

MASTER DEED

for

**41 LEGARE STREET
HORIZONTAL PROPERTY REGIME**

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**41 LEGARE STREET
CHARLESTON, SOUTH CAROLINA 29401**

41 LEGARE STREET HORIZONTAL PROPERTY REGIME

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STATE OF SOUTH CAROLINA)
) **MASTER DEED**
 COUNTY OF CHARLESTON)

THIS MASTER DEED, made by F. Strait Fairey, Jr. (herein called "Grantor"), pursuant to the Horizontal Property Act of South Carolina (the "Act"), is for the purpose of creating a Horizontal Property Regime and establishing certain easements, covenants, and restrictions to run with the land; the intention of the Grantor, by executing and recording this Master Deed, is to submit the property below-described (the "Property") to the provisions of the Act, and the Grantor does hereby state that it proposes to create, and does hereby create, with respect to the Property, a condominium to be governed by and subject to the provisions of the Act. To that end the Grantor declares and provides the following:

W I T N E S S E T H:

ARTICLE I

NAME

1. **Name.** The horizontal property regime hereby established shall be known as **41 LEGARE STREET HORIZONTAL PROPERTY REGIME** (the "Regime").

2. **Address.** The address of the property is 41 Legare Street, Charleston, South Carolina 29401.

ARTICLE II

DESCRIPTIONS OF PROPERTY, LAND, ETC.

1. **Property.** The property (the "Property"), means and includes the land described below, together with all improvements and structures now existing or hereafter placed thereon, and all easements, rights, and appurtenances belonging thereto.

2. **Land.** The land ("Land") owned in fee simple absolute by the Grantor and hereby submitted to the REGIME is described as follows:

ALL that lot, piece or parcel of land, with the buildings thereon, situate, lying and being on the Northwest corner of Tradd and Legare Streets, in the City of Charleston, State aforesaid, being shown and designated on a plat by J. P. Gaillard, Surveyor, September 1940, and recorded in the RMC Office for Charleston County in Book C-42, at Page 433.

THE said lot being designated on said plat as Lot "A" or Number 41 Legare Street, and the corners marked by the letters "A", "B", "C" and "D" on said plat.

BUTTING AND BOUNDING AND MEASURING AND CONTAINING to the North on property now or formerly of Eleanor W. Townsend 22.5 feet; to the East of Legare Street 108.0 feet; to the South on Tradd Street 20.0 feet; and to the West on property now or formerly of Eleanor W. Townsend 109.0 feet.

TMS No. 457-12-04-109

3. **Location of Building and Improvements.** The location of the building and other improvements is shown on the Plot Plan of J. P. Gaillard, Registered Land Surveyor, dated August 16, 1995, a copy of which is attached hereto as Exhibit A.

4. **Floor Plans of the Building.** The floor plans of the building, prepared by Stephen Mays, Registered Architect, (the "Floor Plans"), dated February 21, 1996, and which show the dimensions, area, and horizontal and vertical location of each Dwelling unit and the Common Elements affording access thereto, as well as General Common Elements and Limited Common Elements in words and abbreviations (see Legend on Floor Plans for explanation of abbreviations showing the location of the Common Elements), comprising two (2) sheets are attached hereto as Exhibit B.

The architect's certification of the Floor Plans is attached hereto as Exhibit C.

The certification of the registered land surveyor showing the vertical location of the Dwelling Units within the building shown on the Plot Plan is attached hereto as Exhibit D.

5. **Buildings and Dwellings.** As shown on the Plot Plan, there is one building (the "Building") three (3) stories in height. The Building is

constructed primarily of wood siding on a masonry foundation. The roof is 40 pound standing seam painted tin. The exterior walls are constructed of wood framing and is covered with horizontal lapped siding. An interior wood stairway located at the main entrance on Legare Street provides egress to all three floors. The Building contains three dwelling units (collectively referred to as the "Dwelling Units") as shown in detail on the Plot Plan and Floor Plans, as follows:

Dwelling Unit A ("Dwelling Unit A") consists of almost the entire first floor of the Building and contains approximately 1,598 square feet, as more fully shown on the Floor Plans.

Dwelling Unit B ("Dwelling Unit B") consists of almost the entire second floor of the Building and contains approximately 1,609 square feet, as more fully shown on the Floor Plans.

Dwelling Unit C ("Dwelling Unit C") consists of almost the third floor of the Building and contains approximately 1,609 square feet, as more fully shown on the Floor Plans.

Each Dwelling Unit includes interior walls, all windows and door glass, together with all heating, ventilation, air conditioning system (including the condensing unit/heat pump serving the Unit, natural gas, water, appliances, sheet rock, plaster and gypsum board, interior paint and finishes, whether applied to floors, walls, ceilings, cabinets, or other wood work and trim, all flooring and subflooring to the upper surface of the floor joists, carpet and underlay sheet vinyl and underlay, and other floor coverings, all built-in cabinets and shelves, drain, plumbing, vent pipes and sewer equipment and systems, together with all electric, telephone, interior lighting fixtures, cable television, intercom and other wiring, receptacles, switches, smoke detectors and breaker boxes, water heater and plumbing fixtures serving such Dwelling Unit exclusively.

The boundaries of all of the Dwelling Units with respect to the floors, ceilings, walls, doors and windows thereof are as follows:

- (a) Floors. The upper surface of the floor joists.
- (b) Ceilings. The plane of the lower surface of all ceiling joists.
- (c) Interior Building Walls. As to such interior building walls, the plane of the interior surface of the wood framing ("wall studs"), with the right and easement to affix, through the finished facings thereon, usual wall ornaments, including (without limitation) clocks, pictures, paintings and other such accessories.

(d) Doors and Windows. As to the doors, the exterior surface thereof; and as to windows, the exterior surface of the glass and of the window sashes and frames; provided, however, storm windows erected by Unit owners shall belong exclusively to such owners.

6. Common Elements. The "Common Elements" consist of all portions of the Property not encompassed and included within the Dwelling Units; they are composed of the General Common Elements and the Limited Common Elements as hereinafter described and more fully shown on the Plot Plan and Floor Plans.

7. General Common Elements. The General Common Elements are those Common Elements, the use of which is not reserved to a single Dwelling Unit or combination of Dwelling Units comprising less than all the Dwelling Units, as follows:

- (a) The land on which the Buildings and improvements are erected.
- (b) All building and improvement foundations, exterior and/or structural walls of the Building, beams, floor joists, insulation, rafters above the third floor ceiling, supports, common walls, bearing walls, landscaping, window shutters, chimneys and roof on the Building.
- (c) The exterior gas and electric meters.
- (d) Back Porch outside of the elevator (serving Unit B and Unit C) and leading to the common spiral stair serving Unit B and Unit C located on the first floor between Unit A and the area described in (f) below.
- (e) The storage area located under the stair well of the entry stairwell on the first floor of the Building.
- (f) The space located to the north of the back porch, described in (d), above that houses HVAC equipment for the Units and a planter, which area is accessed through a wrought iron gate leading to the sidewalk along Legare Street.

(g) All electrical, sewer, water, drainage and other pipes, conduit, lines and equipment (subject to the easements provided herein) as well as any central systems (e.g. intercom/security, sprinkler, exterior lighting, etc.) located outside the Units, and/or within any Dwelling Unit, except those which exclusively serve such individual Units and are located within the individual Units above the upper surface of the subflooring and outside the walls thereof.

By way of example, the HVAC system is not a General Common Element, as the HVAC system for each Unit is an individual unit located in the northwest corner of each Unit with individual condensing units/heat pumps for each HVAC system located in the General Common Element described in (vi) above.

(h) The entry stairway serving all Units.

(i) All other parts of the Property not defined as part of the Units or Limited Common Elements serving one or more Units, and all apparatus and installations (including any replacements therefor) on the Premises for common use or necessary or convenient to the existence, maintenance, safety or enjoyment of the Condominium subject only to the rights, agreements and provisions herein referred to.

8. Limited Common Elements. The Limited Common Elements are those Common Elements which are appurtenant to and reserved for the use of a single Dwelling Unit or combination of Dwelling Units comprising less than all the Dwelling Units to the exclusion of other Dwelling Units.

(a) Limited Common Elements exclusive to Dwelling Unit A:

(i) The stairs and landing leading to and from the Back Porch described in paragraph 7(iv) above which provides ingress and egress to the rear of the Unit.

(ii) The Screened Porch located along the south side of Unit A.

(b) Limited Common Elements exclusive to Dwelling Unit B:

- (i) The Back Porch located along the north side of Unit B.
- (ii) The Screened Porch located along the south side of Unit B.
- (c) Limited Common Elements exclusive to Dwelling Unit C:
 - (i) The Back Porch located along the north side of Unit C.
 - (ii) The Screened Porch located along the south side of Unit C.
- (d) Limited Common Elements exclusive to Dwelling Unit B and Dwelling Unit C:
 - (i) The spiral stair leading to and from the Back Porch, as described in paragraph 7(iv) above, for ingress and egress to the rear entryway of Unit B and Unit C.
 - (ii) The elevator and all equipment and machinery to operate it.

9. Values. For the purposes of this Master Deed and the By-laws to be recorded herewith, the value of the Property is allocated as follows: Dwelling Unit A - \$250,000.00, Dwelling Unit B - \$250,000.00 and Dwelling Unit C - \$250,000.00. These values are fixed for the sole purpose of complying with the Act and do not necessarily reflect the market value of the Dwelling Units or of the Property, and shall in no way inhibit or restrict any owner of a Dwelling Unit from fixing a different circumstantial value or sale price to his Dwelling Unit in all types of acts or contracts.

10. Ownership of Common Elements. Ownership of the Common Elements is apportioned among and appurtenant to the Dwelling Units based upon the relation of the value of each Dwelling Unit to the value of the Property as set forth in Paragraph 9 hereof (i.e., Dwelling Unit A, Dwelling Unit B and Dwelling Unit C). See the Schedule below. The percentage of the undivided interest in the Common Elements appurtenant to each Dwelling Unit shall not be separated from the Dwelling Unit and shall be deemed to be conveyed or encumbered with the Dwelling Unit even though such interest is not expressly mentioned or described in the Deed or other instrument of conveyance. Such

percentage shall not be altered without the acquiescence of all the Co-owners as hereinafter defined.

SCHEDULE OF VALUES AND PERCENTAGE OF INTERESTS

<u>Unit</u>	<u>Assigned Value</u>	<u>Percentage Interest</u>
Dwelling Unit A	\$250,000.00	33.333
Dwelling Unit B	250,000.00	33.333
Dwelling Unit C	250,000.00	33.334
Total Assigned Value		100.000%

ARTICLE III

THE COUNCIL

1. **Formation.** Every Co-owner, as hereinafter defined, shall be a member of and constitute the Council of Co-owners (the "Council"), an unincorporated association which may be managed by an administrator (the "Administrator"), chosen by a majority vote of Co-owners. If the Co-owners choose not to appoint or retain an Administrator, the reference to "Administrator" herein shall mean "Council."

2. **Co-owner.** As used herein, the term "Co-owner" means an individual, corporation, partnership, association, trust or other legal entity, or a combination thereof, who or which owns a Dwelling Unit at No. 41 Legare Street, Charleston, South Carolina.

3. **By-laws.** The Council and the Administrator of the Property shall be governed by the By-laws (the "By-laws") attached hereto as Exhibit E. The By-laws may be modified or amended only in the manner set forth in Article IX hereof.

4. **Voting.** On all matters relating to the Council or to the Property on which a vote of the Co-owners is conducted, the Co-owners shall vote in proportion to their respective interest in the General Common Elements. All action taken by a vote of the Co-owners shall be by the affirmative vote of a majority of the Co-owners, as hereinafter defined, unless a different majority is specified in this Master Deed or in the By-laws.

5. **Majority.** Whenever used in this Master Deed, "majority of the Co-owners" means the Co-owners of fifty-one per centum (51 %) or more of the basic value of the Property, as a whole, in accordance with their interests in the General Common Elements.

6. **Binding Effect.** All agreements, decisions, and determinations lawfully made by the Council in accordance with the voting percentages established in the Act, this Master Deed, or the By-laws shall be deemed to be binding on all Co-owners.

ARTICLE IV

COMMON EXPENSES

1. **Expenses.**

(a) The Co-owners shall bear, in proportion to their respective interests (i.e., Dwelling Unit A - 33.333% percent, Dwelling Unit B - 33.333% percent and Dwelling Unit C- 33.334% percent) in the General Common Elements, the following expenses (the "Common Expenses"):

(i) Expenses of administration, maintenance, repair or replacement of the General Common Elements in ARTICLE II, paragraph 7, *supra*.

(ii) Insurance premiums paid by the Council in accordance with the provisions of this Master Deed and the By-laws.

(iii) Any other expenses (including contributions to reserve funds) lawfully agreed upon by the Council as necessary to the operation, administration and preservation of the Property.

(b) Expenses related to repair or replacement of exclusive Limited Common Elements (Exclusive Limited Common Expenses) shall be as follows:

(i) Each Co-owner shall bear 100% of the expense of repairing and replacing the Limited Common Elements to which he has exclusive use.

(c) Expenses related to repair or replacement of Non-exclusive Limited Common Elements reserved for the use of Dwelling Units comprising less than all the Dwelling Units (Non-Exclusive Common Expenses) shall be as follows:

(i) The Spiral Stair described in Article II, paragraph 8(d)(i), serving Unit B and Unit C shall be repaired and/or replaced in the following proportions: Unit B - 50% and Unit C - 50%.

(ii) The elevator described in Article II, paragraph 8(d)(i), serving Unit B and Unit C shall be repaired and/or replaced in the following proportions: Unit B - 50% and Unit C - 50%.

2. Liability of Co-owner. No Co-owner may exempt himself from liability for his contribution towards the Common Expenses and/or Limited Common Expenses by waiver of the use or enjoyment of the Common Elements and/or Limited Common Elements or by abandonment of his Dwelling Unit or for any other reason.

3. Sale of Dwelling Unit. Upon the sale or conveyance of a Dwelling Unit, all unpaid assessments against a Co-owner for his pro-rata share of the Common Expenses and/or Limited Common Expenses shall first be paid out of the sales price or by the acquirer in preference over any other assessments or charges of whatever nature, except the following:

(a) Assessments, liens, and charges for taxes past due and unpaid on the Dwelling Unit; and

(b) Payments due under mortgage instruments or encumbrances duly recorded.

4. Lien on Dwelling Unit. All sums assessed by the Council but unpaid for the share of the Common Expenses and/or Limited Common Expenses chargeable to any Dwelling Unit shall constitute a lien on such Dwelling Unit prior and superior to all other liens except only (i) tax liens on the Dwelling Unit in favor of any assessing unit, and (ii) mortgage or other liens, duly recorded, encumbering the Dwelling Unit. Such lien may be foreclosed by suit by the Administrator, acting on behalf of the Council, in like manner as a mortgage of real property. In any such foreclosure, the Co-owner shall be

required to pay a reasonable rental for the Dwelling Unit after the commencement of the foreclosure action, and the plaintiff in such foreclosure shall be entitled to the appointment of a receiver to oversee the Unit and collect the rental from same. The Administrator, acting on behalf of the Council, shall have the power to bid on the Dwelling Unit at any foreclosure sale and to acquire, hold, lease, mortgage, improve, repair, encumber, and convey the same. Suit to recover a money judgment for unpaid Common Expenses and Limited Common Elements shall be maintainable without foreclosing or waiving the lien securing the same.

5. Acquisition by Mortgagee. Where the mortgagee of any first mortgage of record or other purchaser of a Dwelling Unit obtains title to the Dwelling Unit as a result of foreclosure of such mortgage or deed in lieu of foreclosure, such acquirer of title, his successors and assigns, shall not be liable for the share of the Common Expenses or assessments by the Council chargeable to such Dwelling Unit accruing after the date of recording such mortgage, but prior to the acquisition of title to such Dwelling Unit by such acquirer. Such unpaid share of the Common Expenses or Limited Common Expenses or assessments shall be deemed to be Common Expenses or Limited Common Expenses, as the case may be, collectible from all of the Co-owners or from the Co-owners to whom the expenses or assessments are limited, as the case may be.

6. Records. The Administrator shall keep or cause to be kept a book with a detailed account, in chronological order, of the receipts and expenditures affecting the Property and its administration, and specifying the maintenance and repair expenses of the Common Elements, the shared Limited Common Expenses and any other expenses incurred. Both said book and vouchers accrediting the entries made thereon shall be available for examination by all the Co-owners at convenient hours or working days that shall be set and announced for general knowledge.

ARTICLE V

EASEMENTS, COVENANTS AND RESTRICTIONS

1. Use of Property. Each Co-owner shall be entitled to the exclusive ownership, use, and possession of his Dwelling Unit for residential purposes only and may use the Common Elements in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of other Co-owners. Except as otherwise permitted by the Council,

no such residential Unit may be occupied by more than one family unit or more than two unrelated persons.

Any Unit may be used in whole or in part for any lawful purposes but may not be used (i) for any purpose prohibited by any law, rule, regulation or ordinance of any federal, state, county or city authority, or by any order or decree of any court, in either case, having jurisdiction thereover or (ii) to keep any inflammable, combustible or explosive fluid, material, chemical or other substance therein, except as permitted by law.

Grantor reserves the right, until all of the Units have been conveyed, to lease any Units owned by the Grantor and to use any of the same as models to display, for sale or leasing, the Units.

No residential Unit shall be used for business activities of any nature whatsoever.

No Unit shall be used or maintained in a manner contrary to or inconsistent with applicable provisions of (i) law, (ii) this Master Deed, or (iii) the By-Laws and rules and regulations promulgated pursuant thereto.

These restrictions shall be for the benefit of the owners of all of the Units and shall, insofar as permitted by law, be perpetual; and to that end may be extended by Council at such time or times and in such manner as permitted or required by law for the continued enforce ability thereof. No owner of a Unit shall be liable for any breach of the provisions of this Article V, Section 1, except such as occurs or exists during his or her ownership thereof.

2. Utility Easements. There shall be appurtenant to each Dwelling Unit a non-exclusive easement for use of all pipes, wires, cables, conduits, utility lines, cable T.V. lines, flues, vents, and ducts serving such Dwelling Unit and situated in any other Dwelling Unit and/or within common areas. Each Dwelling Unit shall be subject to an easement in favor of other Dwelling Units for use of all pipes, wires, cables, conduits, utility lines, cable T.V. lines, intercom lines and equipment, flues, vents and ducts situated in such Dwelling Unit and serving such other Dwelling Units. Such easements shall include the right to connect to and use any such existing pipes, lines or wires which are owned or maintained by a public or private utility company or a governmental body.

3. Encroachments. If any portion of the Common Elements or areas now encroaches upon any Dwelling Unit, or if any Dwelling Unit now encroaches upon any other Dwelling Unit or upon any portion of the Common Elements, areas, or facilities, or if any such encroachment shall occur hereafter as a result of (i) settling of the Building and/or a Dwelling Unit or Dwelling Units; (ii) repair, alteration, replacement or reconstruction of the Common

Elements, areas, or facilities, made by or with the consent of the Council, (iii) repair, restoration, or reconstruction of a Dwelling Unit or Units following damage by fire or other casualty; or (iv) condemnation or eminent domain proceedings; a valid easement shall exist for such encroachment and for the maintenance of the same so long as the Property remains subject to the Act.

4. **Right of Access.** The Council shall have the irrevocable right, to be exercised by the Administrator, to have access to the Common Elements and areas and to each Dwelling Unit from time to time during reasonable hours as may be necessary to inspect Common Elements, to remove violations of this Master Deed and for the maintenance, repair, or replacement of any of the Common Elements, areas or facilities, therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the Common Elements or to another Dwelling Unit. Emergency repairs may be made at any time.

5. **Maintenance of Common Elements.** The necessary work of maintenance, repair and/or replacement of the Common Elements and the making of any additions or improvements thereto shall be carried out only as provided in the Act, this Master Deed and the By-laws.

6. **Exterior Additions and Improvements.** Any additions, changes or improvements to the exterior of any Dwelling Unit and/or Common Elements and/or Limited Common Elements shall require the unanimous, written consent of all the Co-owners.

7. **Prohibited Work.** No Co-owner shall do any work which would jeopardize the soundness or safety of the Property, reduce the value thereof, or impair any easements or hereditaments without in every such case unanimous written consent of all other Co-owners affected being first obtained.

8. **Partition.** The Common Elements shall remain undivided and no Co-owner or any other person shall bring any action for partition or division of any part thereof, unless the Property has been removed from the provisions of the Act in the manner therein provided. Any covenant to the contrary shall be null and void.

ARTICLE VI

LIENS

1. **Attachment.** No lien arising subsequent to the recording of this Master Deed and while the Property remains subject to the Act shall be effective against the property. During such period liens or encumbrances shall arise or be created only against each Dwelling Unit and its appurtenant undivided interest in the Common Elements in the same manner and under the same conditions and in every respect the same as liens or encumbrances may arise or be created upon or against any other separate parcel of real property subject to individual ownership; provided, that no labor performed or materials furnished with the consent or at the request of a Co-owner, his agent, contractor, or subcontractor shall be the basis for the filing of a mechanic's or material man's lien against the Dwelling Unit or any other property of any other Co-owner not expressly consenting to or requesting the same, except that such express consent shall be deemed to be given by each and every Co-owner should the need for emergency repairs arise, if duly authorized by the Council or the Administrator in accordance with the Act, this Master Deed, or the By-laws, shall be deemed to be performed or furnished with the express consent of each Co-owner, and shall be the basis for the filing of a mechanic's lien or material man's lien against each of the Dwelling Units and may be discharged as provided in Section 2 of this Article.

2. **Discharge.** In the event a lien against two or more Dwelling Units becomes effective, each Co-owner may remove his Dwelling Unit from the lien by payment of the fractional or proportional amount attributable to his Dwelling Unit and such individual payment shall be computed by reference to his fractional interest in the Common Elements. Upon individual payment, discharge, or other satisfaction, the Dwelling Unit and the appurtenant undivided interest in the Common Elements shall be free and clear of the lien, but such individual payment, satisfaction or discharge shall not prevent the lienor from proceeding to enforce his rights against any other Dwelling Unit and its appurtenant undivided interest in the Common Elements, the Co-owner of which has not made payment.

3. **Taxes.** Taxes, assessments, and other charges of this State, of any political subdivision, of any special improvements district, or of any other taxing or assessing authority shall be assessed against and collected on each Dwelling Unit, which shall be carried on the tax books as a separate and distinct entity, and not on the buildings or Property as a whole. No forfeiture or sale of the buildings or Property as a whole for delinquent taxes, assessments, or charges shall ever divest or in anywise affect the title to an individual Dwelling Unit so long as taxes, assessments, and charges on the individual Dwelling Unit are currently paid.

ARTICLE VII

INSURANCE

The Council shall insure the Property or so much thereof as may be appropriate, against risks, which shall include but not be limited to fire, extended coverage, flood and earthquake, without prejudice to the right of each Co-owner to insure his Dwelling Unit on his own account and for his own benefit. It shall not be necessary that flood insurance be obtained for portions of the Property above the first floor of the Building.

ARTICLE VIII

REPAIR AND RESTORATION

1. **Reconstruction.** In case of fire or other disaster, the indemnity from any insurance obtained by the Council or the Administrator shall, except as herein provided, be applied to reconstruct the Property. Reconstruction shall not be compulsory where it comprises the whole or more than two-thirds (2/3) of the Property or where the costs of reconstruction exceed by \$50,000 the indemnity received from insurance covering the Property. In such case and unless otherwise unanimously agreed upon by the Co-owners, the indemnity shall be delivered pro-rata to the Co-owners entitled to it in accordance with the provisions made in the By-laws. Should it be proper to proceed with the reconstruction, the provisions for such eventuality made in the By-laws shall be observed or, in lieu thereof, the decision of the Council shall prevail.

2. **Costs.** Where the insurance indemnity is insufficient to cover the costs of reconstruction, the rebuilding costs shall be paid by the Co-owners as provided in the By-laws; and, if any one or more of those composing the minority shall refuse to make such payments, the majority may proceed with the reconstruction at the expense of all the Co-owners benefitted thereby, upon proper resolution setting forth the circumstances in the case and the cost of the work. The provisions of this paragraph may be changed by the unanimous resolution of the parties concerned, adopted subsequent to the date on which the fire or other disaster occurred.

ARTICLE IX

AMENDMENTS

1. By Co-owners. This Master Deed and the By-laws may be amended from time to time by resolution adopted by the affirmative vote of the Co-owners of two-thirds (2/3) of the total interest in the General Common Elements subject to the following conditions:

(a) No amendment by the Co-owners shall alter the dimensions of a Dwelling Unit or the percentage of the interest in the Common Elements appurtenant thereof without the consent of the Co-owner of such Dwelling Unit; and

(b) No amendment to this Master Deed or to the By-laws shall be effective unless and until recorded in accordance with the Act.

ARTICLE X

MISCELLANEOUS

1. Application. Present and future owners, Co-owners, tenants of Co-owners, employees of Co-owners and tenants, agents servants or occupants, or any other persons that may in any manner use the Property or any part thereof shall be subject to the Act and to this Master Deed and the By-laws. All provisions hereof shall be taken to be covenants running with the land and shall bind any person at any time having any interest or estate in any Unit as though such provisions were recited in every deed, conveyance or lease.

2. Compliance. Each Co-owner shall comply strictly with the By-laws and with administrative rules and regulations adopted pursuant thereto, as either of the same may be lawfully amended from time to time, and with the covenants, conditions, and restrictions set forth in this Master Deed or in the deed to the Dwelling Unit of such Co-owner. Failure to comply with the same shall be grounds for an action to recover sums due, or damages or injunctive relief, or both, maintainable by the Administrator on behalf of the Council, or, in a proper case, by an aggrieved Co-owner.

3. Waiver. No provision hereof shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches which may have occurred.

4. Conflicts. This Master Deed is executed to comply with the requirements of the Act and, in the event that any of the provisions hereof conflict with the provisions of the Act, the Act shall control.

5. **Severability.** The provisions of this Master Deed are severable, and the invalidity of one or more provisions hereof shall not be deemed to impair or affect in any manner the validity, enforce ability or effect of the remainder hereof.

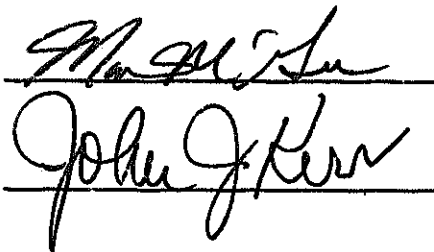
6. **Captions.** The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Master Deed or the intent of any provision hereof.

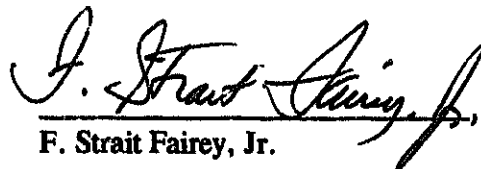
7. **Gender and Number.** All pronouns used herein shall be deemed to include the masculine, feminine and the neuter and the singular and plural whenever the context requires or permits.

8. **Termination.** All the Co-owners or the sole Owner of the Property may waive the horizontal property regime and regroup and reemerge the records of the Dwelling Units with the Common Elements, provided that the Dwelling Units are unencumbered, or if encumbered, that the creditors on whose behalf the encumbrances are recorded agree to accept as security the undivided portions of the Property owned by the debtors.

IN WITNESS WHEREOF, F. Strait Fairey, Jr. has executed and sealed this Master Deed this 11th day of April, 1997.

Signed, sealed and delivered
in the Presence of:


John J. Kern

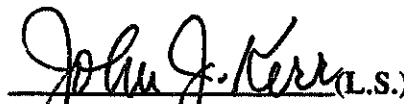

F. Strait Fairey, Jr.

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

PERSONALLY appeared before me the undersigned witness and made oath that (s)he saw the within named F. Strait Fairey, Jr. sign, seal and, as his act and deed, deliver the within written Master Deed for the uses and purposes therein mentioned and that (s)he, with the other witness witnessed the execution thereof.



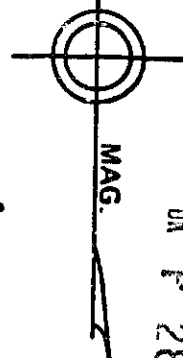
SWORN to and subscribed before me this
11th day of April, 1997.


(L.S.)
Notary Public for South Carolina
My Commission Expires: 11-29-03

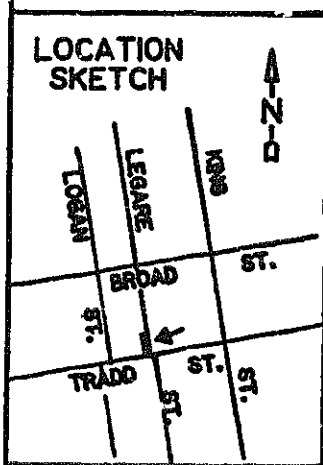
Prepared by:
Brockinton, Brockinton & Kerr, P.A.
Post Office Box 663 (51 State Street)
Charleston, South Carolina 29402-0663

W. L. GALLARD, R.L.S.
110 CHURCH STREET
CHARLESTON, S. C.
29401 803-577-6672

EXHIBIT A



282Pg13



A horizontal scale bar with tick marks at 0', 20', and 40'.

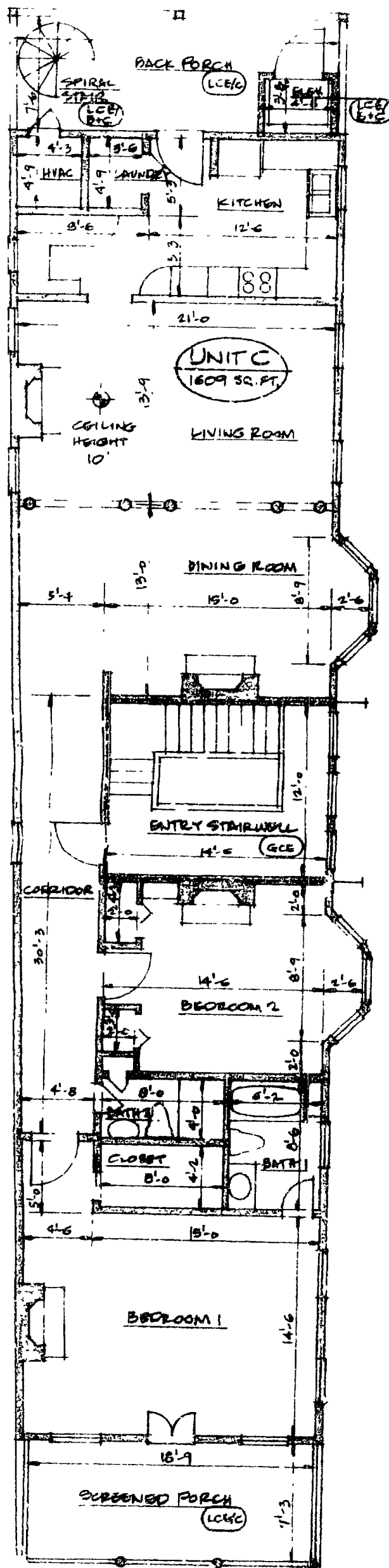
I HEREBY STATE THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF, THE SURVEY SHOWN HEREON WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE MINIMUM STANDARDS MANUAL FOR THE PRACTICE OF LAND SURVEYING IN SOUTH CAROLINA, AND MEETS OR EXCEEDS THE REQUIREMENTS FOR A CLASS A SURVEY AS SPECIFIED THEREIN. ALSO, THERE ARE NO VISIBLE ENCROACHMENTS OR PROJECTIONS OTHER THAN SHOWN. ETC - 1 IN 10,000.



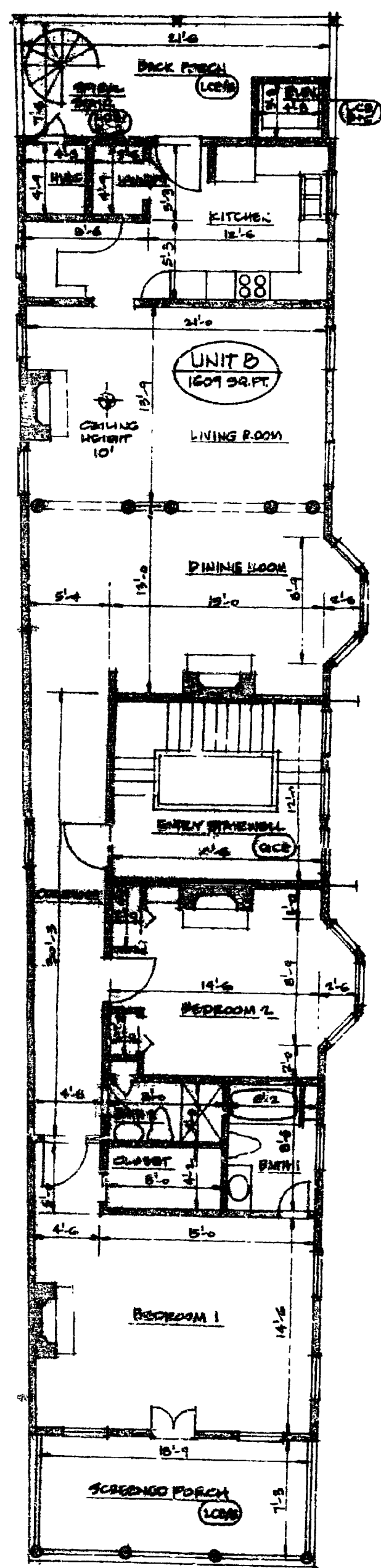
- PLAT OF

CONTAINING- 2,304 SQ. FT.
COUNTY OF CHARLESTON
STATE OF SOUTH CAROLINA
W. L. GAILLARD, REG. SUR. NO. 453
SCALE - 1 INCH = 20 FEET

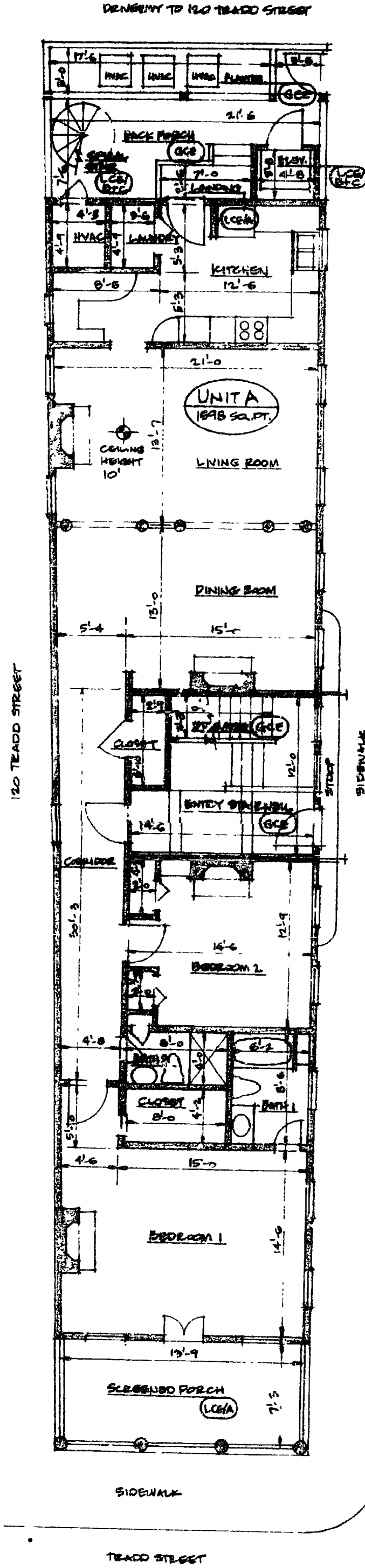
I certify this to be a plat of a true and correct survey made on the ground, and that the improvements are as shown, and there are no encroachments, easements, setback lines or other matters affecting the premises unless shown hereon. E/C = 1' IN 10,000' DATE AUG. 16, 1995



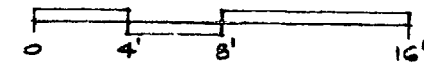
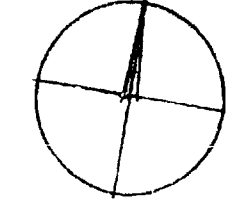
THIRD FLOOR PLAN
1/8" = 1' 0"



SECOND FLOOR PLAN
1/8" = 1' 0"



FIRST FLOOR & PLOT PLAN
1/8" = 1' 0"



STEPHEN MAYS - ARCHITECTURE
POST OFFICE BOX 219 - MT. PLEASANT, SC
884-7166 29465

41 LEGARE STREET
CHARLESTON, SOUTH CAROLINA
FEBRUARY 21 1996

LEGEND

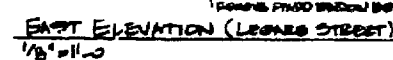
THE COMMON ELEMENTS, BOTH GENERAL AND LIMITED, ARE SHOWN ON THE PLANS IN WORDS AND FIGURES AS FOLLOWS:

- (GCE) GENERAL COMMON ELEMENT
- (LCE) LIMITED COMMON ELEMENT (FOLLOWED BY THE UNIT(S) FOR WHICH THE LCE IS RESERVED)

EXAMPLES

- (GCE) ENTRY STAIRWELL
- (LCEA) SCREENED PORCH (UNIT A)

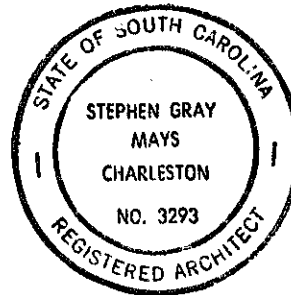
Stephen May



ARCHITECT'S CERTIFICATION

In accordance with the requirements of SC Code Section 27-31-110, the undersigned certifies that the improvements shown on plat of survey by W.L. Gaillard dated August 16, 1995 are complete.

The undersigned further certifies that the within plans accurately represent the physical improvements of 41 Legare Street Horizontal Property Regime, as actually constructed, within normal construction tolerances.



Date: October 18, 1996

Stephen G. Mays
Stephen G. Mays, Architect

EX P 282PG135



ESTABLISHED 1977

ENGINEERING

CIVIL

JOEL P. PORCHER, P.E. & P.L.S.

STRUCTURAL

EDWARD C. PORCHER, P.E.

KIM M. DUNN, E.I.T.

ENGINEERING, SURVEYING & PLANNING, INC.

990 MORRISON DR. CHARLESTON, S. C. 29403

PHONE (803) 577-4926

FAX (803) 723-6140

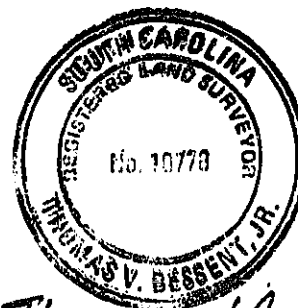
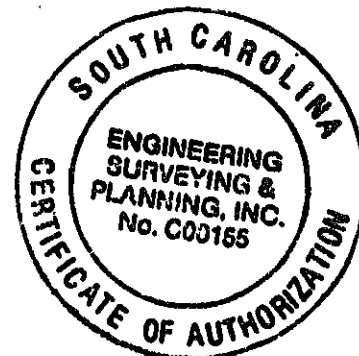
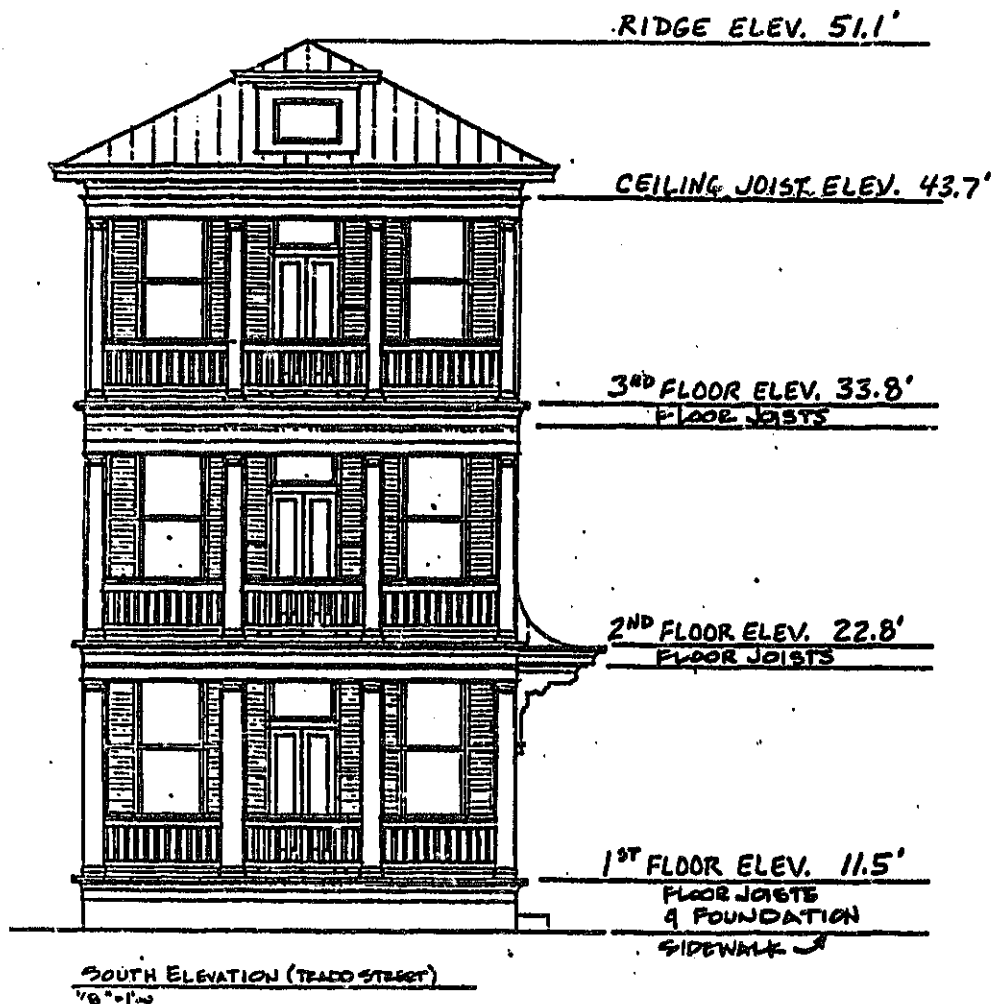
EXHIBIT D

SURVEYING

WILLIAM [BILL] PORCHER, P.L.S.

THOMAS V. BESSENT, JR., P.L.S.

THESE ELEVATIONS AT 41 LEGARE STREET HORIZONTAL PROPERTY REGIME ARE BASED ON NATIONAL GEODETIC VERTICAL DATUM 1929 (NGVD 29) AND AGREE WITHIN ABOUT THREE INCHES WITH THE DIMENSIONS SHOWN ON THE ARCHITECTURAL PLANS, SHEET 2 OF 2 DATED 10-18-96.



Thomas V. Besseant
4-11-97
THOMAS V. BESSENT, PLS
SC REG. NO. 10778



Member
A.S.C.E.



**41 LEGARE STREET
HORIZONTAL PROPERTY REGIME**

BY-LAWS

THESE BY-LAWS of 41 Legare Street Horizontal Property Regime (the Regime) are promulgated pursuant to the Horizontal Property Act of South Carolina (the Act) for the purpose of governing the Council of Co-owners (the Council) and the administration of the Regime. All terms not defined in these By-Laws have the meaning set out in the Act or the Master Deed.

ARTICLE I

COUNCIL OF CO-OWNERS

1. **Membership.** Each Co-owner shall be a member of the Council. A person who holds title to a Dwelling Unit merely as security for payment of a debt shall not be a member entitled to exercise the rights of a Co-owner unless such person holds a proxy conferring such rights.

2. **Quorum.** The presence of Co-owners owning fifty-one percent (51 %) of the value of the Property shall constitute a quorum for the transaction of business at meetings of the Council.

3. **Voting.** A Co-owner's voting rights and the vote required to adopt decisions shall be as set out in Article III, Paragraph 4 of the Master Deed. Votes can be cast only at meetings of the Council convened in accordance with the By-Laws, and in the absence of a valid proxy, an individual shall act in his own behalf, a corporation shall act by any officer thereof, a partnership shall act by any general partner thereof, an association shall act by any associate thereof, a trust shall act by any trustee thereof, and any other legal entity shall act by any managing agent thereof. When a Co-owner consists of two or more persons, any one of such persons shall be deemed authorized to act for all in taking any action on behalf of such Co-owner unless another of such persons objects, in which case the vote which such Co-owner would otherwise be entitled to cast may not be cast. All votes appurtenant to a single Dwelling Unit must be cast together and may not be split.

4. **Proxies.** Any Co-owner may be written proxy designate an agent to cast his vote. Unless a proxy otherwise states, it shall be deemed to confer the authority to execute consents and waivers and to exercise the right to examine the books and records of the Council. A proxy may be revocable or irrevocable but shall be deemed revocable at will unless otherwise specified therein. No proxy shall be honored until delivered to the Administrator described in Article II below.

5. **Consents.** Any action which may be taken by a vote of the Co-owner may also be taken by written consent to such action signed by all Co-owners.

6. **Initial Meeting.** The initial meeting of the Council shall be held upon call by the Administrator as soon after the recording of the Master Deed as the Administrator deems practicable and convenient. The following matters, and such other business as the Administrator may deem appropriate, shall be taken up at the initial meeting:

- (a) determination of the Annual Assessment and the date upon which it is due and payable; and
- (b) determination of the date of the first and subsequent annual meetings.

7. **Annual Meetings.** The annual meeting of the Council shall be held on a date determined by the Council. Any business which is appropriate for action of the Co-owners may be transacted at an annual meeting.

8. **Special Meetings.** Special meetings of the Council may be called at any time by the Administrator¹ and shall be called upon the written request of Co-owners owning a majority of all Property. Only such business as is stated on the notice of meeting shall be transacted at a special meeting unless all Co-owners waive notice of any additional business.

¹ The Council may appoint or retain an Administrator to manage the affairs of the Council. If the Co-owners choose not to appoint or retain an Administrator, the references to "Administrator" herein shall mean "Council."

9. Notice of Meetings. Written notice of every annual or special meeting of the Council stating the time, date, and place of the meeting and, in the case of a special meeting, the business proposed to be transacted, shall be given to every Co-owner not fewer than ten (10) nor more than thirty (30) days in advance of the meeting. Failure to give proper notice of a meeting of the Co-owners shall not invalidate any action taken in such meeting unless (1) a Co-owner who was present but was not given proper notice objects at such meeting, in which case the matter to which such Co-owner objects shall not be taken up, or (2) a Co-owner who is not present and was not given proper notice objects in writing to the lack of proper notice within thirty (30) days following such meeting, in which case the action to which such Co-owner objects shall be void.

10. Waiver of Notice. Waiver of notice of a meeting of the Council shall be deemed the equivalent of proper notice. Any Co-owner may in writing waive notice of any meeting either before or after such meeting. Attendance at a meeting by a Co-owner, whether in person or by proxy, shall be deemed a waiver by such Co-owner of notice of the time, date and place thereof unless such Co-owner specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed a waiver of notice of all business transacted unless objection to lack of notice is raised before the business of which proper notice was not given is put to a vote.

11. Place of Meeting. All meetings of the Council shall be held at such convenient place as the Administrator may direct.

12. Adjournment. Any meeting of the Council may be adjourned from time to time for periods not exceeding forty-eight (48) hours by vote of Co-owner(s) holding a majority of the vote represented at such meeting, regardless of whether a quorum is present. Any business which could properly be transacted at the original session of a meeting may be transacted at an adjourned session, and no additional notice of adjourned sessions shall be required.

13. Order of Business. The order of business at all meetings of the Co-owners shall be as follows:

- (a) Roll Call;
- (b) Proof of proper notice of the meeting or waiver of notice;

- (c) Reading of the minutes of preceding meeting;
- (d) Report of the Administrator;
- (5) Unfinished business;
- (6) New business.

14. Minutes of the Meeting. The Administrator shall prepare and keep, or cause to be prepared and kept, accurate minutes of every meeting of the Council. Such minutes shall be made available for examination and copying by a Co-owner at any reasonable time.

ARTICLE II

ADMINISTRATOR

1. Form of Administration. The Council may act by and through an Administrator if one is so appointed or retained. If an Administrator is not appointed or retained, the Council shall carry out the authorities and duties delegated to an Administrator.

2. Authorities and Duties. On behalf of and as directed by the Council, and as required by the Act, the Master Deed, and these By-Laws, the Administrator shall provide for the following:

- (a) the surveillance of the Property, the maintenance, repair, and replacement of the Common Elements, and the hiring and dismissal of the personnel necessary to accomplish the same;
- (b) the collection of assessments from the Co-owners;
- (c) the procuring and keeping in force of insurance on the Property;
- (d) the enactment of reasonable regulations governing the operation and use of the Common Elements;

(e) the enforcement of the terms of the Master Deed, these By-Laws, and any Regulations promulgated pursuant to the By-Laws;

(f) the general administration of the Regime on behalf of and for the benefit of all Co-owners.

3. Compensation. The Administrator shall receive such compensation as the Council may determine and shall be entitled to reimbursement by the Council for expenses incurred in the conduct of its duties.

ARTICLE III

FINANCES

1. Fiscal Year. The fiscal year of the Council shall be as determined by the Council.

2. Budget. The Administrator shall prepare and submit, or cause to be prepared and submitted, to the Co-owners at their annual meeting a proposed budget for the Regime for the fiscal year. The proposed budget shall set forth with particularity the anticipated Common Expenses for the fiscal year and the amount of money needed to establish reasonable reserves for the payment of future common expenses and contingencies.

3. Approval of Budget. The proposed budget, as it may be amended upon motion of any Co-owner, shall be submitted to a vote of the Co-owners and when approved shall become the budget (Budget) of the Regime for the fiscal year. The terms of the Budget shall be binding upon the Administrator unless and until such terms are amended by action of the Co-owners.

4. Annual Assessments. The funds required by the Budget shall be collected from the Co-owners in annual assessments (Annual Assessments) in proportion to their respective interests in the General Common Elements as set out in the Master Deed and any amendments thereof, and the Annual Assessments shall be payable as and when determined by the Council.

5. Special Assessments. The funds required from time to time to pay any Common Expenses which are not covered by the Budget but which are approved by the Co-owners shall be collected from the Co-owners by the Administrator in such installments as the Co-owners shall determine (Special Assessments).

6. Individual Assessments. Any payments to the Council which one or more, but fewer than all, of the Co-owners shall be obligated to make pursuant to the terms of the Act, the Master Deed, or these By-Laws shall be due upon demand and shall be collected by the Administrator as individual assessments (Individual Assessments).

7. Collection. Co-owners shall be personally liable for all assessments and shall pay the same promptly when due. The Administrator shall take prompt and appropriate action to collect by suit, foreclosure, or other lawful method any overdue assessment. If any overdue assessment is collected by an attorney or by action at law, the Co-owner owing the same shall be required to pay all reasonable costs of collection, including attorney's fees.

8. Penalty. An assessment not paid within fifteen (15) days following the date when due shall bear a penalty of five dollars (\$5) plus one percent (1%) of the assessment per month from the date when due. The penalty shall be added to and collected in the same manner as the assessment. The Administrator may in its discretion waive all or any portion of a penalty or interest imposed pursuant to this paragraph if it affirmatively appears that the failure to pay the assessment when due was caused by circumstances beyond the control of the Co-owner.

9. Accounts. The Administrator shall maintain on behalf of the Council a checking account with a state or federally chartered bank having an office in Charleston County. The Administrator may also maintain on behalf of the Council an interest-bearing savings account with a state or federally chartered bank, savings and loan association, or building and loan association. The accounts may be maintained in the name of the Administrator as agent of the Council. If the Administrator is a bank or the agent or employee of a bank which meets the other requirements of this section, the accounts may be maintained in said bank. All funds of the Council shall be promptly deposited in one of said accounts, except that the Administrator may maintain a petty cash fund of not more than fifty dollars (\$50) for payment of minor current expenses

of the Council. The books and records relating to any account of the Council shall be made available for examination and copying by any Co-owner at any reasonable time.

10. Payments. The Administrator shall provide for payment of all debts of the Council from the funds collected from the Co-owners. Expenditures specifically approved in the budget may be paid without further approval unless the Administrator shall otherwise determine. All other expenditures which are in excess of fifty dollars (\$50) shall be reviewed and approved by the Administrator before payment is made. All checks and requests for withdrawals drawn upon any account of the Council shall be signed by the Administrator. The Administrator may draw checks upon the account of the Council. The Administrator may also make disbursements from the petty cash fund, if any.

ARTICLE IV

MAINTENANCE AND IMPROVEMENTS

1. Maintenance by Administrator. The Administrator shall provide for the maintenance, repair, and replacement of the Common Elements, in which functions the Administrator shall have exclusive authority; provided, however, upon the written request of any Co-owner the Administrator shall delegate the responsibility of maintenance, repair, and replacement of exclusive Limited Common Elements to such Co-owner with the payment for same being made by such Co-owner, so long as such responsibility is fulfilled by such Co-owner in a timely manner and in accordance with these By-Laws, the Master Deed, and the Act.

2. Maintenance by Co-owners. The Dwelling Units shall be maintained in good condition and repair by their respective Co-owners.

3. Default by Co-owner. In the event that any Co-owner fails to perform the maintenance required of him by these By-Laws or by any lawful Regulation, and such failure creates or permits a condition which is hazardous to life, health, or property, which unreasonably interferes with the rights of another Co-owner, or which substantially detracts from the value or appearance of the Property, the Administrator shall, after giving such Co-owner reasonable notice and opportunity to perform such maintenance, cause such maintenance to

be performed and charge all reasonable expenses of doing so to such Co-owner by an Individual Assessment.

4. Expenses. The expenses of all maintenance, repair, and replacement provided by the Administrator shall be Common Expenses, except as otherwise provided herein and in the Master Deed; provided, however, that when such expenses are necessitated by (i) the failure of a Co-owner to perform the maintenance required by the By-Laws or by any lawful Regulation, (ii) the willful act, neglect, or abuse of a Co-owner, or (iii) an uninsured loss which is to be borne by a Co-owner in accordance with Article VII of these By-Laws, they shall be charged to such Co-owner by an Individual Assessment. The expenses of all maintenance, repair and replacement of Limited Common Elements shall be treated as Common Expenses of the Co-owners owning such Limited Common Elements and shall be shared as provided in Article IV of the Master Deed.

5. Improvements. The Administrator shall provide for the making of such improvements to the Common Elements as may be approved from time to time by the Co-owners. The cost of such improvements shall be paid as provided in Article IV of the Master Deed; provided, however, that no Co-owner shall without his consent be assessed in any one year an amount in excess of five percent (5%) of the value of his Dwelling Unit (as set out in the Master Deed) for the making of improvements to the Common Elements.

ARTICLE V

RECONSTRUCTION

1. Reconstruction. Unless the Co-owners affirmatively determine in the manner provided in the Master Deed not to reconstruct the Property following damage or destruction thereof, the Administrator shall promptly provide for such reconstruction.

2. Costs. The Administrator shall employ for the purpose of reconstructing the Property the proceeds of any insurance obtained on the Property by the Administrator on behalf of the Council. If such insurance proceeds do not cover the cost of the reconstruction, the deficiency shall be

borne by the Co-owners in proportion to their respective interests in the portion or portions of the Property reconstructed.

ARTICLE VI

CONDEMNATION

1. **Rights of Co-owners.** If any portion of the Property is condemned by any authority having the power of eminent domain, each Co-owner shall be entitled to receive notice of such condemnation and to participate in the proceedings incident thereto unless otherwise prohibited by law. Each Co-owner shall be entitled to an individual award to be determined by the value of his interest in the portion or portions of the Property condemned.

2. **Duties of Council.** In the event that any award is received by the Council on account of condemnation of any portion or portions of the Common Elements, the Administrator shall hold such award for disbursement in the same manner as if it were insurance proceeds. The Administrator shall promptly call a special meeting of the Council to determine whether any condemned portion of the Common Elements shall be replaced. If the Council determines to replace any condemned portion of the Common Elements, the Administrator shall provide for the replacement of such portions in the same manner as if such portions had been destroyed by casualty.

ARTICLE VII

INSURANCE

1. **Insureds.** Insurance policies upon the Property, covering the items described below, shall be purchased by the Council or the Administrator for the benefit of the Regime, the Council, and the Co-owners of the Dwelling Units, and their 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 and held by the Administrator.

2. **Coverage.** Insurance shall cover the following when available:

(a) The replacement value of all Dwelling Units and Common Elements. Such coverage shall afford protection against loss or damage by fire, earthquake, and other hazards covered by a standard extended coverage endorsement and against such other risks as are customarily covered with respect to buildings and improvements similar to the buildings and improvements on the Land. No insurance of the contents of or improvements to any Dwelling Unit shall be provided by the Council. Flood insurance for such Dwelling Units as may be exposed to flooding and for Common Elements so exposed shall be obtained in appropriate amounts.

(b) Public liability in such amounts and with such coverage as shall be determined by the Administrator; and

(c) Such other insurance as the Administrator shall from time to time determine to be desirable.

3. Premium and Deductibles. Premiums upon insurance policies shall be paid by the Council as a Common Expense, and shall be paid by the Co-owners in proportion to their respective interest in the General Common Elements. That portion of any covered loss not compensated for because of the deductible clause of the policy shall be paid by the Co-owners in proportion to their respective interests in the portion or portions of the Property subject to the covered loss.

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

5. Proceeds. The proceeds received by the Council from any indemnity paid under a hazard insurance policy shall be held by the Administrator. After deduction of all reasonable expenses of the Administrator in administering such proceeds, the net proceeds shall be distributed as follows:

(a) If the Property is not reconstructed as provided in Article VIII of the Master Deed, then the Co-owners shall receive a

prorata share of the proceeds proportionate to their respective interest in the portion or portions of the Property destroyed.

(b) If reconstruction takes place, then such proceeds shall be used to meet reconstruction costs as provided in Article VIII of the Master Deed and Article V of these By-Laws, and any proceeds remaining after all costs of reconstructing the Property have been paid shall be distributed to the Co-owners in proportion to their respective interest in the portion or portions of the Property subject to the covered loss.

6. Insurance by Co-owners. Each Co-owner shall be responsible for obtaining such amounts of the following types of insurance as he deems necessary or desirable: (1) hazard insurance on his Dwelling Unit and its contents for his own benefit, and (2) liability insurance covering accidents occurring within his Dwelling Unit. Any Co-owner who obtains hazard insurance for his own benefit shall, within thirty (30) days of obtaining the same, deliver to the Administrator a copy of the policy of insurance.

ARTICLE VIII

RESTRICTIONS AND REGULATIONS

1. Restrictions. The use of the Property shall be subject to the following restrictions:

(a) Dwelling units shall be used only as residences.

(b) No Co-owner shall create or permit loud or excessive noise, smoke or offensive odors or any nuisance or unreasonably interfere with the use and enjoyment of the Property by any other person entitled to the same. No person shall maintain on the Property and no Co-owner shall permit within his Dwelling Unit any condition which is unreasonably hazardous to the life, health or property of any other person.

(c) Any Co-owner may have one dog or one cat without the permission of the other owners; greater numbers shall require permission of the other Owners. Such pet owners shall take responsible and regular precautions against fleas and pet wastes shall be immediately disposed of by the Owner. At no time shall dog barking be allowed.

(d) No Co-owner shall be permitted to use or maintain a water bed on the Property.

(e) With respect to the elevator and common stairwell adjacent thereto, they are solely for access to and from the Dwelling Units. At no time are they to be used for storage, play areas or any other non-access purpose.

2. Regulations. The Co-owners may adopt and amend from time to time such reasonable regulations (Regulations) governing the operation and use of the Property as they may deem necessary or desirable. It shall not be necessary to publicly record Regulation, but no Co-owner shall be bound by any newly adopted Resolution or amendment or repeal of an existing Regulation until a copy of the same has been delivered to him.

3. Enforcement. The Council shall enforce the terms of the Act, the Master Deed, and these By-Laws and the Regulations promulgated pursuant hereto by taking prompt and appropriate action to correct any violations.

4. Responsibility of Co-owners. Each Co-owner shall be deemed fully responsible for the conduct of members of his household (especially all minors 20 years old or younger) and his tenants, agents and guests, but the responsibility of the Co-owner shall not relieve any member of his household or any of his tenants, agents, or guests for any liability to the Council or to a Co-owner for their own acts or omissions.

ARTICLE IX

LIABILITIES AND INDEMNIFICATION

1. **Liability of Council.** Unless so provided herein or in the Master Deed, no Co-owner shall be liable for a greater percentage of a debt or liability of the Council than his percentage of ownership of the General Common Elements. All correspondence of the Council and all contracts executed by the Council shall incorporate the following recital:

41 Legare Street Council of Co-owners is an association established pursuant to the Horizontal Property Act of South Carolina. No member of the Council shall be liable for a greater percentage of a debt or liability of the Council than his percentage of ownership of the General Common Elements.

2. **Indemnification Among Co-owners.** Each Co-owner shall be entitled to contribution from and indemnification by every other Co-owner to the extent that such Co-owner discharges or is required to discharge any portion of any liability of the Council in excess of such Co-owner's proportionate share thereof, except that no Co-owner shall be required to provide contribution or indemnification on account of a debt which was due and payable prior to the time such Co-owner became a Co-owner.

ARTICLE X

MISCELLANEOUS

1. **Record of Ownership.** Any person who acquires title to a Dwelling Unit (unless merely as security for a debt) shall promptly inform the Council and the Administrator of his identity and the date upon and manner in which title was acquired. The Administrator shall maintain a record of the names of all Co-owners and of the dates upon which they acquired title to their Dwelling Units.

2. **Notices.** Any notices required to be given to a Co-owner or the Administrator shall be by certified mail, return receipt requested and shall be addressed, in the case of a Co-owner, to such Co-owner at 41 Legare Street, Charleston, South Carolina, 29401 and, in the case of the Administrator, the mailing address of the Administrator.

3. Waiver. No provision of these By-Laws or of the Regulations promulgated pursuant hereto shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches which may have occurred.


4. Conflicts. In the event of any conflict between these By-Laws and the Act or the Master Deed, the Act or the Master Deed shall control, as appropriate. In the event of a conflict between these By-Laws and the Regulations, these By-Laws shall control.

5. Severability. The provisions of these By-Laws are severable, and the invalidity of one or more provisions hereof shall not be deemed to impair or affect in any manner the enforce ability or effect of the remainder hereof.

6. Captions. The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of these By-Laws or the intent of any provisions hereof.

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

41 Legare Street Horizontal
Property Regime

By: 
F. Strait Fairey, Jr.

Brockinton, Brockinton & Kerr, P.A.
Post Office Box 663
Charleston, SC 29402-0663

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CHARLIE LYBRAND
REGISTER
CHARLESTON COUNTY SC

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BAC	MALM
DTD	4/16/97

Recorded this 15 day of Apr Year 1997
On Property Record Card

Reggie A Mosley
Auditor Charleston County

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)
**FIRST AMENDMENT TO MASTER DEED
OF 41 LEGARE STREET
HORIZONTAL PROPERTY REGIME**

WHEREAS, pursuant to a Master Deed dated April 11, 1997, and recorded on April 15, 1997, in the Register of Mesne Conveyances for Charleston County, South Carolina, in Book P-282, at Page 109 ("**Master Deed**"), the Grantor established 41 Legare Street Horizontal Property Regime ("**Regime**") and submitted certain real property located in the City of Charleston, Charleston County, South Carolina, together with all improvements and structures now existing or hereafter placed thereon, and all easements, rights, and appurtenances belonging thereto, as more particularly described therein ("**Property**") to the Condominium form of ownership; and

WHEREAS, pursuant to Article IX of the Master Deed, the Co-owners have the right to amend the Master Deed by resolution adopted by the affirmative vote of the Co-owners of two-thirds (2/3) of the total interest in the General Common Elements; and

WHEREAS, on or about December 18, 2007, the Co-owners executed a Unanimous Written Consent By Members of the 41 Legare Street Horizontal Property Regime Council of Co-owners resolving to, among other things, (1) incorporate the Council of Co-owners; (2) amend the Master Deed to, among other things, substitute all references to the Council with references to the Association, set forth the rights and powers of the Association therein, and substitute all references to the Co-owners with references to the Members; (3) replace the Bylaws of the Council with Bylaws of the Association for the purpose of governing the Association, setting forth the rights and powers of the Association and the members thereto, and providing for the administration of the Regime; and (4) authorize each Co-owner, individually or together with one or more other Co-owners, to execute and deliver one or more amendments to the Master Deed and any and all other documents necessary in connection therewith; and

WHEREAS, on or about January 1, 2008, the Council of Co-owners was incorporated as a nonprofit membership corporation with the name "41 Legare Street Condominium Owners Association, Inc." (the "**Association**"); and

WHEREAS, effective January 1, 2008, the Co-owners, as incorporators of the Association, adopted the Bylaws of the Association; and

WHEREAS, George C. Stevens, acting in his capacity as President of the Association and individually as a Co-owner, is authorized and empowered to execute and deliver this amendment and any and all other documents and take such further actions as deemed necessary or advisable to carry out the purpose and intent of the Co-owners related to the same; and

WHEREAS, the Co-owners now wish to amend the Master Deed to, among other things, reflect the incorporation of the Council of Co-owners, and set forth the rights and powers of the Association and its Members (as defined herein);

NOW, THEREFORE, for and in consideration of Five and no/100 Dollars (\$5.00) and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Co-owners do hereby amend the Master Deed as follows:

1. The Master Deed is hereby amended by deleting Section 1 of Article III of the Master Deed in its entirety and replacing it with the following:

"1. Formation. Every Co-owner, as hereinafter defined, shall be a member (individually, a "Member", and collectively the "Members") of and constitute the 41 Legare Street Condominium Owners Association, Inc. (the "Association"), a nonprofit corporation which may be managed by an administrator (the "Administrator") chosen by a majority vote of Members. If the Members choose not to appoint or retain an Administrator, the reference to "Administrator" herein shall mean "Association"."

2. The Master Deed is hereby amended by deleting all references to the "Council" and replacing them with the "Association".

3. The Master Deed is hereby amended by deleting all reference to the "Co-owners" and replacing them with the "Members".

4. The Master Deed is hereby amended by deleting the last sentence of the first paragraph in Section 5 of Article II of the Master Deed together with the following three (3) descriptions in their entirety and replacing them with the following:

"The Building contains three dwelling units (collectively referred to as the "Dwelling Units" or the "Units") as shown in detail on the Plot Plan and Floor Plans, as follows:

Dwelling Unit A ("Dwelling Unit A" or "Unit A") consists of almost the entire first floor of the Building and contains approximately 1,598 square feet, as more fully shown on the Floor Plans.

Dwelling Unit B ("Dwelling Unit B" or "Unit B") consists of almost the entire second floor of the Building and contains approximately 1,609 square feet, as more fully shown on the Floor Plans.

Dwelling Unit C ("Dwelling Unit C" or "Unit C") consists of almost the entire third floor of the Building and contains approximately 1,609 square feet, as more fully shown on the Floor Plans."

5. The Master Deed is hereby amended by deleting Subparagraph 8(a)(i) of Article II of the Master Deed in its entirety and replacing it with the following:

"(i)The stairs and the landing leading to and from the Back Porch described in paragraph 7(d) above which provides ingress and egress to the rear of Dwelling Unit A."

6. The Master Deed is hereby amended by deleting Subparagraph 8(d)(i) of Article II of the Master Deed in its entirety and replacing it with the following:

“(i)The spiral stair leading to and from the Back Porch, as described in paragraph 7(d) above, for ingress and egress to the rear entryway of Dwelling Unit B and Dwelling Unit C.”

7. The Master Deed is hereby amended by deleting the existing Exhibit E to the Master Deed in its entirety and replacing it with a new Exhibit E, a copy of which is attached hereto as Exhibit “E” and incorporated herein by reference.

8. All capitalized terms used, but not defined, herein and defined in the Master Deed shall have the meanings set forth in the Master Deed.

9. Except as expressly modified herein, all other terms and conditions of the Master Deed shall remain in full force and effect.

*****Remainder of this page intentionally left blank*****
[Signatures on the following page]

IN WITNESS WHEREOF, the undersigned have executed this First Amendment to Master Deed as of the 1st day of January, 2008.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

Kathryn K. Matthews

C. Matthews

CO-OWNER:

George Stevens

GEORGE C. STEVENS, as Co-owner

WITNESSES:

Kathryn K. Matthews

C. Matthews

ASSOCIATION:

**41 LEGARE STREET CONDOMINIUM
OWNERS ASSOCIATION, INC.,**
a South Carolina non-profit corporation

By: George Stevens

GEORGE C. STEVENS

Its: President

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

ACKNOWLEDGMENT

The foregoing First Amendment to Master Deed was acknowledged before me this 1st day of March, 2008, by 41 Legare Street Condominium Owners Association, Inc., a South Carolina non-profit corporation, by George C. Stevens, its President, and by George C. Stevens, as Co-owner.

DEBORAH ANN FICKLING
Notary Public, State of South Carolina
My Commission Expires June 2, 2015

Deborah Ann Fickling
Notary Public for South Carolina
My Commission Expires:

8K E 654 PG 425

EXHIBIT "E"
Bylaws of the Association

BK E 654PG426

**BYLAWS
OF
41 LEGARE STREET
CONDOMINIUM OWNERS ASSOCIATION, INC.**

Effective January 1, 2008

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BYLAWS
OF
41 LEGARE STREET
CONDOMINIUM OWNERS ASSOCIATION, INC.

Article 1.
General

1.1. Applicability. These Bylaws provide for the self-governance of 41 Legare Street Condominium Owners Association, Inc., the Articles of Incorporation filed with the South Carolina Secretary of State, and the Master Deed for 41 Legare Street Horizontal Property Regime, recorded in the Charleston County, South Carolina land records on April 15, 1997, in Book P-282, at Page 109 (as amended, the "**Master Deed**").

1.2. Name. The name of the corporation is 41 Legare Street Condominium Owners Association, Inc. (the "**Association**").

1.3. Principal Office. The principal office of the Association shall be located in the State of South Carolina. The Association may have such other offices, either within or outside the State of South Carolina, as the Board of Directors (the "**Board of Directors**" or the "**Board**") may determine or as the affairs of the Association may require.

1.4. Definitions. The words used in these Bylaws shall be given their normal, commonly understood definitions. Capitalized terms shall have the same meaning as set forth in the Master Deed, as it may be amended, unless the context indicates otherwise.

Article 2.
Association: Membership, Meetings, Quorum, Voting, Proxies

2.1. Membership. A Co-owner (as hereinafter defined) of a Dwelling Unit shall automatically become a Member of the Association as more fully set forth in the Master Deed, the terms of which, pertaining to membership, are incorporated by this reference. As used herein, the term "**Co-owner(s)**" means an individual, corporation, partnership, association, trust or other legal entity, or a combination thereof, who or which owns a Dwelling Unit at No. 41 Legare Street, Charleston, South Carolina. If title to a Dwelling Unit is held by more than one (1) Co-owner, the membership shall be shared in the same proportion as the title, but there shall be only one (1) Member and one (1) vote per Dwelling Unit, which vote shall be appurtenant to such Dwelling Unit and weighted in accordance with the percentage of undivided interest in the Common Elements attributable to each Dwelling Unit, as shown in Article II, Section 10 of the Master Deed. In the event a Co-owner is a corporation, limited liability company, partnership, trust, or other legal entity not being a natural person or persons, then any natural person who is an officer, director, manager, partner, or trustee designated by the entity shall be eligible to represent such entity or entities in the affairs of the Association. Membership shall be appurtenant to the Dwelling Unit and shall be transferred automatically by conveyance of that Dwelling Unit and may be transferred only in connection with the transfer of title.

2.2. Place of Meetings. Meetings of the Association shall be held at the principal office of the

Association or at such other suitable place convenient to the Members as may be designated by the Board, either within the Condominium or as convenient as is possible and practical.

2.3. Annual Meetings. Regular meetings of the Association shall be held annually on a date and at a time set by the Board.

2.4. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting if so directed by resolution of the Board or upon a petition signed by Members representing at least two-thirds (2/3) of the Total Eligible Association Vote (as hereinafter defined).

2.5. Notice of Meetings. Written notice stating the place, day, and time of any meeting of the Members shall be delivered, either personally or by mail, to each Member entitled to vote at such meeting, not less than ten (10) nor more than sixty (60) days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting.

In the case of a special meeting or when otherwise required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at its address as it appears on the records of the Association, with postage prepaid.

2.6. Telephonic Participation in Meetings. Members may participate in a meeting of the Association by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

2.7. Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member or the Member's proxy shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member or proxy specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting also shall be deemed waiver of notice of all business transacted at such meeting unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

2.8. Adjournment of Meetings. Any meeting of the Association may be adjourned from time to time for periods not exceeding ten (10) days by vote of Members holding at least two-thirds (2/3) of the votes represented at such meeting, regardless of whether a quorum is present. At the reconvened meeting, if a quorum is present, any business may be transacted which might have been transacted at the meeting originally called. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings.

2.9. Voting. The voting rights of the Members shall be as set forth in the Master Deed and in these Bylaws, and such voting rights provisions are specifically incorporated by this reference. When more than one (1) Co-owner owns a Dwelling Unit, the vote for such Dwelling Unit shall be exercised as

they determine between or among themselves, but in no event shall more than one (1) vote be cast with respect to any Dwelling Unit. If only one (1) Co-owner attempts to cast the vote for a Dwelling Unit, it shall be conclusively presumed that such Co-owner is authorized on behalf of all Co-owners of that Dwelling Unit to cast the vote for such Dwelling Unit. In the event of disagreement between or among the Co-owners of a Dwelling Unit and an attempt by two (2) or more of them to cast such vote or votes, such Co-owners shall not be recognized and such vote or votes shall not be counted. No Co-owner shall be eligible to vote, either in person or by proxy, or to act as a proxy for any other Member if that Co-owner is shown on the books or management accounts of the Association to be more than thirty (30) days delinquent in any payment due the Association or if the Co-owner has had its voting rights suspended for the infraction of any provision of the Master Deed, these Bylaws, or any rule of the Association. If the voting rights of a Co-owner have been suspended, that Co-owner shall not be counted as an eligible vote for purposes of establishing a majority or a quorum. The total vote in the Association, less any votes that have been suspended pursuant to the Master Deed and/or these Bylaws, are herein referred to as the "***Total Eligible Association Vote***".

2.10. Proxies. At all meetings of Members, each Member may vote in person (if a corporation, limited liability company, partnership, trust, or other legal entity not being a natural person or persons, then through any officer, director, manager, partner, or trustee duly authorized to act on behalf of the Member) or by proxy, subject to the limitations of South Carolina law. All proxies shall be in writing specifying the Dwelling Unit(s) for which it is given, signed by the Member or its duly authorized attorney-in-fact, dated and filed with the Secretary of the Association prior to any meeting for which it is to be effective. Unless otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast, and in the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid. Every proxy shall be revocable and shall automatically cease upon conveyance of any Dwelling Unit for which it was given, or upon receipt of notice by the Secretary of the death or judicially declared incompetence of a Member who is a natural person, or of written revocation, or eleven (11) months from the date of the proxy, unless a shorter period is specified in the proxy.

2.11. Quorum. Except as otherwise provided in these Bylaws or in the Master Deed, the presence, in person or by proxy, of two-thirds (2/3) of the Members representing the Total Eligible Association Vote shall constitute a quorum at all meetings of the Association. Except when a higher vote is required under the Master Deed or these Bylaws, the unanimous vote of at least two-thirds (2/3) of the Members present and eligible to vote shall constitute a decision of the Association. Co-owners whose voting rights have been suspended pursuant to the Master Deed or these Bylaws shall not be counted in determining the Total Eligible Association Vote or the establishment of a quorum.

2.12. Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meetings and record in a minute book all resolutions adopted and all other transactions occurring at such meetings.

2.13. Action Without a Meeting.

(a) Action by Written Consent. Any action required or permitted by law to be taken at a meeting of the Association may be taken without a meeting, without prior notice and without a vote if written consent specifically authorizing the proposed action is signed by Members holding at least fifty-one (51%) of the Total Eligible Association Vote. Such consents shall be signed within sixty (60) days after receipt of the earliest dated consent, dated and delivered to the Association at its principal place of

business in the State of South Carolina. Such consents shall be filed with the minutes of the Association and shall have the same force and effect as a vote of the Members at a meeting.

(b) Action by Written or Electronic Ballot. In the discretion of the Board, any action that may be taken at any annual, regular, or special meeting of Members may be taken without a meeting if the Association delivers a written or electronic ballot to every Member entitled to vote on the matter, in accordance with Section 33-31-708 of the South Carolina Nonprofit Corporation Act of 1994.

(i) A written or electronic ballot shall: (1) set forth each proposed action; and (2) provide an opportunity to vote for or against each proposed action.

(ii) Approval by written or electronic ballot pursuant hereto shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

(iii) All solicitations for votes by written or electronic ballot shall: (i) indicate the number of responses needed to meet the quorum requirements; (ii) state the number of approvals necessary to approve each matter other than election of directors; and (iii) specify the time by which a ballot must be received by the Association in order to be counted.

(iv) A written or electronic ballot may not be revoked. The Association shall maintain such ballots in its file for a period of at least three (3) years.

Article 3.

Board of Directors: Number, Powers, Meetings

A. Composition and Selection.

3.1. Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one (1) equal vote. The directors shall be residents or eligible Members; provided, however, no two (2) residents representing the same Dwelling Unit may serve on the Board at the same time. Each Dwelling Unit shall at all times have one (1) director on the Board who is a Co-owner of the Dwelling Unit which they represent. No Co-owner shall be eligible to be elected to serve as a director if any assessment for such person's Dwelling Unit is delinquent. In the case of a Member which is not a natural person, any officer, director, manager, partner, employee, or trust officer of such Member shall be eligible to serve as a director unless otherwise specified by written notice to the Association signed by such Member; provided, no Member may have more than one (1) such representative on the Board at a time.

3.2. Number of Directors. The Board shall consist of three (3) directors.

3.3. Nomination and Election of Directors. Except with respect to the initial directors appointed by the incorporators of the Association through a Consent to Organizational Action of the Incorporators of 41 Legare Street Condominium Owners Association, Inc., directors shall be nominated from the floor and may also be nominated by a nominating committee, if such a committee is established by the Board. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

Each Co-owner may cast the entire vote assigned to his or her Dwelling Unit for each position to be filled. There shall be no cumulative voting. That number of candidates equal to the number of positions to be filled receiving the greatest number of votes shall be elected. Directors may be elected to serve any number of consecutive terms.

3.4. Election and Term of Office. The Association shall hold an election at which the Members shall be entitled to elect all three (3) directors. If such meeting is not the annual meeting, the directors elected shall serve until the next annual meeting. The directors elected by the Members shall hold office until their respective successors have been elected.

3.5. Removal of Directors and Vacancies. Any director elected by the Members may be removed, with or without cause, by two-thirds (2/3) of the Total Eligible Association Vote. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall be elected by the Members to fill the vacancy for the remainder of the term of such director.

Except for directors elected by the Board to fill a vacancy, which directors can only be removed by the Members, a director elected by the Board may be removed without cause by two-thirds (2/3) of the directors then in office.

Any director elected by the Members who has three (3) or more consecutive unexcused absences from Board meetings, or who is more than thirty (30) days delinquent (or is the resident of a Dwelling Unit that is more than thirty (30) days delinquent, or is the representative of a Member who is more than thirty (30) days delinquent) in the payment of any assessment or other charge due the Association, may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present, and the Board may appoint a successor to fill the vacancy until the next annual meeting, at which time the Members shall elect a successor for the remainder of the term.

In the event of the death, disability, or resignation of a director elected by the Members, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Members shall elect a successor for the remainder of the term.

B. Meetings.

3.6. Organizational Meetings. Within thirty (30) days after the election or appointment of new directors, the Board shall hold an organizational meeting at such time and place as the Board shall set.

3.7. Regular Meetings. Regular meetings of the Board may be held at such time and place as a majority of the directors shall determine, but at least one such meeting shall be held during each quarter.

3.8. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President or on written request of at least two (2) directors.

3.9. Notice. Notice of a regular meeting shall be communicated to directors not less than four (4) calendar days prior to the meeting. Notice of a special meeting shall be communicated to directors not less than two (2) days prior to the meeting. No notice need be given to any director who has signed a waiver of notice or a written consent to holding of the meeting. The notice shall specify the time and place of the meeting and, in the case of a special meeting, the nature of any special business to be considered. Notices shall be given to each director by: (a) personal delivery; (b) first class mail, postage

prepaid; (c) telephone communication, either directly to the director or to a natural person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; (d) telecopier transmission to the director's home or office, with confirmation of receipt by the receiving telecopier; (e) telegram, charges prepaid; (f) overnight or same day delivery, charges prepaid; or (g) electronic mail ("e-mail"), using Internet accessible equipment and services, if the director has consented in writing to such method of delivery and has provided the Board with an e-mail address. All such notices shall be given at the director's telephone or telecopier number or sent to the director's address as shown on the records of the Association. Notices sent by first class mail shall be deemed communicated when deposited into a United States mailbox. Notices given by personal, overnight or courier delivery, telephone, telecopier, telegraph, or e-mail shall be deemed communicated when delivered, telephoned, telecopied, e-mailed, or given to the telegraph company.

3.10. Waiver of Notice. The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.11. Telephonic Participation in Meetings. Members of the Board or any committee designated by the Board may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

3.12. Quorum of Board of Directors. At all meetings of the Board, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board, unless otherwise specifically provided in these Bylaws or the Master Deed. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors present at such meeting may adjourn the meeting to a time not more than five (5) days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

3.13. Compensation. Directors shall not receive any compensation from the Association for acting as such unless approved by the Members representing all of the Total Eligible Association Vote. Any director may be reimbursed for expenses incurred on behalf of the Association upon approval of the two (2) other directors. Nothing herein shall prohibit the Association from compensating a director, or any entity with which a director is affiliated, for services or supplies furnished to the Association in a capacity other than as a director pursuant to a contract or agreement with the Association, provided that such director's interest was made known to the Board prior to entering into such contract and such contract was approved by a majority of the Board of Directors, excluding the interested director.

3.14. Conduct of Meetings. The President shall preside over all meetings of the Board, and the Secretary shall keep a minute book of Board meetings recording all Board resolutions and all transactions and proceedings occurring at such meetings.

3.15. Open Meetings. Subject to the provisions of this Section 3.15 and Section 3.16, all meetings of the Board shall be open to all Members, but Members other than directors may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a director. In such case, the President may limit the time any Member may speak. Notwithstanding the above, the President may adjourn any meeting of the Board, reconvene in executive session, and exclude Members to discuss matters of a sensitive nature.

3.16. Action Without a Formal Meeting. Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if all of the directors consent in writing to such action. Such written consent must describe the action taken and be filed with the minutes of the Board.

C. Powers and Duties.

3.17. Powers. The Board of Directors shall have all of the powers and duties necessary for the administration of the Association's affairs and for performing all responsibilities and exercising all rights of the Association as set forth in the Master Deed, these Bylaws, the Articles of Incorporation, and as provided by law. The Board may do or cause to be done all acts and things as are not directed by the Master Deed, the Articles of Incorporation, these Bylaws, or South Carolina law to be done and exercised exclusively by the membership generally.

3.18. Duties. The duties of the Board shall include, without limitation:

- (a) preparing and adopting, in accordance with the Master Deed, an annual budget establishing each Co-owner's share of the Common Expenses;
- (b) levying and collecting such assessments from the Co-owners, as set forth in the Master Deed;
- (c) providing for the operation, care, upkeep, and maintenance of those portions of the Condominium as provided in the Master Deed;
- (d) designating, hiring, and dismissing the personnel necessary to carry out the rights and responsibilities of the Association and where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;
- (e) depositing all funds received on behalf of the Association in a bank depository which it shall approve and using such funds to operate the Association; provided, any reserve fund may be deposited, in the directors' best business judgment, in depositories other than banks;
- (f) making and amending rules in accordance with the Master Deed;
- (g) opening of bank accounts on behalf of the Association and designating the signatories required;
- (h) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Elements in accordance with the Master Deed and these Bylaws;
- (i) enforcing by legal means the provisions of the Master Deed, these Bylaws, and the rules

of the Association and bringing any proceedings which may be instituted on behalf of or against the Co-owners concerning the Association; provided, the Association shall not be obligated to take action to enforce any covenant, restriction or rule which the Board reasonably determines is, or is likely to be construed as, inconsistent with applicable law, or in any case in which the Board reasonably determines that the Association's position is not strong enough to justify taking enforcement action;

(j) obtaining and carrying property and liability insurance and fidelity bonds, as provided in the Master Deed, paying the cost thereof, and filing and adjusting claims, as appropriate;

(k) paying the cost of all services rendered to the Association;

(l) keeping books with detailed accounts of the receipts and expenditures of the Association;

(m) making available to any Co-owner, and the holders, insurers, and guarantors of any Mortgage on any Dwelling Unit, current copies of the Master Deed, the Articles of Incorporation, the Bylaws, rules and all other books, records, and financial statements of the Association, as provided in Article 7, Section 7.7;

(n) permitting utility suppliers to use portions of the Common Elements reasonably necessary to the ongoing development or operation of the Condominium; and

(o) indemnifying a director, officer or committee Member, or former director, officer or committee Member of the Association to the extent such indemnity is required or permitted under South Carolina law, the Articles of Incorporation or the Master Deed.

3.19. Management. The Association may, but shall not be required to, hire a professional management agent or agents, at such compensation as the Board may establish, to perform such duties and services as the Board shall authorize. The Board shall use reasonable efforts in any management contract to provide for termination of such contract, with or without cause and without penalty, upon no more than thirty (30) days written notice. No management contract shall have a term in excess of one (1) year.

3.20. Accounts and Reports. The following management standards of performance shall be followed unless the Board by resolution specifically determines otherwise:

(a) cash basis accounting, as defined by generally accepted accounting principles, shall be employed;

(b) accounting and controls should conform to generally accepted accounting principles;

(c) cash accounts of the Association shall not be commingled with any other accounts;

(d) no remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; any thing of value received shall benefit the Association;

(e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board;

(f) commencing at the end of the quarter in which the first Dwelling Unit is sold and closed, financial reports shall be prepared for the Association at least quarterly (such financial statements shall include an income statement reflecting all income and expense activity for the preceding period on an accrual basis and may include such other reports as deemed necessary by the Board); and

(g) an annual financial report shall be made available to all Members within one hundred twenty (120) days after the close of the fiscal year and at each Association annual meeting. Such annual report may be prepared on an audited, reviewed or compiled basis, as the Board determines; provided, upon written request of any holder, guarantor or insurer of any first Mortgage on a Dwelling Unit, or upon request of a majority of the Total Eligible Association Vote as set forth in Section 7.6, the Association shall provide an audited financial statement.

3.21. Borrowing. The Association shall have the power to borrow money for any legal purpose; provided, however, if the proposed borrowing is for the purpose of making discretionary capital improvements and the total amount of such borrowing, together with all other debt incurred within the previous twelve (12) month period, exceeds or would exceed ten percent (10%) of the budgeted gross expenses of the Association for that fiscal year, the Board shall obtain the approval of Members representing two-thirds (2/3) of the Total Eligible Association Vote, prior to borrowing such money.

3.22. Right to Contract. The Association, acting through the Board of Directors, shall have the right to contract with any person for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational or other agreements with trusts, condominiums, cooperatives, or neighborhood and other Co-owners or residents associations, within and outside the Condominium.

3.23. Authority and Enforcement.

The Condominium shall be used only for those uses and purposes set out in the Master Deed. The Board of Directors shall have the authority to make, modify, repeal and enforce reasonable rules and regulations governing the conduct, use, and enjoyment of Dwelling Units and the Common Elements; provided, copies of all such rules and regulations shall be furnished to all Co-owners and occupants. Any rule or regulation may be repealed by the affirmative vote or written consent of a majority of the Total Eligible Association Vote, at an annual or special meeting of the membership. Every Co-owner and occupant shall comply with the Master Deed, Bylaws and rules and regulations of the Association, and any lack of compliance therewith shall entitle the Association and, in an appropriate case, one (1) or more aggrieved Co-owners, to take action to enforce the terms of the Master Deed, Bylaws or rules and regulations.

The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the Co-owner's Dwelling Unit, and to suspend a Co-owner's right to vote or to use the Common Elements for violation of any duty imposed under the Master Deed, these Bylaws, or any rules and regulations duly adopted hereunder; provided, however, nothing herein shall authorize the Association or the Board to limit ingress and egress to or from a Dwelling Unit. In the event that any occupant of a Dwelling Unit violates the Master Deed, Bylaws, or a rule or regulation and a fine is imposed, notice of such violation shall be sent to the Co-owner and occupant, and the fine shall first be assessed against such occupant; provided, however, if the fine is not paid by the occupant within the time period set by the Board, the Co-owner shall pay the fine upon notice from the Association, and the fine shall be an assessment and a lien against the Dwelling Unit until paid. The failure of the Board to enforce any

provision of the Master Deed, Bylaws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

3.24. Fining and Suspension Procedure. The Board shall not impose a fine, suspend the right to vote or suspend the right to use the Common Elements (provided, however, if a Co-owner is shown on the books or management accounts of the Association to be more than thirty (30) days delinquent in any payment due the Association, suspension of the right to vote and the right to use the Common Elements shall be automatic), unless and until the Association has sent or delivered written notice to the violator as provided in subsection (a) below. Any such fine or fines may be effective or commence upon the sending of such notice or such later date as may be set forth in such notice, notwithstanding the violator's right to request a hearing before the Board to challenge such fine under subsection (b) below.

(a) Notice. If any provision of the Master Deed or Bylaws or any rule or regulation of the Association is violated, the Board shall send the violator written notice identifying the violation and fine(s) and/or suspension being imposed and advising the violator of the right to request a hearing before the Board to contest the violation, fine(s), or suspension, or to request reconsideration of the fine(s) or suspension. Fine(s) may be effective or commence upon the sending of such notice or such later date specified in such notice, notwithstanding the violator's right to request a hearing before the Board to challenge the fine. In the event of a continuing violation, each day the violation continues or occurs again constitutes a separate offense, and fines may be imposed on a per diem basis without further notice to the violator. Suspensions shall be effective pursuant to Section 33-31-621 of the South Carolina Nonprofit Corporation Act of 1994.

(b) Hearing. If a written request for hearing is received from the violator within ten (10) days of the date of the violation notice provided above, then the Board shall schedule and hold in executive session a hearing affording the violator a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the results of the hearing. The Board may establish rules of conduct for such hearing, which may include limits on time and on the number of participants who may be present at one time.

3.25. Additional Enforcement Rights. Notwithstanding anything to the contrary herein contained, the Board may elect to enforce any provision of the Master Deed, the Bylaws, or the rules and regulations by self-help (specifically including, but not limited to, towing of vehicles that are in violation of the parking rules and regulations or performing maintenance on any Dwelling Unit upon a failure by the Co-owner to so do) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity for compliance with the procedure set forth in Section 3.24 of this Article. In any such action, to the maximum extent permissible, the Co-owner or occupant responsible for the violation for which abatement is sought shall pay all costs, including reasonable attorneys' fees actually incurred.

The Association or its duly authorized agent shall have the power to enter a Dwelling Unit or upon any portion of the Common Elements to abate or remove, using such force as may be reasonably necessary, any structure, thing or condition which violates the Master Deed, the Bylaws, or the rules and regulations; provided, however, written notice shall be given to the Co-owner of the Dwelling Unit at least two (2) days prior to the time that any items of construction are altered or demolished. All costs of self-help, including reasonable attorneys' fees, shall be assessed against the violating Co-owner and shall be collected as provided herein for the collection of assessments.

Article 4. Officers

4.1. Officers. The officers of the Association shall be a President, Secretary and Treasurer. Officers may be, but are not required to be, members of the Board. The Board may appoint such other officers, including one or more Vice Presidents, one or more assistant secretaries and one or more assistant Treasurers, as it shall deem desirable, such officers to have such authority and perform such duties as the Board prescribes. Any two or more offices may be held by the same person.

4.2. Election and Term of Office. The Board shall elect the officers of the Association at the first meeting of the Board following each annual meeting of the Members, to serve until their successors are elected.

4.3. Removal and Vacancies. The Board may remove any officer, either with or without cause, and may fill any vacancy in any office arising because of death, resignation, removal, or otherwise for the unexpired portion of the term.

4.4. Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may specifically be conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Master Deed and/or these Bylaws and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both. The Secretary shall prepare and keep the minutes of all meetings of the Association and Board of Directors, have charge of such books and papers as the Board of Directors may direct and shall be responsible for authenticating records of the Association.

4.5. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

4.6. Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two officers or by such other person or persons as may be designated by Board resolution.

4.7. Compensation. Compensation of officers shall be subject to the same limitations as compensation of directors under Article 3, Section 3.13.

Article 5. Indemnification of Directors and Officers

The Association shall indemnify any director or officer of the Association to the fullest extent permitted by law and in accordance with the Articles of Incorporation and the Master Deed.

Article 6. Committees

Subject to the requirements of the South Carolina Nonprofit Corporation Act of 1994, the Board may appoint such committees as it deems appropriate to perform such tasks and to serve for such periods

as the Board may designate by resolution. Each committee shall operate in accordance with the terms of such resolution.

Article 7. Miscellaneous

7.1. Fiscal Year. The fiscal year of the Association shall be the calendar year unless the Board establishes a different fiscal year by resolution.

7.2. Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order Newly Revised (current edition) shall govern the conduct of Association proceedings when not in conflict with South Carolina law, the Articles of Incorporation, the Master Deed, or these Bylaws.

7.3. Conflicts. If there are conflicts between the provisions of South Carolina law, the Articles of Incorporation, the Master Deed, and these Bylaws, the provisions of South Carolina law, the Master Deed, the Articles of Incorporation, and the Bylaws (in that order) shall prevail.

7.4. Severability. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws or the Master Deed.

7.5. Gender and Grammar. The use of the masculine gender in these Bylaws shall be deemed to include the feminine gender, and the use of the singular shall be deemed to include the plural whenever the context so requires.

7.6. Financial Review. A financial review of the accounts of the Association shall be performed annually in the manner provided by the Board, and a financial statement shall be prepared and presented to the Members at the annual meeting. However, after having received the Board's financial statement review at the annual meeting, the Members may, by a majority of the Total Eligible Association Vote, require that the accounts of the Association be audited, as a Common Expense, by an independent accountant. Such statement shall be made available to the holder, insurer, or guarantor of any first Mortgage on a Dwelling Unit upon submission of a written request, and must be available within one hundred twenty (120) days after the fiscal year end of the Association.

7.7. Books and Records.

(a) The Association shall:

(i) keep as permanent records minutes of all meetings of its Members and Board, a record of all actions taken by the Members or directors without a meeting, and a record of all actions taken by committees of the Board as authorized by Section 33-31-825(d) of the South Carolina Nonprofit Corporation Act of 1994;

(ii) maintain appropriate accounting records;

(iii) maintain a record of its Members in a form that permits preparation of a list of the name and address of all Members, in alphabetical order, showing the number of votes each Member is entitled to cast;

(iv) maintain its records in written form or in another form capable of conversion into written form within a reasonable time; and

(v) keep a copy of the following records at its principal office:

(A) its Articles of Incorporation or restated Articles of Incorporation and all amendments to them currently in effect;

(B) its Bylaws or restated Bylaws and all amendments to them currently in effect;

(C) resolutions adopted by the Board relating to the characteristics, qualifications, rights, limitations, and obligations of Members;

(D) the minutes of all meetings of Members and records of all actions approved by the Members for the past three years;

(E) all written communications to Members generally within the past three years, including the financial statements furnished for the past three years under Section 33-31-1620 of the South Carolina Nonprofit Corporation Act of 1994;

(F) a list of the names and business or home address of its current directors and officers; and

(G) its most recent report of each type required to be filed by it with the Secretary of State of South Carolina under the South Carolina Nonprofit Corporation Act of 1994.

(b) All Members of the Association and any holder of a first Mortgage shall be entitled to inspect the following records at a reasonable time and location specified by the Association, upon written request at least five (5) business days before the date on which the Member or mortgagee wishes to inspect and copy:

(i) its Articles of Incorporation or restated Articles of Incorporation and all amendments to them currently in effect;

(ii) its Bylaws or restated Bylaws and all amendments to them currently in effect;

(iii) resolutions adopted by either its Members or Board of Directors increasing or decreasing the number of directors or the classification of directors, or relating to the characteristics, qualifications, rights, limitations, and obligations of Members or any class or category of Members;

(iv) resolutions adopted by either its Members or Board of Directors relating to the characteristics, qualification, rights, limitations, and obligations of Members or any class or category of Members;

(v) the minutes of all meetings of Members and records of all actions approved by the Members for the past three (3) years;

(vi) all written communications to Members generally within the past three (3) years, including the financial statements furnished for the past three (3) years;

(vii) a list of the names and business or home addresses of its current directors and officers; and

(viii) its most recent annual report delivered to the Secretary of State.

(c) A Member may inspect and copy the following records upon written notice at least five (5) business days before the date on which the Member wishes to inspect and copy only if the Member's demand is made in good faith and for a proper purpose that is reasonably relevant to the Member's legitimate interest as a Member; the Member describes with reasonable particularity the purpose and the records the Member desires to inspect; the records are directly connected with this purpose:

(i) excerpts from minutes of any Board meeting, records of any action of a committee of the Board while acting in place of the Board on behalf of the Association, minutes of any meeting of the Members, and records of action taken by the Members or the Board without a meeting, to the extent not subject to inspection under subsection (b);

(ii) accounting records of the Association; and

(iii) the membership list only if for a purpose related to the Member's interest as a Member. Without the consent of the Board, a membership list or any part thereof may not be: used to solicit money or property unless such money or property will be used solely to solicit the votes of the Members in an election to be held by the Association; used for any commercial purpose; or sold to or purchased by any person.

The Association may impose a reasonable charge, covering the cost of labor and material, for copies of any documents provided to the Member.

Notwithstanding anything to the contrary, the Board may limit or preclude Member inspection of confidential or privileged documents, including attorney/client privileged communications, executive session meeting minutes, and financial records or accounts of other Members. Minutes for any Board or Association meetings do not become effective and an official Association record until approved by the Board or Association membership, as applicable, at a subsequent meeting.

7.8. Notices. Except as otherwise provided in the Master Deed or these Bylaws, all notices, demands, bills, statements, and other communications under the Master Deed or these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first class postage prepaid:

(a) if to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Dwelling Unit of such Member; or

(b) if to the Association, the Board of Directors, or the managing agent, at the principal office of the Association or the managing agent, or at such other address as shall be designated by notice in writing to the Members pursuant to this section.

7.9. Amendment. Except where a higher vote is required for action under a particular provision of the Master Deed or these Bylaws, in which case such higher vote shall be necessary to amend, these Bylaws may be amended by the affirmative vote, written consent, or any combination of

affirmative vote and written consent of the Members holding two-thirds (2/3) of the Total Eligible Association Vote. Notice of any meeting at which an amendment will be considered shall state that fact and the subject matter of the proposed amendment. No amendment shall become effective until it is certified by the President and Secretary of the Association and recorded in the Charleston County, South Carolina land records. Any amendment duly certified and recorded shall be conclusively presumed to have been fully adopted in accordance with the Bylaws. Any action to challenge the validity of an amendment adopted under this section must be brought within one (1) year of the amendment's effective date. No action to challenge any such amendment may be brought after such time.

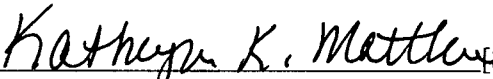
CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of **41 Legare Street Condominium Owners Association, Inc.**, a South Carolina nonprofit corporation;

That the foregoing Bylaws constitute the Bylaws of said Association, as duly adopted by the Incorporators through a Consent to Organizational Action of the Incorporators of 41 Legare Street Condominium Owners Association, Inc., effective the 1st day of January, 2008, and ratified by the Board of Directors through a Unanimous Written Consent of the Board of Directors in Lieu of Meeting, effective the 1st day of January, 2008.

I have hereunto subscribed my name and affixed the seal of said Association as of the 1st day of January, 2008.

 [SEAL]
KATHRYN K. MATTHEW, Secretary

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Filed By: *KHK*

Haynsworth Sinkler Boyd, P.A.

P.O. Box 340
Charleston

SC 29402

Number of Pages:

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Charlie Lybrand, Register
Charleston County, SC

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State Fee	\$ -
County Fee	\$ -
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Postage	

TOTAL	\$ 29.00
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