

EXHIBIT K TO
MASTER DEED
OF
LAKEVIEW AT ASHBOROUGH
HORIZONTAL PROPERTY REGIME

BYLAWS

THESE BYLAWS of LAKEVIEW AT ASHBOROUGH HORIZONTAL PROPERTY REGIME (Regime) are promulgated pursuant to the Horizontal Property Act of South Carolina (Act) for the purpose of governing the Regime's Council of Co-owners in the administration of the Regime. All terms not defined in these Bylaws have the meaning set out in the Act or the Master Deed.

ARTICLE I
COUNCIL OF CO-OWNERS

A. MEMBERSHIP. Every Co-owner shall be a member of the Council of Co-owners (Council) incorporated as a non-profit corporation under South Carolina law under the name Lakeview at Ashborough Horizontal Property Regime. A person who holds title to a Unit merely as security for payment of a debt shall not be entitled to exercise the rights of Co-owner unless he holds a proxy conferring such rights.

B. VOTING. A Co-owner's voting rights and the vote required to adopt decisions shall be as set out in Article IV, Paragraph D of the Master Deed. Votes can be cast only at meeting of the Council convened in accordance with the Bylaws, and in the absence of a valid proxy, an individual shall act in his own behalf, a corporation shall act by any officer, a partnership shall act by any general partner, an association shall act by any associate, a trust shall act by any trustee, and any other legal entity shall act by any managing agent. The failure of an absent Co-owner to execute and return the proxy form mailed to him as provided in Paragraph N of this Article shall constitute a proxy to and for the majority present and voting. When a Co-owner consists of two or more persons, any one shall be deemed authorized to act for all unless another objects, in which case the vote which such Co-owner would otherwise be entitled to cast may not be cast.

C. QUORUM. The presence of Co-owners owning fifty-one per cent of the value of the Property shall constitute a quorum for the transaction of business at meetings of the Council; provided, however, that any absent Co-owner who does not execute and return the proxy form mailed to him as provided in Paragraph N of this Article shall be deemed to be present for the purpose of determining the presence of a quorum.

D. CONSENTS. Any action which may be taken by a vote of the Co-owners may also be taken by written consent to such action signed by all Co-owners.

E. INITIAL MEETING. The initial meeting of the Council shall be held at such time as Grantor deems practicable and convenient within four months after the sale of seventy-five percent of all the Units the Regime will ultimately comprise. In any event, the Grantor will hold the initial meeting of the Council no later than five years following the date he conveys the first Unit of the Regime. The following matters, and such other business as the Manager may deem appropriate, shall be taken up at the initial meeting:

1. Adoption of a fiscal year;
2. Approval of a budget for the fiscal year;
3. Determination of the Annual Assessment and the date upon which it is due and payable;
4. Determination of the date of the first and subsequent annual meetings; and
5. The election of the initial, three-person Board of Directors in accordance with Article II of these Bylaws.

Recommendations on all such matters shall be made to the Council by the Manager.

F. 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.

G. SPECIAL MEETINGS. Special meetings of the Council may be called at any time by the President of the Council or by a majority of the Board of Directors and shall be called upon the written request of Co-owners owning a majority of the Property. Only such business as is stated in the notice of meeting shall be transacted at a special meeting unless all Co-owners waive notice of any additional business.

H. NOTICE OF MEETINGS. Written notice of every annual or special meeting stating the time 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 nor more than thirty days in advance of the meeting. Failure to give proper notice of a meeting shall not invalidate any action taken at such meeting unless (1) a Co-owner who is present but was not given proper notice objects at the meeting, in which case the matter objected to shall not be taken up, or (2) the Co-owner who was not present and was not given proper notice, objects in writing to the lack of proper notice within thirty days following the meeting, in which case the action objected to shall be void.

I. WAIVER OF NOTICE. Waiver of notice of a meeting 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 waiver by such Co-owner of notice of the time, date, and place of the meeting unless the Co-owner specifically objects to the lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed 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.

J. PLACE OF MEETING. All meetings shall be held at such convenient place as the Manager may direct.

K. ADJOURNMENT. Any meeting of the Council may be adjourned from time to time for periods not exceeding forty-eight hours by vote of Co-owners holding a majority of the votes 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.

L. ORDER OF BUSINESS. The order of business at all meetings of the Owners shall be as follows:

1. Roll Call;
2. Proof of proper notice of the meeting or waiver of notice;
3. Reading of the minutes of the preceding meeting;
4. Report of the Board of Directors;
5. Reports of officers;
6. Reports of committees;
7. Report of the Manager;
8. Election of Directors (when required);
9. Unfinished business; and
10. New business.

M. MINUTES OF MEETINGS. The Secretary of the Council shall prepare and keep, or cause to be prepared and kept, accurate minutes of every meeting. The minutes shall be made available for examination and copying by any Co-owner at any reasonable time.

N. PROXIES. Any Co-owner may by written proxy designate an agent to cast his vote. Unless a proxy states otherwise, 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 it states otherwise. No proxy shall be honored until delivered to the Secretary of the Council. If at least thirty days prior to a duly called meeting a Co-owner is informed by registered mail of (1) the time and place of the meeting, (2) the agenda for the meeting, and (3) such

data as is then available relative to issues on which there will be a vote, and a proxy form is included in such mailing, and the Co-owner neither attends the meeting nor returns his executed proxy, then such Co-owner shall be deemed to have given his proxy to and for the majority present and voting.

ARTICLE II
BOARD OF DIRECTORS

A. FORM OF ADMINISTRATION. The Council shall act by and through its Board of Directors. Prior to the election of the first Directors, the Manager shall have and perform for the benefit of all Co-owners, the authorities and duties of the Board.

B. AUTHORITIES AND DUTIES. On behalf of and as directed by the Council, and as required by the Act, the Master Deed, and these Bylaws, the Board of Directors shall provide for the following:

1. The contracting with a Manager to provide for the surveillance and security of the Property, the maintenance, repair, and replacement of the Common Elements, and the designation and discharge of the persons necessary to accomplish the same;
2. The collection of assessments from the Co-owners;
3. The procuring and keeping in force of insurance on the Property and the adjusting (including the execution and delivery of releases upon payment) of claims against the policies which are obtained;
4. The enacting of reasonable regulations governing the operation and use of the Common Elements;
5. The enforcement of the terms of the Act, Master Deed, and these Bylaws, and the regulations promulgated pursuant to the Bylaws; and
6. Otherwise administering the Council and the Property on behalf of and for the benefit of all Co-owners.
7. Upon written request to the Council, identifying the name and address of the holder, insurer or guarantor and the unit number or address, the Board of Directors shall provide timely written notice to any mortgage holder, insurer or guarantor of:
 - a. any condemnation or casualty loss that affects either a material portion of the Project or the Unit securing the mortgage.
 - b. any 60-day delinquency in the payment of assessments or charges owed by the owner of any Unit on which it holds a mortgage.
 - c. a lapse, cancellation, or material modification of any insurance policy or fidelity bond which the Council maintains.
 - d. any proposed action that requires the consent of a specified percentage of mortgage holders.

C. QUALIFICATION. Only an individual who is a Co-owner, or who together with another person or other persons is a Co-owner, or who is an officer of a corporation, a general partner of a partnership, an associate of an association, a trustee of a trust, or a managing agent of any other legal entity which is a Co-owner, or which together with another person or persons is a Co-owner, may be elected or continue to serve as a Director of the Association. A Co-owner which consists of more than one individual, or which is a corporation or other legal entity consisting of more than one individual who is qualified to be a Director, shall not be permitted to provide a greater number of Directors than the number of offices such Co-owner owns.

D. ELECTION AND TERM. The initial Board of Directors shall consist of three people who shall be elected at the initial meeting of the Council and shall serve until the first annual meeting of the

Council. At the first annual meeting, the Co-owners shall elect three Directors, one for a term of one year, one for a term of two years, and one for a term of three years. At each subsequent annual meeting, a Director shall be elected for a three year term to succeed the Director whose term expires at such meeting. A plurality of the votes cast shall be sufficient to elect a Director in any election. A Director may be elected to succeed himself, and a Director shall be deemed to continue in office until his successor has been elected and has assumed office.

E. REMOVAL. A Director may be removed from office with or without causa by the vote of the Co-owners.

F. VACANCIES. Any vacancy on the Board of Directors shall be filled by the vote of the Co-owners. The new Director shall serve for the unexpired term of his predecessor.

G. VOTING. Each Director shall have one vote on all matters acted upon by the Board of Directors. The affirmative vote of two Directors shall be sufficient for any action unless otherwise specified in these Bylaws.

H. QUORUM. Three Directors shall constitute a quorum for the transaction of business.

I. CONSENTS. Any action which may be taken by a vote of the Board of Directors may also be taken by written consent to such action signed by all Directors.

J. ANNUAL MEETINGS. An annual meeting of the Board of Directors shall be held during each fiscal year at least ten days prior to the annual meeting of the Co-owners. Any business which is appropriate for action of the Board of Directors may be transacted at a regular meeting.

K. REGULAR MEETINGS. Regular meetings of the Board of Directors shall be held at such times, dates, and places as the Board of Directors may determine from time to time. Any business which is appropriate for action of the Board of Directors may be transacted at a regular meeting.

L. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called from time to time by the President of the Council, and shall be called upon the written request of two of the Directors. Only such business as is stated in the notice of meeting shall be transacted at a special meeting unless all Directors waive notice of any additional business.

M. NOTICE OF MEETINGS. Written notice of every regular or special meeting of the Board of Directors 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 Director not fewer than three nor more than ten days in advance of the meeting. Failure to give proper notice of a meeting of the Board of Directors shall not invalidate any action taken at such meeting unless a Director who was not given proper notice objects, in which case the action to which such Director objects shall not be taken up.

N. WAIVER OF NOTICE. Waiver of notice of a meeting of the Board of Directors shall be deemed the equivalent of proper notice. Any Director may in writing waive notice of any meeting of the Board of Directors either before or after such meeting. Attendance at a meeting by a Director shall be deemed waiver by the Director of notice of the time, date, and place of the meeting unless the Director 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 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 vote.

O. PLACE OF MEETING. All meetings of the Board of Directors shall be held at such convenient place as the Board of Directors may direct. Meetings may be conducted by telephone if all Directors consent.

P. MINUTES OF MEETINGS. The Secretary of the Council shall prepare and keep, or cause to be prepared and kept, accurate minutes of every meeting of the Board of Directors. A copy of the minutes shall be distributed to each Co-owner within thirty days following each meeting.

and all minutes shall be made available for examination and copying by any Co-owner at any reasonable time.

Q. COMPENSATION. The Directors shall serve without compensation, but shall be entitled to reimbursement by the Council for expenses incurred in the conduct of their duties.

ARTICLE III
OFFICERS

A. DESIGNATION. The Council shall have a President, a Vice-President, and a Secretary-Treasurer. The Association may also have one or more assistants to any such officers as may be necessary from time to time. The officers shall have the authority, powers, duties, and responsibilities provided by these Bylaws, or, to the extent not so provided, by the Board of Directors.

B. QUALIFICATIONS. Only directors may be elected and serve as officers.

C. ELECTION AND TERM. ~~Officers shall be elected at each annual meeting of the Board of Directors~~ and at such other times as may be required to fill vacancies in any office. All officers shall serve until their successors have been elected and assume office unless sooner removed as provided below. An officer may be re-elected to any number of terms.

D. REMOVAL. Any officer may be removed from office at any time with or without cause by the vote of the Co-owners.

E. VACANCIES. An officer vacancy shall be filled by the vote of the Co-owners, and the new officer shall serve for the unexpired term of his predecessor.

F. PRESIDENT. The President shall be the chief executive officer of the Council. He shall preside at all meetings of the Council and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in a corporate president, including but not limited to the power to appoint committees from among the Co-owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Council.

G. VICE PRESIDENT. The Vice President shall take the place and perform the duties of the President whenever the President shall be absent or unable to act. If neither the President or Vice President is able to act, the Board of Directors shall appoint some other Director to take the place and perform the duties of the President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

H. SECRETARY-TREASURER. As secretary, this officer shall prepare and keep, or cause to be prepared and kept, minutes of all meetings of the Co-owners and of the Board of Directors, and shall have charge of such books and papers as the Board of Directors may direct. As treasurer, this officer shall have custody of and responsibility for Council funds and securities and shall keep the financial records and books of account belonging to the Association. Custody of Council funds and securities and responsibility for maintaining full and accurate accounts of all receipts and disbursements may be delegated to the Manager if the Board of Directors so determines, but in such case the Secretary-Treasurer shall verify the amounts of Council funds and securities in the custody of the Manager and review and reconcile the accounts maintained by the Manager at such intervals as may be determined by the Board of Directors.

I. COMPENSATION. The officers may receive such compensation as the Council may determine and shall be entitled to reimbursement by the Council for expenses incurred in the conduct of their duties.

ARTICLE IV
MANAGER

A. EMPLOYMENT. Lakeview Limited Partnership or its designee shall be employed by the Council as the Manager of the Regime from and including the date upon which the Master Deed is recorded through December 31, 1988, unless it consents, upon request by the Council, to

serve for a shorter time. After such period of time, the Council shall employ a Manager of its choosing.

B. QUALIFICATION. The Manager may be an individual or a corporation or other legal entity. No individual who is a Director or an officer of the Council or who resides in the home of a Director or an officer of the Council shall be the Manager.

C. AUTHORITY AND DUTIES, GENERALLY. The Manager shall provide the services and perform the duties set out in Article II, Paragraph B, Section 1 of these Bylaws. It shall provide such other services and perform such other duties (including but not limited to those enumerated in Article II, Paragraph B, Sections 2 through 6) as authorized and directed from time to time by the Board of Directors. The Manager shall confer fully and freely with the Board of Directors and shall attend meetings of the Board and of the Council when requested to do so by the Board.

D. AUTHORITY AND DUTIES, INITIALLY. The Manager shall at all times provide services and perform duties as set out above, and, in addition, until the initial meeting of the Council called for in Article I, Paragraph E of these Bylaws, shall establish the Budget for Common Expenses, shall set and collect assessments, and shall have and perform for the benefit of all Co-owners, the authorities and duties of the Board of Directors set out in Article II, Paragraph B.

E. COMPENSATION. Unless agreed otherwise, the Manager shall receive compensation at the rate of Sixty Dollars per annum for each Unit in the Regime. Compensation for services rendered in 1985 shall be computed based upon the portion of 1985 during which any Unit is part of the Regime. Phase I, Phase II and Phase III Units shall be part of the Regime from the time of recording the Master Deed or any supplemental filing to the Master Deed to accurately describe them as conveyable Units, or if no such filing is made, from the time of the first sale of any Unit in Phase I, Phase II or Phase III, respectively.

ARTICLE V
FINANCES

A. FISCAL YEAR. The fiscal year of the Council shall be the calendar year unless the Council shall otherwise determine.

B. BUDGET. The Board of Directors shall prepare and submit to the Co-owners at each annual meeting of the Council a proposed budget for the Council for the upcoming 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.

C. 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 Council for the fiscal year. The terms of the Budget shall be binding upon the Board of Directors until such terms are amended by action of the Co-owners.

D. ANNUAL ASSESSMENTS. The funds required by the Budget shall be charged to the Co-owners by the Board of Directors in annual assessments (Annual Assessments) in proportion to their respective interests in the Common Elements as set out in Exhibit I, and the Annual Assessments shall be payable in monthly installments.

E. 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 Board of Directors in monthly installments.

F. INDIVIDUAL ASSESSMENTS. Any payments to the Council which one or more, but less than all, of the Co-owners shall be obligated to make pursuant to the terms of the Act, the Master Deed, or these Bylaws, shall be due upon demand and shall be collected by the Board of Directors as individual assessments (Individual Assessments).

G. WORKING CAPITAL FUND. The Council will establish a working capital fund equal to the sum of two month's annual assessment for each

280
+ 24
500
+ 240
740

560
+ 24
584
+ 240
824
+ 1120
1944

00

Unit owned by a Co-owner. A Co-owner will pay his Unit's share of the Working Capital Fund at the time of the closing at which he purchases his Unit. The purpose of this fund is to help insure that the Council's Board of Directors will have cash available to meet unforeseen expenditures, or to acquire additional equipment or services deemed necessary or desirable. Amounts paid into this fund are not to be considered as advance payments of annual, special or individual assessments.

H. COLLECTION. Co-owners shall be personally liable for all assessments and for contributions to the Working Capital Fund, and they shall pay the same promptly when due. The Board of Directors 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 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 fee.

I. PENALTY. An assessment not paid within ten days following the date when due shall bear a penalty of five dollars plus two per cent 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 Board of Directors may in its discretion waive all or any portion of any such penalty if the Co-owner shows that the failure to pay the assessment when due was caused by circumstances beyond his control.

J. ACCOUNTS. On behalf of the Council, the Board of Directors shall maintain a checking account and may maintain a savings account with a state or federally chartered bank having an office in the county where the Property is situated. If a Manager is employed, the accounts may be maintained in the name of the Manager as agent if the Board of Directors approve. All funds of the Council shall be promptly deposited in the accounts, except that the Board of Directors may maintain a petty cash fund of not more than One Hundred Dollars for payment of minor current expenses of the Council. The books and records relating to any account of the Association shall be made available for examination and copying by any Co-owner at any reasonable time.

K. PAYMENTS. The Board of Directors 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 Board of Directors shall otherwise determine. ~~All other expenditures which are in excess of One Hundred Dollars shall be reviewed and approved by the President or the Board of Directors before payment is made.~~ All checks and requests for withdrawals drawn upon any account of the Council shall be signed by the President or the Treasurer, or the Board of Directors may authorize the Manager to draw checks upon the account of the Association to pay expenditures specifically approved in the Budget. The Board of Directors may also authorize the Manager to make disbursements from the petty cash fund, if any.

L. BONDING. The Board of Directors shall secure from a surety company rated "AAA" or better by Best's Insurance Reports a fidelity bond in the amount of not less than Ten Thousand Dollars covering every individual authorized to withdraw funds from any checking or savings account maintained by the Council. The cost of the bond shall be a Common Expense.

M. The Board of Directors will provide to any holder of a first mortgage, upon its written request, a financial statement for the immediately preceding fiscal year.

ARTICLE VI MAINTENANCE AND IMPROVEMENTS

A. MAINTENANCE BY BOARD OF DIRECTORS. The Manager shall provide for the maintenance, repair and replacement of the Common Elements.

B. MAINTENANCE BY CO-OWNER. Each Co-owner shall maintain his Unit in good condition and repair.

C. DEFAULT BY CO-OWNER. In the event that any Co-owner fails to perform the maintenance required of him by these Bylaws or by any Regulation and such failure creates or permits a condition which is hazardous to life, health, or property, or which unreasonably interferes

with the rights of another Co-owner, or which substantially detracts from the value or appearance of the Property, the Board of Directors shall, after giving such Co-owner reasonable notice and an opportunity to perform such maintenance, cause such maintenance to be performed and charge all reasonable expenses of so doing to such Co-owner by an Individual Assessment.

D. EXPENSES. The expenses of maintenance, repair, and replacement of the Common Elements shall be Common Expenses except that when such expenses are necessitated by (i) the failure of a Co-owner to perform the maintenance required by these Bylaws or by any 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 Bylaws shall be charged to such Co-owner by an Individual Assessment.

E. IMPROVEMENTS. The Board of Directors shall provide for the making of such improvements to the Common Elements as may be approved from time to time by the Council. The cost of such improvements shall be Common Expenses; provided, however, that no Co-owner shall without his consent be assessed in any one year for the making of improvements to the Common Elements in an amount in excess of one per cent of the value of his Unit as set forth in Exhibit H to the Master Deed.

ARTICLE VII
REPAIR AND RESTORATION

A. DECISION OF CO-OWNERS. In the event of damage to or destruction of any portion of the Property, the damage or destruction shall promptly be appraised by the Board of Directors. If more than two-thirds of the Property has been destroyed, the Board of Directors shall promptly call a special meeting of the Council to determine in the manner provided in the Master Deed whether the Property shall be reconstructed. In the event that the Co-owners determine not to reconstruct the Property, the Secretary shall execute a certificate to that effect and cause the same to be recorded in the same manner as these Bylaws.

B. RECONSTRUCTION. Unless the Co-owners affirmatively determine in the manner provided in the Master Deed not to reconstruct the Property following damage or destruction, the Board of Directors shall promptly provide for such reconstruction. If the cost of such reconstruction exceeds Ten Thousand Dollars, the Board of Directors may employ an architect to supervise the reconstruction.

C. COSTS. The Board of Directors shall employ for the purpose of reconstructing the Property the proceeds of any insurance obtained on the Property by the Board of Directors. If the insurance proceeds do not cover the cost of reconstruction, or if there are no insurance proceeds, the deficiency shall be borne by all the Co-owners as a Common Expense.

ARTICLE VIII
CONDEMNATION

A. 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 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.

B. DUTIES OF THE 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 Board of Directors shall hold the award for disbursement in the same manner as if it were insurance proceeds. The Board of Directors shall promptly call a special meeting of the Co-owners to determine whether any condemned portion of the Common Elements shall be replaced. If the Co-owners determine to replace any condemned portion of the Common Elements, the Board of Directors shall provide for the replacement of such portions in the same manner as if such portions had been destroyed by casualty.

Council, which contemplate binding the Council, must contain the following language, or words having the same effect:

This contract will not bind the Council of Co-owners of Lakeview at Ashborough Horizontal Property Regime either directly or indirectly, unless the Council has the right to terminate it, upon ninety days written notice to the other party, without cause and without penalty, at any time after the Grantor of the Regime transfers control to the Council.

ARTICLE XII
ATTESTATIONS AND CERTIFICATIONS

A. ATTESTATION OF DOCUMENTS. The presence of the signature of the Secretary or an assistant secretary of the Council, on any contracts, conveyance or any other document executed on behalf of the Council shall attest:

1. That the officer executing the document does in fact occupy the official position indicated, that one in such position is duly authorized to execute such document on behalf of the Council, and that the signature of the officer subscribed to the document is genuine;
2. That the execution of the document on behalf of the Council has been duly authorized.

B. CERTIFICATION OF DOCUMENTS. When the attestation of the Secretary or an assistant secretary is affixed to any document relating to the Property or the Council, a third party without knowledge or reason to know to the contrary may rely on such document as being what it purports to be.

C. CERTIFICATION OF ACTIONS AND FACTS. When a written statement setting forth (i) actions taken by the Council or by the Board of Directors or (ii) facts relating to the Property or the Council as determined by the Board of Directors, is executed by the Secretary or an assistant secretary, a third party without knowledge or reason to know to the contrary may rely on such statement as factually true and correct.

ARTICLE XIII
MISCELLANEOUS

A. RECORD OF OWNERSHIP. Any person who acquires title to a Unit, except a person who acquires title merely as security for a debt, shall promptly inform the Board of Directors of his identity and the date upon and manner in which title was acquired. The Board of Directors shall maintain a record in the names of all Co-owners and of the dates upon which they acquired title to their Units.

B. NOTICES. Any notices or documents placed in the mail receptacle or affixed to the front door of the Unit by or at the direction of the Board of Directors, shall be deemed delivered to the Co-owner of such Unit unless he has previously specified to the Board of Directors in writing another address for delivery of such notices and documents. Any notice or document addressed to the Board of Directors and delivered to any Director by or at the direction of a Co-owner shall be deemed delivered to the Board of Directors.

C. WAIVER. No provision of these Bylaws or of the Regulations 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.

D. CONFLICTS. In the event of any conflict between these Bylaws 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 Bylaws and the Regulations, these Bylaws shall control.

E. SEVERABILITY. The provisions of these Bylaws are severable, and the invalidity of one or more provisions shall not be deemed to impair or affect in any manner the enforceability or effect of the remainder.

F. CAPTIONS. The captions herein are inserted only as a matter

ARTICLE IX
INSURANCE

A. **INSUREDS.** Insurance policies upon the Property, covering the items described below, shall be purchased by the Council or its Manager for the benefit of the Regime, the Council, and the Owners of the Units and their mortgagees, as their interests may appear. Provisions 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 Manager.

B. **COVERAGE.** Insurance shall cover the following when available:

(a) the replacement value of all Units and Common Elements. Such coverage shall afford protection against loss or damage by fire 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 Unit, or liability insurance covering a Co-owner for accidents occurring within his Unit, shall be provided by the Council, unless included in the policy without additional charge;

(b) public liability in such amounts and with such coverage as shall be determined by the Board of Directors, including, but not limited to, hired automobile and non-owned automobile coverage;

(c) workmen's compensation (if required); and

(d) such other insurance as the Board of Directors may from time to time determine to be desirable.

C. **PREMIUMS AND DEDUCTIBLES.** Premiums upon insurance policies and that portion of any covered loss not compensated for because of the deductible clause of the policy 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 Common Elements.

D. **PROCEEDS.** The proceeds received by the Council from any indemnity paid under a hazard insurance policy shall be held by the Board of Directors. After deduction of all reasonable expenses of the Board 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 each Co-owner shall receive a share of the proceeds proportionate to his interest in the Common Elements as set forth in the Master Deed; or

(b) if reconstruction takes place, then such proceeds shall be used to meet reconstruction costs and any proceeds remaining after all the costs of reconstructing the Property have been paid shall be distributed to the Council for the benefit of all Co-owners.

E. **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 Unit and its contents for his own benefit, and (2) liability insurance covering accidents happening within his Unit. Any Co-owner who obtains hazard insurance for his own benefit shall within thirty days of obtaining the same deliver to the Board of Directors a copy of the policy of insurance.

ARTICLE X
RESTRICTIONS AND REGULATIONS

A. **RESTRICTIONS.** The use of the Property shall be subject to rules set out in Article VI of the Master Deed and to any use Regulations promulgated under Paragraph B of this Article.

B. **REGULATIONS.** The Board of Directors shall adopt and amend from time to time such reasonable regulations (Regulations) governing the operation and use of the Property as it may deem necessary or desirable. It shall not be necessary to record Regulations newly adopted or the amendment or repeal of existing Regulations, but no

Co-owner shall be bound by any newly-adopted Regulations or any amendment or repeal of an existing Regulation until a copy of the same has been delivered to him.

C. ENFORCEMENT. The Board of Directors shall enforce the terms of the Act, the Master Deed, the Bylaws, and any Regulations and shall take prompt and appropriate action to correct any violations. In addition to any other remedy to which the Council or any Co-owner may be entitled, the Board of Directors may impose against a Co-owner reasonable fines not to exceed a total of Ten Dollars per day for any violation of the terms of the Act, the Master Deed, the Bylaws, or the Regulations. Such fines shall be collected by Individual Assessment. Each day during which a violation occurs or continues shall be deemed a separate offense.

D. RESPONSIBILITY OF CO-OWNERS. Each Co-owner shall be deemed responsible for the conduct of members of his household and his tenants, agents, guests and pets, 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.

ARTICLE XI LIABILITIES AND INDEMNIFICATION

A. LIABILITY OF COUNCIL. 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 Common Elements. All correspondence of the Council and all contracts executed by the Council shall contain the following recital:

Lakeview at Ashborough Horizontal Property Regime is a corporation which administers the Lakeview at Ashborough condominiums. No member of the corporation shall be liable for a greater percentage of a debt or liability of the corporation than his percentage of ownership of the Common Elements.

B. 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 his proportionate share, 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 he became a Co-owner.

C. LIABILITY OF DIRECTORS AND OFFICERS. No Director or officer of the Council shall be liable to any Co-owner for any decision, action, or omission made or performed by such Director or officer in the course of his duties unless such Director or officer acted in bad faith or in reckless disregard of the rights of any person or of the terms of the Act, the Master Deed or these Bylaws.

D. INDEMNIFICATION OF DIRECTORS AND OFFICERS. The Council shall indemnify and defend each Director and officer of the Council from any liability claimed or imposed against him by reason of his position or decision, actions, or omission as a Director or an officer if all of the following conditions are satisfied:

1. Such Director or officer is not required to bear such liability by the terms of the Act, the Master Deed, or these Bylaws;
2. Such Director or officer gives the Council adequate notice of the claim or imposition of liability to permit the Council reasonable opportunity to defend against the same; and
3. Such Director or officer cooperates with the Council in defending against the liability.

The expense of indemnifying a Director or an officer shall be a Common Expense and shall be borne by all the Co-owners, including such Director or officer. The Board of Directors may obtain insurance indemnifying any Director or officer for any liability claimed or imposed against him by reason of his position as a Director or officer, and the cost of such insurance shall be a Common Expense.

E. CONTRACTS. Contracts and leases (including management contracts), entered into before the Grantor transfers control to the

of convenience and for reference and in no way define, limit, or describe the scope of these Bylaws or the intent of any provision.

G. GENDER AND NUMBER. All pronouns 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.

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LAKEVIEW AT ASHBOROUGH
HORIZONTAL PROPERTY REGIME

TAX MAP SERVICE (TMS) NUMBERS

PHASE I

<u>Unit</u>	<u>TMS #</u>	<u>Unit</u>	<u>TMS #</u>
A1		D12	
A2		D13	
B3		D14	
B4		E15	
B5		E16	
B6		F17	
G7		F18	
G8		F19	
G9		F20	
G10		G21	
D11		G22	

Along with each as-built survey recorded as part of Exhibit B to the Master Deed, Grantor will record a list showing TMS numbers for all the conveyable units.

Rutherford P.C. Smith, Atty
P.O. Box 948
Summerville, S.C. 29184

DORCHESTER CO
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in book 534 page 177
Margie K. Cause
Clerk of Court