

BY-LAWS OF NABOR'S PLACE HOMEOWNERS ASSOCIATION, INC.
A Non-Profit Corporation Existing Under the Laws of
the State of South Carolina

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BY-LAWS OF NABOR'S PLACE HOMEOWNERS' ASSOCIATION, INC.,
A NON-PROFIT CORPORATION EXISTING UNDER THE LAWS
OF THE STATE OF SOUTH CAROLINA

1. Identity:

These are the By-Laws of Nabor's Place Homeowners' Association, Inc., a non-profit corporation 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 known as the Nabor's Place Horizontal Property Regime (hereinafter called the Regime or Condominium). The Association has been organized to manage and operate Nabor's Place, a condominium established by the Master Deed which was recorded in the Office of the Register for Mesne Conveyances for Charleston County in Book _____, at page ____.

(a) The provisions of these By-Laws are applicable to Nabor's Place, and the terms and provisions hereof are expressly subject to the terms, provisions and conditions contained in the Master Deed and any amendments thereto which will be recorded in the Office of the Register for Mesne Conveyances for Charleston County, South Carolina, at the time said property or properties and the improvements now or hereafter situated thereon are submitted to the Plan of condominium ownership. In the event the terms and provisions of said Master Deed are in conflict with the terms and provisions of these By-Laws, the terms and provisions of said Master Deed shall be controlling.

(b) All present or future owners, tenants, future tenants, or their employees, or any other person that might use Nabor's Place Condominium or any of the facilities thereof in any manner, are subject to the regulations set forth in these By-Laws and in said Master Deed.

(c) The office of the Association shall be at the property in Charleston, South Carolina.

(d) 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.

(e) The fiscal year of the Association shall be the calendar year, except that in the initial year of operation of the Condominium, the fiscal year shall commence with the closing of the sale of the first Condominium Unit.

2. Membership, Voting, Quorum, Proxies:

(a) The members of the Association shall be all of the Co-owners of the property. Each member shall be entitled to a vote equal to his percentage interest in the common elements of the Condominium. In the event there is more than one individual or entity owning a unit, that unit shall only be entitled to a vote equal to its percentage interest in the common elements of the Condominium.

(b) A quorum at members' meetings shall consist of persons entitled to cast the majority of the votes of the entire membership. The joinder of a member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purpose of determining a quorum.

(c) The vote of the owners of the Condominium Unit owned by more than one person or by a corporation or other entity shall be cast by the person named in a certificate signed by all of the owners of the Condominium Unit and filed with the Secretary of the Association, and such certificate shall be valid until revoked by subsequent certificate. If such a certificate is not on file, the vote of such owner shall not be considered in determining the requirement for a quorum, nor for any other purpose.

(d) Votes may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated thereon and must be filed with the Secretary before the appointed time of the meeting.

(e) Approval or disapproval of a Unit Owner upon any matter, whether or not the subject of an Association meeting, shall be by the same person who cast the vote of such owner if in an Association meeting.

(f) Except where otherwise required under the provisions of these By-Laws, the Master Deed, or whether the same may otherwise be required by law, the approval by a majority of Fifty-one (51%) percent, a quorum being present, shall constitute a decision of the members and shall be binding upon all members.

3. Annual and Special Meeting of Membership:

(a) The first annual meeting shall be held within one (1) year from the date of incorporation of the Association. Until such time, the Association shall be managed and controlled by the initial Board of Directors as provided for herein. The annual members' meetings shall then thereafter be held at such hour and place designated by the Board of Directors, on the first Tuesday in December of each year for the purpose of electing Directors and of transacting any other business authorized to be transacted by the members; provided, however, that if the day is a legal holiday, the meeting shall be held at the same hour on the next succeeding Tuesday.

(b) Special members' meetings shall be held whenever called by the President or Vice President or by a majority of the Board of Directors which must be called by such officers upon receipt of a written request from members of the Association owning a majority of the Condominium Units.

(c) Notice of all members' meetings, regular or special, shall be given by the President, Vice President or Secretary of the Association, or other officer of the Association in absence of said officers, to each member, unless waived in writing, such notice to be written or printed and to state the time, place and object for which the meeting is called. Such notice shall be given to each member not less than ten (10) days nor more than forty-five (45) days prior to the date set for such meeting, which notice shall be mailed or presented personally to each member within said time. If presented personally, receipt of such notice shall be signed by the member, or a member of his family being of suitable age and maturity, indicating the date on which such notice was received. If mailed, such notice shall be deemed to be properly given when deposited in the United States mail, postage prepaid, addressed to the member at his post office address as it appears on the records of the Association as of the date of mailing such notice. Proof of such mailing shall be given by the affidavit of the person giving the notice. Any member may, by signed written waiver

of notice, waive such notice, and, when filed in the records of the Association whether before or after the holding of the meeting, such waiver shall be deemed equivalent to the giving of notice to the member. If any members' meeting cannot be organized because a quorum has not attended, or because the greater percentage of the membership required to constitute a quorum for particular purposes has not attended (wherever the latter percentage of attendance may be required as set forth in these By-Laws or the Master Deed), the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum, or the required percentage of attendance, if greater than a quorum, is present. In the event there is more than one individual or entity which owns a unit, the giving of notice to any of the record owners of the unit shall constitute notice to all of the owners of the unit.

(d) The order of business at annual members' meetings, and, as far as practical, at any other members' meetings, shall be: (i) calling of the roll and certifying of proxies; (ii) proof of notice of meeting or waiver of notice; (iii) reading and disposal of any unapproved minutes; (iv) reports of officers; (v) reports of committees; (vi) appointment of inspectors of election by the Chairman; (vii) unfinished business; (viii) new business (ix) adjournment.

4. Board of Directors:

(a) The Board of Directors of the Association shall consist of three (3) persons whose term shall expire on the date of the first annual meeting of the members of the Association. Notwithstanding the foregoing, until four (4) months after Seventy-five (75%) percent of the Units of Nabor's Place have been sold and deeded to purchasers, or three (3) years from the date of the Master Deed, whichever first occurs, Edward H. Sparkman, the Declarant, shall have the right and option to designate and select the persons who shall serve as members of the Board of Directors of the Association. No Director shall be required to be a resident in the Condominium.

(b) Election of Directors shall be conducted in the following manner:

(i) Beginning with the first annual meeting of the membership of the Association, all members of the Board of Directors shall be elected by a plurality of the vote cast at the annual meeting of the members of the Association.

(ii) Vacancies in the Board of Directors may be filled until the date of the next annual meeting by the remaining Directors.

(iii) At the first annual meeting of the members of the Association, the term of office of the one (1) Director receiving the highest plurality of votes shall be established at two (2) years, and the terms of office of the other two (2) Directors shall be established at one year. Thereafter, as many Directors of the Association shall be elected at the annual meeting as there are regular terms of office of Directors expiring at such time, and the term of office of the Director so elected at the annual meeting of the members each year shall be for two years expiring at the second annual meeting following their election, and thereafter until their successors are duly elected and qualified, or until removed in the manner elsewhere provided or as may be provided by law.

(iv) In the election of Directors, there shall be appurtenant to each condominium unit a total vote equal to the number of Directors to be elected multiplied by the unit's appurtenant interest in the common area as set forth in the Declaration; provided, however, that no member or owner of one (1) condominium unit may cast a vote greater than the unit's appurtenant undivided interest in the common area for any one person nominated as a Director, it being the intent hereof that voting for Directors shall be non-cummulative.

(v) In the event that Declarant, in accordance with the rights established herein, selects any person or persons to serve on any Board of Directors of the Association, Declarant shall have the absolute right at any time, in its sole discretion, to replace such person or persons with another person or persons to serve on said Board of Directors. Replacement of any person or persons designated by Declarant to serve on any Board of Directors of the Association shall be made by written instrument delivered to any officer of the Association, which instrument shall specify the name or names of the person or persons to be replaced and the name or names of the person or persons designated as successor or successors to the person so removed from said Board of Directors. The removal of any Director and designation of his successor shall be effective immediately upon delivery of such written instrument by Declarant to any officer of the Association.

(c) The organizational meeting of each newly elected Board of Directors shall be held within ten (10) days of their election, at such time and place as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary provided a quorum shall be present.

(d) Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegram, at least three (3) days prior to the day named for such meeting, unless notice is waived.

(e) Special meetings of the Directors may be called by the President, and must be called by the Secretary at the written request of one-third (1/3) of the votes of the Board. Not less than three (3) days' notice of a meeting shall be given to each Director, personally or by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting.

(f) Any Director may waive notice of a meeting before or after the meeting, and such notice shall be deemed equivalent to the giving of notice.

(g) A quorum at a Directors' meeting shall consist of the majority of the Directors entitled to cast votes at a meeting of the entire Board. The acts of the Board approved by a majority of the votes cast at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as specifically otherwise provided in these By-Laws or the Master Deed. If any Directors' meeting cannot be organized because a quorum has not attended, or because the greater percentage of the Directors required to constitute a quorum for particular purposes has not attended, wherever the latter

percentage of attendance may be required as set forth in these By-Laws or Master Deed, the Directors who are present may adjourn the meeting from time to time until a quorum, or the required percentage of attendance, if greater than a quorum, is present. At any adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice. 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.

(h) The presiding officer of Directors' meetings shall be the Chairman of the Board, if such an officer has been elected; and if none, then the President of the Association shall preside. In the absence of the presiding officer, the Directors present shall designate one of their number to preside.

(i) Directors' fees, if any, shall be determined by vote of the members at any annual meeting of the membership.

(j) All of the powers and duties of the Association shall be exercised by the Board of Directors, including those existing under the common law and statutes, these By-Laws and the Master Deed. Such powers and duties shall be exercised in accordance with these By-Laws and the Master Deed, and shall include, without limiting the generality of the foregoing, the following:

(i) To make, levy, and collect assessments against members and members' condominium units to defray the cost of the condominium as provided for in the Master Deed, which is incorporated herein by reference, and to use the proceeds of said assessments in the exercise of the powers and duties granted unto the Association.

(ii) To maintain, repair, replace, operate and manage the common areas and facilities wherever the same is required to be done and accomplished by the Association for the benefit of its members; and, further, to prove any expenditures made or to be made for said purposes.

(iii) To reconstruct any part of the common property after casualty in accordance with the Master Deed, and to make further improvement to the common property, real and personal, and to enter into any and all contracts, necessary or desirable, to accomplish said purposes.

(iv) To make, amend and enforce regulations governing the use of the common property and condominium units so long as such regulations or amendments thereto do not conflict with the restrictions and limitations which may be placed upon the use of such property under the terms of the Master Deed.

(v) To acquire, operate, lease, manage and otherwise trade and deal with property, real and personal, including condominium units in the Condominium as may be necessary or convenient in the operation and management of the Condominium, and in accomplishing the purposes set forth in the Master Deed.

(vi) To acquire, now or at any time hereafter, and to enter into leases and agreements whereby the Association requires leaseholds, memberships, and other possessory or use interest in lands or facilities including, but not limited to, swimming pools, tennis and other recreational facilities whether or not contiguous to the lands of the Condominium, to provide enjoyment, recreation, or other use or benefit to the owners of condominium units.

(vii) To contract for the management of the condominium and to designate to such contractor all of the powers and duties of the Association, except those which may be required by the Master Deed or these By-Laws to have approval of the Board of Directors or membership of the Association.

(viii) To enforce by legal means or proceedings the provisions of these By-Laws and the Master Deed governing the use of the common property in the Condominium.

(ix) To pay all taxes and assessments which are now or may become liens against any part of the condominium units and the appurtenances thereto and to assess the same against the members and their respected condominium units subject to such liens.

(x) To purchase insurance for protection of the members and the Association against casualty and liability in accordance with the Master Deed.

(xi) To pay all cost of power, water, sewer and other utility services rendered to the Condominium not billed to the owners of the separate condominium units.

(xii) To designate and remove personnel necessary for the maintenance, repair, replacement and operation of the Condominium, including the common property.

(k) The initial Board of Directors of the Association shall be comprised of the three (3) persons designated to act and serve as Directors by the Declarant, which said persons shall serve until their successors are selected or elected at the first annual meeting of the members of the Association provided for above. Should any member of the Board of Directors be unable to serve for any reason, Edward H. Sparkman, the Declarant, shall have the right to select and designate a party to act and serve as a Director until the first annual meeting of the members of the Association.

(l) The undertakings and contracts authorized by the initial Board of Directors shall be binding upon the Association in the same manner as those such undertakings and contracts have been authorized by any Board of Directors duly elected by the membership after the property identified herein has been submitted to the plan of condominium ownership, so long as such undertakings and contracts are within the scope of the powers and duties which may be exercised by the Board of Directors of the Association in accordance with all applicable condominium documents. Provided however, the Association may, upon 90 days written notice to any concerned party, terminate any contract or lease which is entered into by the Association when the initial Board of Directors appointed by the Declarant controlled said Association.

(m) Any one or more of the members of the Board of Directors may be removed, either with or without cause, at any time by a vote of the members owning a majority of the condominium units in the Condominium, at any special meeting called for such purpose, or at the annual meeting; provided, however, that only the Declarant shall have the right to remove a Director appointed by him.

(n) In the event any member of the Board of Directors or executive officer of the Association is named a party to a civil action, which civil action arises out of or while acting during the course of his duties on behalf of the Association, then, in that event, the Association shall be responsible for the payment of all legal fees and expenses incurred in defending said civil action; provided further,

in any action brought against the Association, Director or executive officer of the Association by a unit owner, the Association shall be responsible for the payment of all legal fees and expenses incurred by said Director or executive officer in his defense.

5. Officers:

(a) The executive officers of the Association shall be the President, who shall be a Director, a Treasurer, and a Secretary, all of whom shall be elected annually by the Board of Directors and who may be pre-emptorily removed by a vote of the Directors at any meeting. Any person may hold two or more offices, except that the President shall not also be the Secretary. The Board of Directors shall, from time to time, elect such other officers and designate their powers and duties as the Board of Directors shall find to be required to manage the affairs of the Association.

(b) The President shall be the Chief Executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of the president of any association, including, but not limited to, the power to appoint committees from among the members from time to time, as he may, in his discretion, determine appropriate to assist in the conduct of the affairs of the Association.

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

(d) The Treasurer shall have custody of all of the property of the Association, including funds, securities and evidences of indebtedness. He shall keep, or supervise the keeping of, the assessment rolls and accounts of the members; he shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer.

(e) The compensation of all officers and employees of the Association shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee of the Association, nor preclude the contracting with a Director for the management of the Condominium.

(f) All officers shall serve at the pleasure of the Board of Directors and any officer may be removed from office at any time, with or without cause, by a majority vote of the Board of Directors.

6. Maintenance, Upkeep and Repair:

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

(a) Condominium Units:

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

(1) All common elements, including portions of a condominium unit, except interior surfaces, contributing to the

port of the building, which portion shall include, but not be limited to, load-bearing columns and load-bearing walls. Also all conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services contained in the portions of a unit maintained by the Association; and all such facilities contained within a unit that service part or parts of the condominium other than the unit in which they are contained. Interior surfaces of a unit shall be maintained by the co-owner.

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

(ii) By the Co-Owner: The responsibility of the Co-Owner shall be as follows:

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

(2) Not to paint or otherwise decorate or change the appearance of any portion of the exterior of the building except the floor surfaces of balconies and terraces.

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

(b) Common Elements:

(i) By the Association:

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

(2) The Association shall have the power to determine the use to be made of the common elements from time to time, provided that no such use shall discriminate against a Co-Owner. The Association may establish reasonable charges to be paid to the Association for the use of common elements not otherwise inconsistent with other provisions of the Master Deed, or these By-Laws.

(c) Limited Common Elements:

(i) By the Owner: The Owner shall maintain, repair and replace all limited common elements which are appurtenant to his unit, including, but not limited to, window panes, frames, screens and screenframes.

(ii) By the Association: The Association shall maintain, repair and replace those limited common elements which are not taken care of by the unit owner and shall specifically assess said unit owner for the cost of said maintenance, repair and replacement as provided herein.

7. Fiscal Management:

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

(a) Assessments: The Association shall assess each Co-Owner, including the Grantor, for his proportionate share of the common expenses, such share being the same as the undivided share of such Co-Owner in the common elements appurtenant to his unit, which assessment shall be made and collected as hereinafter provided;

(i) Special Assessments: The Association may specially assess a unit owner for the cost of maintaining, repairing or replacing limited common elements which are for the benefit of or the exclusive use of his unit, which assessment shall be made by sending notice thereof by certified mail, return receipt requested, to the owner of said unit, which assessment shall be due within fifteen (15) days of the receipt/refusal to accept said notice. This special assessment is in addition to the assessment for emergencies as provided for herein.

(b) Accounts: The funds and expenditures of the Association shall be credited and charged according to good accounting practices to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses unless otherwise provided;

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

(ii) Reserve for Deferred Maintenance, which shall include funds for maintenance items which occur less frequently than annually.

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

(iv) Additional Improvements, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property which will be part of the common elements. If capital funds and expenditures are for alterations or further improvements of common elements, the cost thereof shall be charged to the co-owners of units as an additional assessment.

(c) Budget: The Board of Directors of the Association shall adopt a budget for each calendar year which shall include the estimated funds required to defray the common expense and to provide and maintain funds for the foregoing accounts and reserves according to good accounting practices as follows:

(i) Current Expense, the amount for which shall not exceed one hundred ten (110%) per cent of the budget for this account for the prior year.

(ii) Reserve for Deferred Maintenance, the amount for which shall not exceed one hundred ten (110%) per cent of the budget for this account for the prior year.

(iii) Reserve for Replacement, the amount for which shall not exceed one hundred ten (110%) per cent of the budget for this account for the prior year.

(iv) Additional Improvements, provided, however, that no item for this account shall be budgeted without the approval of the co-owners in the manner provided for alteration or further improvement of the common elements.

(v) Provided, however, that the amount budgeted for current expense, reserve for deferred maintenance and reserve for replacement may be increased over the foregoing limitations when approved by the Co-Owners owning not less than seventy-five (75%) per cent of the common elements.

(vi) Copies of the budget and proposed assessments shall be transmitted to each owner on or before December 1st preceding the year for which the budget is made. If the budget is subsequently amended, a copy of the amended budget shall be furnished to each Co-Owner. Delivery of a copy of any budget or amended budget to each member shall not affect the liability of any member for any such assessments, nor shall delivery of a copy of such budget or amended budget get to be considered as a condition precedent to the effectiveness of said budget and assessments levied pursuant thereto, and nothing herein contained shall be construed as restricting the right of the Board of Directors, at any time in their sole discretion to levy any additional assessments in the event that the budget originally adopted shall appear to be insufficient to pay costs and expenses of operation and management or in the event of emergencies.

(d) Assessment Procedure:

(i) Annually; Installments. Assessments against the Co-Owners for their shares of the items of the budget shall be made for the calendar year annually in advance on or before December 20 preceding the year for which the Assessments are made. Such assessments shall be due in twelve (12) equal monthly installments on the first day of each calendar month of the year for which the assessments are made. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment and monthly payments thereon shall be due upon each installment payment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments therefor may be amended at any time by the Board of Directors of the Association provided that the accounts of the amended budget do not exceed the limitations thereon for that year. Any account which does not exceed the limitations thereon for that year shall be subject to approval of the Co-Owners heretofore required. The unpaid assessment for the remaining portion of the calendar year for which the amended assessment is made shall be due in equal monthly installments on the first day of each month thereafter during the year for which the Assessment is made. The first assessment shall be determined by the Board of Directors of the Association.

(ii) Acceleration of Assessment Installments Upon Default: If a Co-Owner shall be in default in the payment of an installment upon an Assessment, the Board of Directors of the Association may accelerate the remaining installments of the assessment upon notice thereof to the Co-Owner, and thereupon the unpaid balance of the assessment shall come due upon the date stated in the notice,

date shall not be less than ten (10) days after delivery thereof to the Co-Owner, nor more than twenty (20) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur.

(iii) Assessments for Emergencies: Assessments for emergency Common Expenses which cannot be paid from the annual assessments for Common Expenses shall be made only after notice of the need therefor to the Co-Owners concerned. After such notice and upon approval in writing by Co-Owners owning fifty-one (51%) per cent or more of the Common Elements owned by the Co-Owners concerned, the assessment shall become effective, and it shall be due after thirty (30) days' notice thereof in such manner as the Board of Directors of the Association shall require.

(iv) Liability for Assessments:

(1) A Co-Owner shall be liable for all assessments coming due while he is the owner of a unit. The Association shall provide for the issuance, and shall issue to every prospective purchaser, or mortgagee, upon his, hers or its request, a statement of the status of the assessment account of the seller or mortgagor. Such a certificate made by the duly authorized representative of the Association as to the status of a Co-Owner's Assessment account shall limit the liability of any person for whom it is made, other than the Co-Owner.

(2) Where the Mortgagee of any mortgage of record or other purchaser of a 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 the common expenses or assessments by the co-owners chargeable to such unit accruing after the date of recording such mortgage but prior to the acquisition of title to such unit by such acquirer. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all of the unit owners, including such acquirer, his successors and assigns.

(v) Collection of Assessments:

(1) Interest, application of payments. Assessments and installments thereon paid on or before ten (10) days after the date when due shall not bear interest, but all sums not paid on or before ten (10) days after the date when due shall bear interest at the rate of eighteen (18%) per cent per annum from the date when due until paid. All payments upon account shall be first applied to interest and then to the assessment payment first due.

(2) Lien. All assessments against any Co-Owner shall constitute a lien against the Co-Owner's unit in favor of Nabor's Place Homeowners Association, Inc., as provided by the Act. Said lien shall be prior to all other liens except only tax liens on the unit in favor of any assessing authority and mortgage and other liens, duly recorded, encumbering the unit. Such claim of lien shall state the description of the unit, the name of the record owner, and the amount due and the date when due. Such claim of lien shall be signed and verified by an officer or agent of the Association prior to its being recorded; and no such claim of lien shall be made by the Association unless the assessment, charge or expense, giving rise to the lien, remains unpaid for more than ten (10) days after same becomes

Any such lien may be foreclosed by the Association in the manner provided by law for the foreclosure of real estate mortgages. The lien shall secure the payments of all assessments as described in said claim of lien and, in addition thereto, shall secure the payment of subsequent assessments which come due after the filing of the claim of lien and prior to the satisfaction of such lien by foreclosure or otherwise, including interest thereon at the rate of eighteen (18%) per cent per annum together with all costs and reasonable attorneys' fees incurred by the Association incident to the collection of such assessments or the enforcement of such lien. If foreclosure is not commenced within one (1) year after the date of filing such a claim of lien, such claim shall not thereafter be foreclosed, nor shall such claim thereafter constitute a lien on the unit described in such claim. The right of the Association to foreclose a lien as aforesaid shall be in addition to any other remedy, at law or in equity, which may be available to it for the collection of the monthly charges and expenses, including the right to proceed personally against any delinquent Co-Owner for the recovery of a judgment "in personam". Any personal judgment against any such delinquent Co-Owner may include all unpaid subsequent assessments which come due after the institution of such suit and prior to such Order of Judgment, including interest thereon at the rate of eighteen (18%) per cent per annum, together with all costs and reasonable attorneys' fees incurred by the Association incident to the collection of such assessments.

(3) Rental pending foreclosure. In any foreclosure of a lien for assessments, the Association shall, pending foreclosure, be entitled to the appointment of a receiver who shall collect a reasonable rental for the use of the unit subject to the lien, which rental shall be applied to the obligations of the Co-Owner.

8. Bank Accounts, Accounting and Bonds:

(a) The depository of the Association shall be such bank or banks, or savings and loan associations as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such account shall be only by check signed by such persons as are authorized by the Directors.

(b) A statement of the accounts of the Association shall be prepared annually by an audit committee comprised of three (3) members of the Association from the books and records of the Association, and a copy of the report shall be furnished to each member and any mortgage lien holder making a written request therefore, not later than April 15 of the year following the year for which the report is made.

(c) Fidelity bonds must be obtained by the Board of Directors for all officers and employees of the Association and from any contractor/management agent handling or responsible for Association funds. The amount of said bond coverage must be, at a minimum, equal to the sum of 3 months' assessments on all units, plus the Association's reserve funds. The premiums on said bonds for officers and employees of the Association shall be paid by the Association.

9. Parliamentary Rules:

Roberts Rule of Order (latest edition) shall govern the

of corporate proceedings when not in conflict with these By-Laws or the laws of the State of South Carolina.

10. Amendments to By-Laws:

Amendments to these By-Laws shall be proposed and adopted in the following manner:

(a) Amendments to these By-Laws may be proposed by the Board of Directors of the Association acting upon a vote of the majority of the Directors, or the members of the Association owning a majority of the Condominium units in Nabor's Place, whether meeting as members or by instrument in writing signed by them.

(b) Upon any amendment or amendments to these By-Laws being proposed by said Board of Directors or members, such proposed amendment or amendments shall be transmitted to the President of the Association, or other officer of the Association in the absence of the President, who shall thereupon call a special joint meeting of the members of the Board of Directors of the Association and the membership for a date not sooner than ten (10) days nor later than forty-five (45) days from receipt by said officer of the proposed amendment or amendments and it shall be the duty of the Secretary to give to each member written or printed notice of such meeting in the same form and in the same manner as notice of the call of a special meeting of the members if required as herein set forth.

(c) In order for such amendment or amendments to become effective, the same must be approved by an affirmative vote of a majority of the entire membership of the Board of Directors and by an affirmative vote of the members owning not less than two-thirds (66.67%) of the condominium units in the Condominium. Thereupon, such amendment or amendments to these By-Laws shall be transcribed, certified by the President and Secretary of the Association, and a copy thereof shall be recorded in the Office of the Register for Mesne Conveyances for Charleston County, South Carolina, within ten (10) days from the date on which any amendment or amendments have been affirmatively approved by the Directors or members. No amendment shall become operative or effective until it shall have been duly recorded.

(d) Upon the approval and proper recording of any amendment or amendments, the same shall become binding upon all unit owners.

(e) At any meeting held to consider any amendment or amendments to the By-Laws, the written notice of any member of the Association shall be recognized that such member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the Association at or prior to such meeting.

(f) Notwithstanding the foregoing provisions of this Article, no amendment to these By-Laws which shall abridge, amend, or alter the right of the Declarant to designate and select members of each Board of Directors of the Association, may be adopted or become effective without the prior written consent of the Declarant; provided, however, that so long as the Declarant controls the Board of Directors of the Association, no additional properties, other than those contemplated by Declarant as set forth in the Master Deed, and to be construed upon the real estate described in said Master Deed, shall be annexed to the project.

11. Compliance:

These By-Laws are set forth to comply with the requirements of the Horizontal Property Act, Title 27, Chapter 31 of the Code of Laws of South Carolina. In the event that any of these By-Laws conflict with the provisions of said statute, it is hereby agreed and accepted that the provisions of the statute shall apply.

The foregoing were adopted as the By-Laws of the Nabor's Place Homeowners' Association, Inc., a non-profit corporation under the laws of the State of South Carolina, at the first meeting of the Board of Directors on June 11, 1984.

Mulle H. Sparkman
Secretary

APPROVED:

Edward H. Sparkman
President

APPROVED:

Edward H. Sparkman
Director

Mulle H. Sparkman
Director

Gege K. I. I. I.
Director

EXHIBIT D

<u>Unit #</u>	<u>Basic Value</u>	<u>Percentage Interest in the Common Elements</u>
1	\$37,500	8.333%
2	37,500	8.333%
3	37,500	8.333%
4	37,500	8.333%
5	37,500	8.333%
6	37,500	8.333%
7	37,500	8.333%
8	37,500	8.333%
9	37,500	8.333%
10	37,500	8.333%
11	37,500	8.333%
12	37,500	8.333%
		<u>8.333%</u>
		100%*

*This percentage was obtained by rounding off the sum of each unit's interest in the common elements.