the Association to foreclose a lien as aforesaid shall be in addition to any other remedy, at law or in equity, which may be available to it for the collection of the monthly charges and expenses, including the right to proceed personally against any delinquent owner for the recovery of a judgment "in personam". Any personal judgment against any such delinquent Co-owner may include all unpaid subsequent assessments which come due after the institution of such suit and prior to such Order of Judgment, including interest thereon as provided herein, together with all costs and reasonable attorneys' fees incurred by the Association incident to the collection of such assessments.

(c) RENTAL PENDING FORECLOSURE. In any foreclosure of a lien for assessments, the Association shall, pending foreclosure, be entitled to the appointment of a receiver who shall collect a reasonable rental for the use of the unit subject to the lien, which rental shall be applied to the obligations of the Co-owner after deductions for costs of the receivership.

7. ABATEMENT OF ASSESSMENTS: Assessments provided for herein shall abate during the period for which any unit shall be both (a) owned by a foreclosing mortgagee pursuant to the sale at foreclosure or a deed in lieu of foreclosure, and (b) unoccupied.

8. ASSESSMENTS LIEN SUBORDINATE TO MORTGAGE LIEN: The lien of the assessments provided for herein shall be subordinate to the lien of any first-lien mortgage(s) now or hereafter placed upon the properties subject to the assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure or any other proceedings in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessments.

SECTION VIII INSURANCE

1. Insurance policies upon the property, covering the items described hereinbelow, shall be purchased by 3 CHISOLM STREET HOMEOWNERS ASSOCIATION, INC. for the benefit of the Association and the Co-owners of the Units and their respective mortgagees, as their interests may appear. Provision shall be made for the issuance of certificates of insurance,

with mortgagee endorsements, to the mortgagees of all Co-owners.- Such policies and endorsements shall be deposited with the Association, which shall hold them.

2. Insurance shall cover the following when available:

(a) All buildings and improvements upon the land and all personal property included in the common elements but excluding the Units, coverage for which shall be the responsibility of each Co-owner, in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association. Such coverage shall afford protection against loss or damage by fire and other hazards covered by a standard extended coverage endorsement, flood and earthquake insurance and such other risks as are customarily covered with respect to buildings and improvements similar to the buildings and improvements on the land, such as, but not limited to, vandalism and malicious mischief;

(b) Public liability in such amounts and with such coverage as shall be determined by the Board of Directors of the Association, including, but not limited to, hired automobile and non-owned automobile coverages, and with cross liability endorsement to cover liabilities of the Co-owners of all Units as a group to a Unit Co-owner;

(c) Workmen's Compensation (if required);

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

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

4. The Association is hereby irrevocably appointed agent for each Co-owner to adjust all claims arising under insurance policies purchased by the Association, and to execute and deliver releases upon payment of claims.

5. The Association shall receive such proceeds as are paid and hold the same in trust for the purposes elsewhere stated herein for the benefit of the Co-owners and their mortgagees, in the following shares:

(a) Proceeds on account of damage to common elements shall consist of an undivided share for each Co-owner, such share being the same as the undivided share of such Co-owner in the common elements appurtenant to his, her or its Unit.

(b) Proceeds on account of damage to Units shall be held for the Co-owners thereof in proportion to the cost of repairing the damage suffered by each Co-owner, which costs shall be determined by the Association. In the event a decision is made not to reconstruct the Units, as provided hereinafter and in the Act, such proceeds shall be held for the Co-owners in the proportion in which they own the common elements.

(c) In the event a mortgagee endorsement has been issued as to an Unit, the share of the Co-owner shall be held in trust for the mortgagee and the Co-owner as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired.

6. Proceeds of insurance policies received by the Association shall be distributed to or for the benefit of the beneficial owners in the following manner:

(a) All expenses of the Association in administering the funds shall be paid or provisions made for payment.

(b) If the damaged property for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the costs thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to Co-owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by him.

(c) If it is determined in a manner elsewhere provided that the damage for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners, remittances to Co-owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by him.

7. In making distribution to Co-owners and their mortgagees, the Association may rely upon the records of the Association as to the names of the Co-owners and their respective shares of the distribution.

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

SECTION IX RECONSTRUCTION OR REPAIR AFTER CASUALTY

1. In the event of fire or other disaster or casualty resulting in damage to a building or buildings and common elements of the Regime which the Board of Directors of the Association shall determine to be two-thirds or less of the then total value of the property of the Regime, the net proceeds of all insurance collected shall be made available for the purpose of restoration or replacement. When such insurance proceeds are insufficient to cover the cost of

such reconstruction or replacement, the balance of such costs shall be assessed against the Co-owners in the case of damage to common elements and against the Co-owners who own the damaged Units in the case of damage to Units. Such assessments on account of damage to common elements shall be in proportion to the Co-owner's share in the common elements, and assessments against Co-owners for damage to Units shall be in proportion to the costs of reconstruction and repair of their respective units.

2. In the event the buildings and improvements of the Regime are damaged or destroyed to more than two-thirds of the then total value of the property of the Regime as determined by the Board of Directors of the Associations, the members of the Association shall be polled in writing via United States Mail by the Association as to whether the Regime shall be waived or the damaged property reconstructed and repaired. The Regime shall be waived unless within ninety (90) days after the mailing of such notices all of the Co-owners agree in writing to repair and reconstruct the buildings and improvements of the Regime. If the election is to repair and reconstruct the buildings and improvements of the Regime, payment of the costs thereof shall be made as provided for in paragraph 1 of this Section IX. If the decision is to waive the Regime and not reconstruct and repair, all sums recovered from insurance shall be paid over jointly to the Co-owners in the proportion in which they own the common elements and to their respective mortgagees, as their interest may appear.

3. The Association may rely upon a certificate of the Board of Directors to determine whether or not the damaged property is to be reconstructed or repaired or whether the Regime is to be waived.

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

5. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original improvements which are shown on the exhibits attached to the Master Deed; or if not, then according to plans and specifications approved by the Board of directors of the Association. The approvals herein required shall not be unreasonably withheld.

SECTION X OPTION TO PURCHASE

Any transfer of ownership of a unit must be approved by the Association, as set forth in the Master Deed.

SECTION XI FUNDS

1. **DEPOSITORY:** The depository of the Association shall be such bank or banks as shall be designated from time to time by the Directors and in which the moneys of the Association shall be deposited. Withdrawal of moneys from such accounts shall be only by checks signed by such persons as are authorized by the Directors.

2. **AUDIT:** An examination and report of the accounts of the Association shall be made annually by a certified public accountant, a copy of which shall be furnished, or made available, to each member not later than April 1 of the year following the year for which the examination is made. An audit of the accounts of the Association shall be made upon demand in writing by Co-owners representing fifty-one (51%) percent or more of the basic value of the property as a whole.

3. **FIDELITY BONDS:** Fidelity bonds may be required by the Board of Directors from all persons handling or responsible for Association funds. The amount of such bonds shall be determined by the Directors, but shall be at least one-half of the amount of the total annual assessments against members for common expenses. The premium on such bonds shall be by the Association.

SECTION XII NON-LIABILITY AND INDEMNITY OF DIRECTORS AND OFFICERS

1. No Director or officer of the Association shall be liable for acts, defaults or neglects of any other Director or officer or member or for any loss sustained by the Association or any Co-owner, unless the same shall have resulted from his own willful or negligent act or omission.

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

**SECTION XIII
DEFINITIONS**

1. The members of the Association shall be all the Co-owners of the property.
2. The majority of members or majority of Co-owners means members (Co-owners) owning fifty-one percent or more of the basic value of the property as a whole, as set forth in the Master Deed.
3. All definitions set forth in the Master Deed are incorporated by reference herein.

**SECTION XIV
PARLIAMENTARY RULES**


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

**SECTION XV
AMENDMENTS**

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


1. **NOTICE:** Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.
2. **RESOLUTION:** A resolution for the adoption of the proposed amendment shall be presented to a meeting of the members of the Association. The affirmative vote of Co-owners representing at least two thirds of the total value of the property shall be required for approval of an amendment.
3. **PROVISO:** Provided, however, that no amendment shall discriminate against any Co-owner or against any Unit or class or group of Units unless the Co-owners so affected shall consent. No Amendment shall be made which is in conflict with the Act, the Charter of the Association or the Master Deed establishing the Regime. Until the Developer has completed or sold all of the units of the Regime or until December 31, 2002, or until Developer elects to terminate its control of the Association, whichever shall first occur, these By-laws shall not be amended without consent of the Developer in writing.
4. **EXECUTION AND RECORDING:** A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted, which certificate shall be executed by the officers of the Association with formalities of a deed. The amendment shall be effective when such certificate and a copy of the amendment are recorded in the RMC Office for Charleston County, South Carolina.

The foregoing were adopted as By-laws of 3 CHISOLM STREET HOMEOWNERS ASSOCIATION, INC., a non-profit corporation existing under the laws of the State of South Carolina, at the first meeting of the Board of Directors on November 29, 2001.



John W. Wilcox, III, Secretary (SEAL)

APPROVED:



David L. Perdue, President

APPROVED:



David L. Perdue, Director



John W. Wilcox, III, Director

EXHIBIT "F"
TO MASTER DEED ESTABLISHING
3 CHISOLM STREET HORIZONTAL PROPERTY REGIME

RULES AND REGULATIONS OF 3 CHISOLM STREET HOMEOWNERS
ASSOCIATION, INC.

1. The walkways, entrances, halls, corridors and stairways shall not be obstructed or used by Unit owners for any purpose other than ingress to and egress from the Units.
2. The view of a Unit from the exterior and all exterior areas associated with, appurtenant to, or connected with a Unit shall not be painted, decorated, or modified by any owner in any manner without prior consent of the Association, which consent may be withheld on purely aesthetic grounds within the sole discretion of the Association. This provision shall apply without limitation to doors, windows, sliding doors, door frames, glass, window panes, window frames and balconies.
3. No article shall be hung or shaken from or attached to the doors, balconies or windows or placed upon the outside window sills or balconies of the Units without approval of the Association.
4. No bicycles, scooters, baby carriages or similar vehicles or toys or other personal articles shall be allowed to be or remain in any of the common areas except those areas designated for such use by the Association.
5. No owner shall make or permit any noises, including but not limited to amplified music, after 11:00 p.m. or odors that will or may disturb or annoy the occupants of any of the Units or do or permit anything to be done which will interfere with the rights, comfort or convenience of other owners.
6. Each owner shall keep his Unit in a good state of preservation and cleanliness and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors, balconies or windows thereof, any dirt or other substance.
7. No awnings, window guards, light reflective materials, hurricane or storm shutters, ventilators, fans or air conditioning devices or other devices visible from outside the building shall be used in or about the Unit except as shall have been approved by the Association, which approval may be withheld on purely aesthetic grounds within the sole discretion of Association.
8. If a Unit owner elects to install interior coverings on his exterior windows, he shall put either white backed curtains or blinds in such exterior windows.
9. Each Unit owner who plans to be absent from his Unit during the hurricane season, must prepare the Unit prior to departure by:

- a. Removing all furniture, potted plants and other movable objects from any terrace and balcony; and securing all exterior windows and doors; and
- b. Designating a responsible firm or individual satisfactory to the Association to care for his Unit should the Unit suffer hurricane damage. Such firm or individuals shall contact the Association for permission to install or remove hurricane shutters or any other device.

10. No sign, including but not limited to "Unit for Sale" signs, notice or advertisement shall be inscribed or exposed on or at any window or other part of the Units, except such as shall have been approved in writing by the Association, nor shall anything be projected out of any window in the Units or from any balcony without similar approval. No illuminated or fluorescent exterior sign will be permitted, nor will any sign which is not flush with the building be permitted.

11. All garbage and refuse from the Units shall be deposited with care in garbage containers intended for such purpose only at such times and in such manner as the Association will direct. All disposals shall be used in accordance with instructions given to the owner by the Association.

12. Waterclosets and other water apparatus in the buildings shall not be used for any purposes other than those for which they were constructed. Any damage resulting from misuse of any waterclosets or other apparatus shall be paid for by the owner in whose Unit such misuse shall have originated.

13. No owner shall request or cause any employee of the Association to do any private business of the owner, except as shall have been approved in writing by the Association.

14. Owners of Units shall keep and maintain any parking space or other area, which may be assigned to each owner, in a neat and sanitary condition at all times.

15. No radio or television aerial or antenna shall be attached to, or hung from, the exterior of the Units or the roof or the balcony by a Unit owner, nor shall any such serial or antenna be installed by a Unit owner in any manner visible from the exterior of the building.

16. The agents of the Association and any contractor or workman authorized by the Association may enter any Unit at any reasonable hour of the day for any purpose permitted under the terms of the Master Deed, By-Laws of the Association or Management Agreement. Except in case of emergency, entry will be made by pre-arrangement with the owner.

17. No vehicle belonging to an owner or to a member of the family or guest, tenant or employee of an owner shall be parked in such manner as to impede or prevent ready access to and other owner's parking space. The owners, their employees, servants, agents, visitors, licensees and the owner's family will obey the parking regulations posted at the parking areas and drives and any other traffic regulations promulgated in the future for the safety, comfort and

convenience of the owners. No junked vehicle which cannot operate on its own power shall remain within the Regime property for more than seventy-two (72) hours, and no repair of vehicles shall be made within the Regime property.

18. The owner shall not cause or permit the blowing of any horn from any vehicle of which his guests or family shall be occupants, approaching or upon any other driveways or parking areas serving the Regime property.

19. All damage to the Units and/or common areas caused by the moving or carrying of any article therein shall be paid by the owner responsible for the presence of such article.

20. No owner shall use or permit to be brought into the Units any inflammable oils or fluids such as gasoline, kerosene, naphtha or benzene, or other explosives or articles deemed extra hazardous to life, limb or property.

21. The owners shall not be allowed to put their names on any entry of the Units or mail receptacles appurtenant thereto, except in the proper places and in the manner prescribed by the Association for such purpose.

22. The Association shall have the right to retain a passkey to each Unit. If a Co-owner shall alter any lock or install a new lock on any door leading into the Unit of such Co-owner, such Co-owner shall provide the Association with a key within 24 hours of such alteration or installation.

23. Any damage to the Buildings, recreational facilities (if any) or other common areas or equipment caused by any resident or his guests shall be repaired at the expense of such owner.

24. Parents shall be held responsible for the actions of their children and their guests.

25. Children shall not be allowed to play in the Common Areas without first obtaining permission from the Association.

26. Food and beverage may not be prepared or consumed in the Common Areas, except in accordance with the regulations which may be promulgated from time to time by the Association.

27. Complaints regarding the management of the Units and grounds or regarding actions or other owners shall be made in writing to the Association.

28. Any consent or approval given under these Rules and Regulations by the Association shall be revocable at any time.

29. The General Common Areas are solely for the use of the Regime residents and their invited guests subject to further regulation by the Association including, without limitation, hours of use, designated times for specified age groups, periods of reserved use, etc. The use of

any General Common Areas shall be at the risk of those involved and not in any event the risk of the Association or its Manager.


30. The regulations governing the use of the General Common Elements, permitted hours, guest rules, safety and sanitary provisions, and all other pertinent matters shall be in accordance with regulations adopted from time to time by Association and posted in the recreational areas.

31. Birds or animals may be kept or harbored in the Regime conditioned on such terms as the Association in its sole discretion deem to be in the best interests of the Regime as a whole. In no event shall dogs or cats or other four-footed animals be permitted in any of the common areas of the Regime unless restrained by a leash, and only in such places as may from time to time be designated by the Association. The owner shall indemnify the Association and hold it harmless against any loss or liability of any kind or character whatsoever arising from or growing out of having any bird or animal in the Regime. If a bird, dog or other animal become obnoxious to other owners by barking or otherwise, the owner thereof must cause the problem to be corrected; or if it is not corrected, the owner, upon written notice by the Association, will be required to have the animal removed from the premises.

32. The Association may enforce the within rules and regulations, and such further regulations provided for hereunder, as provided in the Master Deed, the South Carolina Horizontal Property Act, the Charter of 3 Chisolm Street Homeowners Association, Inc. or the By-laws of the Association, or by appropriate legal action.

These Rules and Regulations may be modified, added to, or repealed at any time by the Association.

By order of the Board of Directors,
3 CHISOLM STREET HOMEOWNERS
ASSOCIATION, INC.

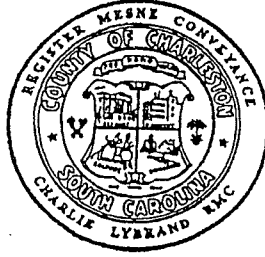
By: 
David L. Perdue, Chairman

November 29, 2001, 2001
(Dated)

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Moore & Van Allen
PO Box 22828
Charleston, SC 29413

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DATE TIME

Book V390 Page 659

Charlie Lybrand

**Register Mesne Conveyance
Charleston County, S.C.**

Recording Fee 69.00

State Fee _____

County Fee _____

Postage _____

TOTAL 69.00 B

Patty - Developer's Name

TMS VERIFIED	
BAC	_____
DTD	_____

RECEIVED FROM RMC

DEC 18 2001

PEGGY A. MOSELEY
CHARLESTON COUNTY AUDITOR