

RADCLIFFE PLACE
HORIZONTAL PROPERTY REGIME

EXHIBIT "F"
BY-LAWS OF
RADCLIFFE PLACE
HOMEOWNERS' ASSOCIATION, INC.

a non-profit corporation existing under
the laws of the State of South Carolina

-providing for-

THE ADMINISTRATION OF
RADCLIFFE PLACE
HORIZONTAL PROPERTY REGIME

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ARTICLE I

Section 1. Applicability. These are the By-Laws of **RADCLIFFE PLACE HOMEOWNERS' ASSOCIATION, INC.**, a non-profit corporation existing under the laws of the State of South Carolina (hereinafter called the "Association"), which has been organized for the purpose of administering a horizontal property regime established pursuant to the Horizontal Property Act of South Carolina (hereinafter called the "Act"), which is identified by the name **RADCLIFFE PLACE HORIZONTAL PROPERTY REGIME** (hereinafter called "Regime" or "Condominium"), said Regime being located at 300 W. Coleman Blvd., Suite 202, Mt. Pleasant, SC 29464, Town of Mount Pleasant, Charleston County, South Carolina being more particularly described in the Master Deed establishing the Regime. The definitions contained in the Master Deed dedicating **RADCLIFFE PLACE** to the Horizontal Property Regime, of which these By-Laws form a part, shall be applicable to these By-Laws.

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

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

ARTICLE II

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

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

Section 2. Annual Meeting. The first annual meeting of the Association shall take place within four (4) months after either when seventy-five (75%) percent of all the Condominium Units of the Condominium have been sold by the Grantor or three (3) years from the recordation of the Master Deed, whichever shall first occur. Thereafter, the Association shall hold the annual meeting at the same time and on the same date and month of each succeeding year unless the date falls on a legal holiday and then it will be held on the following working day. In said meeting a majority of Co-Owners as herein defined, shall elect the Board of Directors for the Association. In addition, the Co-Owners shall have the right to consider and pass on any new matters or subject which may be brought before them.

Section 3. Special Meetings. The President or Vice President or by a majority of the Board of Directors, or upon written request of Co-Owners who represent at least fifty-one (51%) percent of the percentages of participation in the General Common Elements as stated in Exhibit "E" which is attached and made a part of the Master Deed may call special meetings at any time. The call of the meeting shall be signed by the person or persons making it. The notice shall be in writing and shall state forth the date, the time, place of the meeting, and the matters to be considered and shall be delivered as early as possible at Condominium Units belonging to each Co-Owner by general mail addressed to the place designated for such purposes by the Co-Owners who do not reside in the Condominium, but in no instance shall the notice be mailed less than seven (7) days prior to the date of the meeting. It will always be each Co-Owner's responsibility to notify the Association of a current mailing address.

Section 4. Notice of Annual Meeting. The President or the Secretary shall deliver to each Co-Owner the notice for the regular annual meeting at least ten (10) days prior to the date of

the meeting, but not more than thirty (30) days prior to the date of the meeting. Such notice shall be in writing to each member at his or her address as it appears on the books of the Association. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of the meeting may be waived before or after the meeting.

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

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

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

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

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

Section 9. Agenda. The order of business in a regular meeting of the Council of Co-Owners shall be the following:

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

Section 10. Meeting Place. The meetings of the Association shall be held at RADCLIFFE PLACE, 3105 Bees Ferry Road, Charleston, South Carolina 29407, if space is available in the building or at any other convenient location is to be determined from time to time by the Board of Directors.


Section 11. Majority. At least one-half ($\frac{1}{2}$) of the Co-Owners whose Condominium Unit represents at least fifty-one (51%) percent of the square footage in the General Common Elements in accordance with the percentages assigned to the Condominium Units pursuant to Exhibit "E" to the Master Deed shall constitute a majority of Co-Owner-Owners.

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

ARTICLE III

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

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

- A. Care, upkeep, and surveillance of the Condominium repainting to the good government, administration, and operations of the Regime and especially in regard to General and Limited Common Elements.
- B. To prepare and approve and to submit to the Council of Co-Owners for their review only the annual general budget of foreseeable expenditures and receipts and to fix the proportionate contribution corresponding to each Co-Owner separate from the general budget or budgets.
- C. To direct the financing matters concerning the collection and payments and to keep a book with a detailed account, in chronological order, of the receipts and expenditures affecting the property and its administration and specifying the maintenance and repair expenses of the Association, and to have available for examination by all the Co-Owner-Owners, at convenient hours and days that shall be set for general knowledge, said books as well as the vouchers accrediting the entries made.
- D. To open a bank account in the name of the Council of Co-Owner-Owners, into which it shall deposit all the receipts of the Condominium, making the deposits, and to draw checks against said account to meet all necessary payments, but taking care not to draw them to bearer and that each one has its corresponding voucher and receipt.
- E. To arrange for a yearly audit or review of the Association's books by either a Certified Public Accountant or public accountant, to be determined by the Board. In the event the project consist of 50 or more units said financial statements must be audited within 120 days of the Associations' fiscal year end. 
- F. To care for the maintenance of the Property and order the ordinary repairs; and as to the special maintenance, to adopt the necessary measures, forthwith notifying the Association.
- G. To keep the book of Co-Owners in which shall be entered the names and other data of the Co-Owners of the Condominium Units as well as the succeeding transfers or leases that may take place in connection with those Condominium Units.
- H. To comply and enforce compliance with the provisions of the Horizontal Property Act and of the Master Deed, the Charter, and of the By-Laws and of the resolutions of the Association.
- I. To increase or reduce the assessment for Common Expenses and to fill vacancies of members of the Board of Directors subject to these By-Laws.
- J. Designation and dismissal of the personnel necessary for the maintenance and operation of the Condominium, the General Common Elements and the Limited Common Elements.

K. Any other powers and duties that may be assigned thereto by the By-Laws of the Association, Master Deed, Charter or Act as well as any and all other powers and duties as may be necessary for the administration and management of the affairs of the Association not reserved by law to the Co-Owner-Owners. The Board of Directors may delegate such duties and powers to a management agent as it may deem proper or convenient.

L. To employ a management agent under terms and conditions approved by the Board, provided, however, that any contract with a management agent must include a provision allowing the Association to terminate said contract without penalty by an advance notice of no more than ninety (90) days. This provision does not apply to service contracts.

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

Section 4. Location of Meetings. All meetings of the Board shall be held at RADCLIFFE PLACE, 3105 Bees Ferry Road, Charleston, South Carolina 29407, if possible, and if not, at a convenient location to the Board, to be decided by and at the discretion of the Board of Directors.

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

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

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

Section 8. Notice of Regular and Special Board Meetings. Notice for a regular or special Board of Directors meeting shall be given to each Director personally, by mail, telegraph, or telephone at least three (3) days prior to the date for the meeting and shall state the time, date, place and purpose of the meeting.

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

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

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

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

ARTICLE IV

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

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

Section 3. President. President shall be the chief executive officer of the Council of Co-Owners and shall preside at all meetings of the Association and of the Board. The President shall have the powers and duties normally reposed in his office and/or delegated to him by the Board, including but without limitation thereto the execution of documents, deeds and papers for and on behalf of the Association, and the appointment of committees from and among the Co-Owners to help in the management of the affairs of the Association.

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

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

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

Section 6. Treasurer. The Treasurer shall:

- A. Have custody of the funds and securities of the Association and shall keep full and accurate accounts of receipts and disbursements in the books belonging to the Association and shall deposit all monies, securities, and valuables in the name of and to the credit of the Association with such depositories as may be designated from time to time by the Board.
- B. Keep books in such a manner as to accurately reflect receipts, accounts receivable, payments and accounts payable.
- C. Disburse the funds of the Association as may be ordered by the Board pursuant to these By-Laws.
- D. Collect the assessment from the Co-Owners and report the status of the collections and delinquencies to the Board.

E. Have check Co-Owner-signature authority along with the President of the funds of the Association.

F. These duties may be assigned to an administrator (manager) if so approved by the Board of Directors.

ARTICLE V

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

ARTICLE VI

FISCAL MANAGEMENT

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

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

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

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

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

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

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

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

C. Initial Capital Payment. (i) Upon taking office, the first Board of Directors elected or designated pursuant to these By-Laws shall determine the budget, as defined in this Section, for the period commencing thirty (30) days after such selection and ending on the last day of the

fiscal year in which such selection occurs. Assessments shall be levied and become a lien against each Co-Owner during such period as provided in Section 9 of this Article.

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

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

(ii) Accounts. All sums collected by the Board of Directors with respect to assessments against the Co-Owners or from any other source may be commingled into a single fund or held for each Co-Owner in accordance with his percentage interest.

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

Section 5. Payment of Assessments.

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

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power to bid on the Condominium Unit at foreclosure sale and to acquire, lease, or mortgage and convey the same.

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

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

B. All Co-Owners shall be obligated to pay the Common Expense assessed by the Board of Directors. No Co-Owner may exempt himself or herself from liability of Assessments or carrying charges by waiving the use or enjoyment of any of the Common Elements or by abandoning any Condominium Unit he or she owns. The Assessments shall be made prorata according to the value of the Condominium Unit as stipulated in the Master Deed.

C. The Board of Directors of the Association shall make reasonable efforts to fix the amount of the Assessment against each Condominium Unit for each Assessment period at least ten (10) days in advance of such date or period and shall, at that time, prepare a roster of the membership and Assessments applicable thereto which shall be kept by the Treasurer of the Association. The omission of the Board of Directors, before the expiration of any Assessment period, to fix Assessments for that or the next period shall not be deemed a waiver or modification in any respect of the provisions of this Article, or a release of any Co-Owner from the obligation to pay the Assessment. The Assessment fixed for the preceding period shall continue until a new Assessment is fixed.

Section 6. Proviso. Provided, however, that until Radcliffe Place, LLC, a South Carolina Limited Liability Company, the Grantor of the Condominium Units within the Condominium has annexed all phases as herein set forth the total Assessments of each Co-Owner of **RADCLIFFE PLACE** Condominium Units will not be established. The Budget per Exhibit "H" of the Master Deed is a projected full occupancy Budget. Radcliffe Place, LLC, the Grantor of the Condominium Units shall have no responsibility for the payment of any assessments nor shall

any assessments be made against the Condominium Units owned by Radcliffe Place, LLC until such Condominium Unit is completed, made a part of the Condominium Regime, and a Certificate of Occupancy has been obtained. The right of Radcliffe Place, LLC not to pay for Assessments nor be assessed for each uncompleted Condominium Unit may not be changed or amended pursuant to the terms and conditions of the Master Deed, By-Laws and other Exhibits except with the written consent of Radcliffe Place, LLC.

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

Section 8. Reserves. The Board of Directors shall build up, maintain and periodically review reasonable reserves for working capital, operations, and replacements. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against reserves. If the reserves are inadequate for any reason, including non-payment of any Co-Owner's Assessment, the Board of Directors, may at any time levy a further Assessment, which shall be assessed against the Co-Owners according to their respective percentage assigned in the Common Elements, and which may be payable in a lump sum or in installments as the Board of Directors determines. The Board of Directors shall serve notice of any such further Assessment on all Co-Owners by a statement in writing giving the amount and reason therefor, and such further Assessment on all Co-Owners by a statement in writing giving the amount and reason therefore, and such further Assessment shall, unless otherwise specified in the notice, become effective with the next monthly amount. The payment and collection of the Assessment made pursuant to the foregoing provisions shall be in accordance with the terms providing for payment and collection of Assessments in these By-Laws and the Act, including, without limitation, the right reserved to the Board of Directors to accelerate payment of Assessments and the right to recover attorney's fees and costs.

Section 9. Collection of Assessments and Default.

A. The Board of Directors may take prompt action to collect any Assessments for Common Expenses due from any Co-Owner which remain unpaid for more than ten (10) days from the date due to payment thereof.

B. Any regular or special Assessment levied pursuant to these By-Laws, or any installment thereof, which is not paid on the first day of each month, shall be in default. The Assessment shall, together with interest thereon and the cost of collection thereof, as hereinafter

provided, thereupon become a continuing lien upon the Condominium Unit belonging to the Co-Owner against whom such Assessment is levied. The Assessment shall bind such Condominium Unit in the hands of the then Co-Owner, his/her or its heirs, devisees, personal representatives and assigns. The sale or transfer of the unit estate would have no effect on the lien, unless foreclosure of the first mortgage is involved. The personal obligations of the Co-Owner to pay such Assessment shall, however, remain his/her or its personal obligation for the statutory period and a suit to recover a money judgment for non-payment of any Assessment levied pursuant to these By-Laws, or any installment thereof, may be maintained without foreclosing or waiving the lien herein pursuant to the Master Deed or these By-Laws, and any installment thereof, which is not paid within ten (10) days after it is due, may, upon resolution of the Board of Directors, bear interest at the prevailing rate not to exceed the lawful rate of interest according to South Carolina law. The member obligated to pay this delinquent Assessment, may, by resolution of the Board of Directors, be subject to such penalty or "late charge" as the Board of Directors may fix prior to the fiscal period in which nonpayment occurs. The Association may bring an action at law against the Co-Owner personally obligated to pay the same or foreclose and/or enforce the lien against the Condominium Unit then belonging to said Co-Owner in the manner now or hereinafter provided for the foreclosure of mortgages or other liens on real property in the State of South Carolina, and subject to the same requirements, both substantive and procedural, or as may otherwise from time to time be provided by law, in either of which events interest, costs and reasonable attorney's fees shall be added to the amount of each Assessment. Upon the sale or conveyance of a Condominium Unit, all unpaid Assessments against a Co-Owner for his or her prorata share in the Common Expenses shall be paid out of the sales price or by the acquiescence in preference over any other Assessments or charges of whatever nature except the following:

(1) Assessments, liens, and charges for taxes past due and unpaid on the Condominium Unit.

(2) Payments due under mortgage instrument or encumbrances duly recorded.

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

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

Section 10. Additional Default. Any recorded first mortgage secured by a Condominium Unit in the Condominium shall provide that any default by the mortgagor in the payment of any Assessment levied pursuant to these By-Laws, or any installment thereof shall likewise be a default in such mortgage (or the indebtedness secured thereby). Failure to include such a provision in any such mortgage shall not affect the validity or priority thereof and the protection

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

ARTICLE VII

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

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

ARTICLE VIII

SURVIVAL OF LIABILITY

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

ARTICLE IX

USE RESTRICTIONS.

Section 1. Rules and Regulations. The Board may from time to time adopt or amend rules and regulations governing and restricting the use and maintenance of Limited and General Common Elements provided, however, that copies of the rules and regulations shall be furnished

each Co-Owner prior to the time the same shall become effective and that the same shall be posted in a conspicuous place in the Condominium. No amendments or changes to the rules and regulations shall be made that may be in conflict with any clauses or provisions of the Master Deed or these By-Laws. Nothing in this Article or otherwise herein set forth shall be construed from prohibiting the Grantor from the use of any Condominium Unit which Grantor owns or leases for promotion, marketing, or display purposes as model Condominium Units, or from leasing any Condominium Unit or Condominium Units which Grantor owns.

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

Section 3. Residential Use. Except for the areas of the Condominium designated for recreational use, all Condominium Units shall be used for private residential purposes exclusively except such temporary non-residential uses as may be permitted by the Board of Directors from time to time. Furthermore, no Condominium Unit may be occupied by more than the permitted number of heads of household and their family pursuant to county and state zoning regulation and law. No improper, offensive or unlawful use shall be made of the Property nor any part thereof; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies which require maintenance, modification or repair of such Property shall be the same as the responsibility for the maintenance and repair of the Property concerned.

Section 4. Obstruction. The entrances, passages, corridors, stairways, garage and parking area and other Limited and Common Elements of the Condominium shall not be obstructed, encumbered, or used for any purposes other than ingress and egress to and from the Condominium and/or Condominium Unit and other purposes for which they are intended and no carriages, bicycles, mopeds, wagons, carts, chairs, benches, tables, toys, or other objects, or things, regardless of the nature thereof shall be left or stored therein.

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

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

Section 7. Articles. No garbage cans, supplies, no bottles, or other articles shall be placed in the corridors, on the balconies, decks, patios, on the stairways, on any other Limited or General Common Elements of the Condominium, nor shall lines, cloths, clothing, curtains, windows, doors, or balconies, patios, or exposed on any part of the windows, doors, or balconies, decks, patios, or be exposed on any part of the Limited or General Common Elements unless written permission is obtained for the Council of Co-Owners.

Section 8. Debris. Limited and General Common Elements shall be kept free of rubbish, debris, garbage, or unsightly material.

Section 9. Safety. Co-Owners shall take reasonable precautions not to permit anything whatsoever to fall from his/her Condominium Unit nor shall he sweep or throw from the Condominium Unit or other part of the Condominium any dirt or substance into the corridors, halls, balconies, decks, patios, or other similar areas in the Condominium.

Section 10. Trash. Refuse, rubbish, and garbage shall be disposed of and in a manner provided for and not placed outside in the corridors, hallways, balconies, decks, patios, or stairways, etc. at any time or for any reason.

Section 11. Windows. The Co-Owners of any Condominium Unit shall, at his own expense, clean, repair and maintain both the interior and exterior surfaces of all windows. Drapes or shades covering the windows in individual Condominium Units shall be completely lined with white lining, except those drapes or shades used in the model units for such time as they are used as model units.

Section 12. Employees of the Association. Employees of the Association (if any) shall not be sent out of the Condominium by Co-Owners at any time for any purpose other than by the Board of Directors. Neither shall employees of the Association come in and service or repair or replace items that are the responsibility of the Co-Owners while working for the Association.

Section 13. Fire Equipment. Fire prevention and fire fighting equipment throughout the Condominium shall not be tampered with.

Section 14. Parking. The parking spaces, and facilities shall be used exclusively for parking automobiles except upon written consent of the Board of Directors and then only in designated areas. Except as herein provided no trailers, tractors, campers, wagons, or trucks that exceed three-quarter ton) or other commercial type motor vehicles shall be parked therein except vehicles while loading and unloading at any designated loading area. No repair work on motor vehicles shall be carried out in the parking spaces except emergency repair. Only legally registered and operating vehicles are permitted on the grounds of the Condominium. Automobiles or other allowed motor vehicles shall not be washed in the parking spaces or upon the grounds of the Condominium.

Section 15. Noises. No Co-Owner shall make or permit any disturbing noises in the Limited or General Common Elements and/or his Condominium Unit by the Co-Owner, his family, servants, employees, agents, visitors, guests, invitees, licensees, tenants, or lessees, nor do or permit to be done by such persons anything that will interfere with the rights, comfort, or convenience of the remaining Co-Owners or occupants. No Co-Owner shall play any musical instrument, phonograph, radio, television, or sound amplifier in such a manner or volume so as to disturb or annoy any other Co-Owner or occupant. Wired stereo systems on the porch of any unit is prohibited.

Section 16. Pets. Pets shall be kept or maintained in or about the Condominium Units only if the Co-Owner is granted a conditional license to maintain one (1) pet by the Association. Such a license will be granted subject to the following conditions and reservations:

A. Acceptable Pets: Unless the Board of Directors grants a waiver of this condition, the only pets to be permitted on the Condominium property shall be dogs which are under thirty (30) pounds when fully grown and cats, small birds, and fish.

B. It shall be the responsibility of the Co-Owner to pay for any and all costs involved in restoring to the original new condition any damage caused to the Condominium property by a pet.

C. A Co-Owner shall be financially responsible for any personal injury or personal property damage caused to any Co-Owner, tenant, guest, employee of the Association, or to any member of the public as a result of the Co-Owner's maintenance of a pet.

D. Pets must be carried in arms or on a leash when taken in and out of the building.

E. Pets shall not be permitted in the public rooms under any circumstances. Pets must not be curbed near the buildings, walkways, shrubbery, pool area, gardens, planting areas, open areas, or other public space. Each Co-Owner shall be responsible for cleaning up or removing from the Property any pet waste.

F. Guests, tenants, and visitors of a Co-Owner shall not be permitted to bring any pets onto the Condominium property other than those allowed in Section 16A.

G. The Board of Directors may, upon their sole determination, revoke or terminate the above conditional license if a pet is either vicious or is annoying other Co-Owners or occupants or is otherwise a nuisance.

Section 17. Advertisements. No ads, signs, posters, or advertisement of any kind shall be posted on the walls, windows, or doors in the interior or exterior of the Limited or General Common Elements.

Under no circumstances will signs offering the Condominium Units for rent or sale be posted on the interior or exterior of the Condominium Units or upon the Limited or General Common Elements except in form and in such location as provided by the Association. The provisions of this subsection shall not be applicable to the Grantor or institutional holder of any first mortgage which comes into possession of any Condominium Unit by reason of any remedies provided by law or in such mortgage or as a result of a foreclosure.

Section 18. Leasing of Condominium Units. Condominium Units may be rented according to the following provisions:

A. Copies of all leases shall be deposited with the Association.

B. Tenants shall abide by the Association's rules and regulations and failure to do so shall result in the immediate eviction of the offending tenant or tenants.

C. The minimum rental lease period or term for a Condominium Unit shall not be less than one (1) year.

D. The lease for any Condominium Unit within the Condominium shall contain provision to the effect that the rights of the tenant to use and occupy the Condominium Unit shall be subject to and subordinate in all respects to the provisions of the Master Deed and these By-Laws and to other reasonable rules and regulations.

Section 19. Air Conditioning Units. No Co-Owner shall install or cause to be installed window units or wall air conditioning units. Only condenser units tied into an approved system, and approved in writing by the Board of Directors of the Association may be placed on the balconies or decks and patios.

Section 20. Hazard. Nothing shall be done or maintained in any Condominium Unit or upon any Limited or General Common Element which will increase the rate of insurance on any Condominium Unit or on the Limited or General Common Elements, or result in the cancellation thereof, without the prior written approval of the Board of Directors. Nothing shall be done or maintained in any Condominium Unit which would be in violation of any law. Barbecuing is absolutely prohibited upon any General or Limited Common Element, balconies, decks, or in any Condominium Units, provided, however, that barbecuing is permitted in the areas designated for same as shown on Exhibit "B".

Section 21. Commercial Activities. No Condominium Unit or Limited or General Common Elements shall be used for commercial activities of any character. This subsection shall not apply to the use of the Limited or General Common Elements and of Condominium Units owned by the Grantor for display, marketing, promotional or sales purposes or as "model" Condominium Units.

Section 22. Parking and Prohibited Vehicles.

(a) Parking. Vehicles shall be parked only in appropriate spaces or designated area in which parking may or may not be assigned. Vehicles shall be subject to such reasonable rules and regulations as the Board of Directors may adopt. The Association may designate certain on-street parking areas for visitors or guests subject to reasonable rules.

(b) Prohibited Vehicles. No commercial vehicles, vehicles with commercial writing on their exteriors, vehicles primarily used or designed for commercial purposes, tractors, mobile homes, recreational vehicles, trailers (either with or without wheels), campers, camper trailers, motorcycles, motorbikes, boats, and other watercraft, and boat trailers shall be parked or maintained on the property. Disabled vehicles, stored vehicles, and vehicles which are either obviously inoperable or do not have current operating licenses shall not be permitted on the Property. For purposes of this Section, a vehicle shall be considered "disabled" if it is put up on

blocks or covered and remains on blocks or so covered for seven (7) consecutive days without the prior written approval of the Board, and a vehicle shall be considered "stored" if it remains in the same place on the Property for fourteen (14) consecutive days or longer without the prior written approval of the Board. Service and delivery vehicles may be parked on the Property during daylight hours for such period of time as is reasonably necessary to provide service or to make a delivery to a Unit or the Common Area.

Section 23. Wiring. No radio or television or C. B. installation or other wiring shall be installed. Any installation or wiring made without consent is liable to be removed without notice and at the cost of the Co-Owner for whom such wiring was installed.

Section 24. Exterior Walls and Balconies. No Co-Owner shall paint, modify, attach to, or improve the exterior walls or balconies of his Condominium Unit except with previous written consent of the Board of Directors of the Association.

Section 25. Awnings. No blinds, shades, glass, jalousies, ironwork, screen, awnings, panels, or covering shall be affixed or attached to the outside of the building or the exterior windows, doors, or balconies, landecks, patios, or interior doors leading onto the corridors without the previous written consent of the Board of Directors of the Association.

Section 26. Time Sharing. Subject to applicable law no time sharing or vacation time sharing plans are permitted to be entered into by any Co-Owner or their agents, tenants, guests, or invitees. Further, subject to applicable law no Co-Owner may sell his or her Condominium Unit on a time share plan (even though the purchaser received an undivided fee simple deed) or lease his or her Condominium Unit on a vacation time share leasing plan which otherwise means arranging, planning, or similar device whereby membership agreement, lease, rental agreement, licenses, use agreement, security, or other means whereby a tenant and/or purchaser receives a right to use accommodations or Condominium Unit or facilities or any of the above, but does not receive an undivided fee simple interest in the property for a specific period of time during any given year.

Section 27. Right of Access to Condominium Units. The Board of Directors or its designated agent may retain a passkey to have access to each Condominium Unit from time to time during reasonable hours as may be necessary for the maintenance, repair, replacement of any of the Common Elements therein or accessibility therefrom, or making emergency repairs therein necessary to prevent damage to the Common Elements, Limited Common Elements, or any other Condominium Unit or Condominium Units with the Condominium. No Condominium Unit Co-Owner shall alter any lock or install new locks on any door of the premises without providing Board of Directors a key.

Section 28. Use of Common Elements. Each Co-Owner, tenant, or occupant of a Condominium Unit may use the elements held in common in accordance with the purpose for which they are intended, without hindering or encroaching upon the lawful rights of the other Co-Owners, tenants, or occupants.

Any violations of any of these preceding rules shall be sufficient to bring judicial action against the violator. Action can be filed by the Board of Directors on behalf of the Co-Owners and the Board shall be entitled to recover any reasonable court costs and attorney fees from the violator, which sum shall be charged to the same extent, force, and effect as if the charge were a part of the Common Expense.

Section 29. Window Coverings. The window coverings or window treatments on the side of the window covering or window treatment facing the window pane and visible from the outside of the building will be of a white color.

Section 30. Antennae. No exterior radio, television, microwave or other antenna or antenna dish or signal capture and distribution device shall be permitted outside any Unit without written approval of Declarant or the Association as to the location, color and screening. Said approval should not unreasonably impair an owner's installation, maintenance and use of his or her chosen television signal reception device. Declarant or the Association may install one or more exterior radio, television, microwave or other antenna or antenna dish or signal capture and distribution device for the Condominium.

Section 31. Compliance with Laws. Subject to the rights of reasonable contest, each Owner shall promptly comply with the provisions of all applicable laws, regulations, ordinances, and other governmental or quasi-governmental regulations with respect to all or any portion of the Property. Further, no Owner shall dispose or allow any person under the Owner's control or direction to release, discharge or emit from the Property or dispose of any material on the Property that is designated as hazardous or toxic under any federal, state or local law, ordinance or regulation.

Section 32. Outside Burning. There shall be no exterior fires, except barbeques. No Owner shall permit any condition upon a Unit which creates a fire hazard or is in violation of fire prevention regulations.

Section 33. Balconies and Patios. No bicycles may be stored on the balconies of Condominium Units. Lawn furniture and barbecue grills may be stored on balconies or patios of Condominium Units if such items are not taller than 36" high and cannot be visibly viewed from other Condominium Units or other portions of the Property.

Section 34. Hot Tub. With written approval of Declarant or the Association, a hot tub may be installed and operated only within the patio or screen porch of said units.

ARTICLE X

INSURANCE AND CASUALTY LOSSES

Section 1. Insurance. The Association's Board of Directors or its duly authorized agent shall have the authority to and shall obtain insurance for all Limited and General Common Elements and all Condominium Units against loss or damage by fire or other hazards, including

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

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

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

A. All policies shall be written with a company licensed to do business in South Carolina unless otherwise approved by the Association's Board of Directors and holding a rating of AA or better in the financial category as established by Best's Insurance Reports if such company is available and, if not available, the best rating possible or its equivalent rating.

B. All policies shall be for the benefit of the Co-Owners and their Mortgagees as their interests may appear and shall name said Mortgagee as loss payee.

C. Provision shall be made for the issuance of a certificate of insurance to each Co-Owner and his or her Mortgagee, if any, which shall specify the amount of each insurance attributable to the particular Co-Owner's interest in the Limited and General Common Elements.

D. Exclusive authority to adjust losses under policies hereafter in force on the property obtained by the Association shall be vested in the Association's Board of Directors; provided, however, that no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

E. In no event shall the insurance coverage obtained and maintained by the Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Co-Owners or their mortgagees.

F. The Association's Board of Directors shall conduct at least once every three (3) years an insurance review which shall include a replacement cost appraisal without respect to depreciation, of all insurable improvements on the Limited and General Common Elements.

G. The Association's Board of Directors shall be required to make every reasonable effort to secure insurance policies that will provide for the following:

- (1) A waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, its manager, the Co-Owners, and their respective servants, agents, and guests;
- (2) A waiver by the insurer of its right to repair, and reconstruct instead of paying cash;
- (3) That any "other insurance" clause in any policy exclude individual Co-Owners' policies from consideration.

Section 2. Insurance Trustee.

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

B. The duty of the Trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purposes elsewhere stated herein for the benefit of the Co-Owners and their mortgagees, in the following shares, but which shares need not be set forth on the records of the Trustee:

(1) Proceeds on account of damage to Common Elements shall consist of an undivided share for each Co-Owner, such share being the same as the undivided share of such Co-Owner in the Common Elements appurtenant to his or her Condominium Unit.

(2) Proceeds on account of damage to building and Condominium Units whether said damage is repaired or not shall be held for the Co-Owners thereof in proportion to the cost of repairing the damage suffered by each Co-Owner, which costs shall be determined by the Association, whether or not said insurance has been purchased by the Association or Co-Owners.

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

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

(1) All expenses of the trustee shall be paid or provisions made for payment.

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

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

D. Reconstruction or Repair after Casualty.

(1) In the event of fire or other disaster or casualty resulting in damage to the buildings and other improvements of the Regime which the Board of Directors of the Association shall determine to be two-thirds (2/3) or less of the then total value of the Property of the Regime (excluding land), the net proceeds of all insurance collected shall be made available for the purpose of restoration or replacement. When such insurance proceeds are insufficient to cover the cost of such reconstruction or replacement, the balance of such costs shall be assessed against the Co-Owners in the case of damage to Common Elements and against the Co-Owners who own the damaged Condominium Units in the case of damage to Condominium Units. Such assessments on account of damage to Common Elements shall be in proportion to the Co-Owner's share in the Common Elements, and assessments against Co-Owners for damage to Condominium Units shall be in proportion to the costs of reconstruction and repair of their respective Condominium Units.

(2) In the event that Building and other improvements of the Regime are damaged or destroyed, if more than two-thirds (2/3) of the then total value of the Property of the Regime (excluding land) as determined by the Board of Directors of the Association, the members of the Association shall be polled in writing via United States mail by the Association as to whether the Regime shall be waived or the damaged property reconstructed and repaired. The Regime shall

be waived unless within sixty (60) days after the mailing of such notices all of the Co-Owners, as well as all of the record owners of encumbrances, agree in writing to repair and reconstruct the Building and other improvements of the Regime. If the election is to reconstruct or replace, payment of the costs thereof shall be made as provided for in Section 2 of this Article. If the decision is to waive the Regime and not to reconstruct and replace, all sums recovered from insurance shall be paid over to the Co-Owners in the proportion in which they own the Common Elements and to their respective mortgagees as their interest may appear.

(3) The Trustee (if any) may rely upon a certificate of the Association to determine whether or not the damaged property is to be reconstructed or repaired or whether the Regime is to be waived.

(4) If the damage is only to those parts of a Condominium Unit for which the responsibility of maintenance and repair is that of the individual Co-Owner, then the Co-Owner shall be responsible for reconstruction and repair after casualty. In all other instances, the responsibility of reconstruction and repair after casualty shall be that of the Association.

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

(6) Any reconstruction or repair must be substantially in accordance with the plans and specifications of the original improvements which are shown on the exhibits attached to the Master Deed; or if not, then according to plans and specifications approved by the Board of Directors of the Association, and if the damaged property is the Building, also by the Co-Owners who own at least seventy-five (75%) percent of the Common Elements, including the Co-Owners of all damaged Condominium Units. The approvals herein required shall not be unreasonably withheld.

ARTICLE XI

MAINTENANCE

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

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

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

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

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

Section 3. Manner of Repair and Replacement. All repairs and replacements shall be substantially similar to the original construction and installation and shall be of first-class quality, but may be done with comparative building materials and equipment. The method of approving payment vouchers for all repairs and replacements shall be determined by the Board of Directors.

ARTICLE XII

ARCHITECTURAL CONTROL

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

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

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

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

ARTICLE XIII

PARLIAMENTARY RULES

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

ARTICLE XIV

AMENDMENTS

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

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

B. A resolution for the adoption of the proposed amendment shall be presented to a meeting of the Council of Co-Owners. Such approval shall be by Co-Owners representing at least two-thirds (2/3) of the total basic value of the Property, as set forth in Exhibit "E" attached to the Master Deed.

C. Execution and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted, which certificate shall be executed by the officers of the Association with formalities of a deed. The amendment shall be effective when such certificate and a copy of the amendment are recorded in the Office of the RMC for Charleston County, South Carolina.

ARTICLE XV

CORPORATE SEAL

The seal of the corporation shall consist of two concentric circles between which is the name of the Association, and in the center of which is inscribed "Seal", and such seal as impressed on the margin hereof is adopted as the corporate seal of the Association.

ARTICLE XVI

CONFLICTS

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

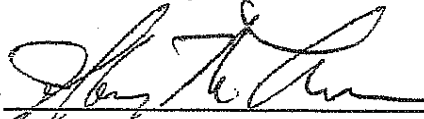
Director

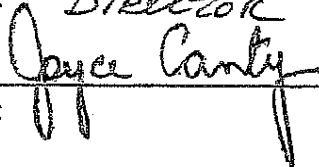
Director

Director

The foregoing was adopted as By-Laws of **RADCLIFFE PLACE HOMEOWNERS' ASSOCIATION, INC.**, a non-profit corporation, existing under the laws of the State of South Carolina at the first meeting of the Board of Directors on the _____ day of _____, 2002.

RADCLIFFE PLACE HOMEOWNERS' ASSOCIATION, INC.

By: 
Its: Director

Attest: 
Its: