

STATE OF SOUTH CAROLINA) DECLARATION AND MASTER DEED
COUNTY OF PICKENS)

MASTER DEED FOR UNIVERSITY PLACE HORIZONTAL PROPERTY REGIME

THE BRADLEY COMPANY, a Virginia Corporation doing business in the State of South Carolina as THE BRADLEY COMPANY OF ROANOKE, VIRGINIA, INC. (hereinafter referred to as "Grantor"), as the sole owner in fee simple of the land and improvements hereinafter described, does hereby make, declare and publish its intention and desire to submit, and does hereby submit the land and buildings hereinbelow described, together with all other improvements thereon, including all easements, rights, and appurtenances thereto belonging, to a horizontal property regime to be known as UNIVERSITY PLACE HORIZONTAL PROPERTY REGIME hereinafter referred to as the "Regime", in the manner provided for by Sections 27-31-10 through 27-31-300 (both inclusive) of Chapter 31, entitled "Horizontal Property Act" of the Code of Laws of South Carolina (1976) as amended. In conformity with Sections 27-31-30 and 27-31-100 of said Act, Grantor sets forth the following particulars:

I. DESCRIPTION OF LAND. The land which is hereby submitted to the Regime is described on Exhibit A which is attached hereto and made a part hereof. Additional property may be annexed to the above-described property and is described on Exhibit B attached hereto and made a part hereof.

II. DESCRIPTION OF BUILDINGS. The Grantor is causing to be built on the above-described parcel of land certain improvements including seventy-two (72) residential units as shown and designated on Exhibit C attached hereto and made a part hereof. Up to ninety-six (96) additional units may be built on the property described on Exhibit B.

The dimensions and locations of the buildings and each residential unit are particularly shown and delineated on the plat plan attached hereto and incorporated herein by reference. The dimensions and area of each of the units are shown on the floor plans attached hereto and designated as Exhibit D, which are expressly made a part hereof and incorporated herein by reference.

III. DESCRIPTION OF UNITS. The Grantor, in order to implement the condominium ownership of the hereinbefore described premises, covenants and agrees to, and does hereby, subdivide the

above property described on Exhibit A vertically and horizontally into the following freehold estates:

A. Seventy-two (72) separate parcels of property, being the 72 units, together with their respective shares in the common elements, as hereinafter more particularly described. Exhibits C and D delineate the dimensions, area and location of each such unit. Each unit consists of:

i. The volumes or cubicles of space enclosed by the unfinished interior surfaces of perimeter walls, ceilings, and floors of the unit, including the surfaces of load bearing interior walls, vents, chimneys, doors, windows and such other structural elements that ordinarily are regarded as enclosures of space, and excluding the interior walls containing conduits and wiring for utilities.

ii. All interior dividing walls and partitions including the space occupied by such walls or partitions, excepting, however, load bearing walls.

iii. The decorated interior surfaces of said perimeter walls and the decorated surfaces of interior walls, including load bearing walls, floors, and ceilings consisting of, as the case may be, wallpaper, paint, plaster, carpeting, tiles and all other finishing materials affixed or installed as a part of the physical structure of the unit.

iv. All fixtures, mechanical systems and equipment installed in said unit and intended for the sole and exclusive use of the unit. No pipes, wires, conduits, or other utility lines or installations constituting a part of the overall systems designated for the service of any other unit, nor structural members or portions of any of the unit building, nor any other property of any kind, including fixtures and appliances within the unit, which are not removeable without jeopardizing the soundness, safety, or usefulness of the remainder of the building, shall be deemed to be part of any individual unit.

v. The word "unit" when used throughout this instrument shall be deemed to refer to each of the aforesaid seventy-two (72) units as herein described together with up to ninety-six (96) units which may be built on property described on Exhibit B and shall have the same meaning as set forth in the Horizontal Property Act for the term "Apartment".

IV. DESCRIPTION OF COMMON ELEMENTS. The term "common elements" as used herein shall mean and comprise the following:

i. The parcel of land hereinbefore described on which the buildings stand together with property which may be annexed.

ii. The portions of the unit building described above, not otherwise herein defined as being embraced within the individual units, including but not limited to the foundations, floors, roofs, ceilings, perimeter walls of units, load bearing interior walls, and partition walls enclosing common facilities, slabs, stairs, patios, balconies, pipes, wires, conduits, air ducts, and utility lines, including the space actually occupied by the above.

iii. All improvements to the premises constructed or to be constructed other than the buildings, such as utilities, walkways, plantings, trees, shrubbery, yards, lawns, gardens, etc., located on said parcel of land.

iv. Parking facilities.

v. All other elements of the buildings, not included within the units, constructed or to be constructed on the hereinbefore described parcel of land, rationally of common use or necessary to existence, upkeep and safety; and in general, all other devices or installations existing for common use.

vi. All property of the Regime whether land, building, improvements or otherwise, except such as is included in the hereinbefore described units.

vii. All assets of University Place Condominium Association, Inc.

viii. The ownership of each unit shall include an undivided share in and to the common elements as set forth in Paragraph V. It is the intention of the Grantor hereby to provide that the common elements in the Regime shall be owned by the co-owners of the units as tenants-in-common, the undivided share of each co-owner being as stated hereafter.

ix. Portions of the common elements are hereby set aside and reserved for the restricted use of the respective units to the exclusion of the other units, and such portions shall be known and referred to as "limited common elements". The limited common elements restricted to the respective units are those

portions of any walls which are deemed to be common elements and which are within the individual units, balconies, patios, stairs and all other common elements which are peculiar or limited to the use of an individual unit. The term "common elements" when used throughout this instrument shall mean both general and limited common elements.

V. PLAN OF DEVELOPMENT: The Grantor plans to develop the property in six stages. The Grantor will elect by March 1, 1990, whether to build Phase I which will contain 36 units. The Grantor will elect by March 1, 1991, whether to build Phase II which will contain 24 units. The Grantor will elect by March 1, 1992, whether to build Phase III which will contain 12 units.

Additionally, the Grantor may elect to annex the property described in Exhibit B attached hereto. If the Grantor so elects, it will develop the property in three consecutively numbered stages beginning with Phase Number IV. The Grantor will elect by March 1, 1993, whether to build Phase IV which will contain 24 units. The Grantor will elect by March 1, 1994, whether to build Phase V which will contain 24 units. The Grantor will elect by March 1, 1995, whether to build Phase VI which will contain 24 units. The Grantor will elect by March 1, 1996, whether to build Phase VII which will contain 24 units. No other common elements other than the ones described herein will be added.

VI. VALUES AND PERCENTAGES. Each unit shall be conveyed and treated as an individual property capable of independent use and fee simple ownership, and the owner or owners of each unit shall own, as an appurtenance to the ownership of said unit, an undivided interest in the common elements. The undivided interest appurtenant to each unit are as follows:

<u>Total No.</u> <u>of Units</u>	<u>Unit</u> <u>Number</u>	<u>Basic Value For</u> <u>Statutory Purposes</u>	<u>Percentage Shares in</u> <u>Common Elements</u>
12	101 through 134	\$ 70,000.00	.0833334
24	101 through 234	\$ 70,000.00	.0416667
36	101 through 334	\$ 70,000.00	.0277778
48	101 through 434	\$ 70,000.00	.0208334
60	101 through 534	\$ 70,000.00	.0166667
72	101 through 634	\$ 70,000.00	.0138889

84	101 through 734	\$	70,000.00	.0119048
96	101 through 834	\$	70,000.00	.0104167
108	101 through 934	\$	70,000.00	.0092593
120	101 through 1034	\$	70,000.00	.0083334
132	101 through 1134	\$	70,000.00	.0075758
144	101 through 1234	\$	70,000.00	.0069445
156	101 through 1334	\$	70,000.00	.0064103
168	101 through 1434	\$	70,000.00	.0059524

Total
(rounded up) \$11,760,000.00

The basic value of each unit for the purpose of determining the property rights and obligations of the co-owners is as shown above. The total value of all property in the Regime including property which may be annexed is Eleven Million Seven Hundred Sixty Thousand (\$11,760,000.00) Dollars if all stages of the development are built.

The percentage share in the common elements shall also be the percentage obligation in the common expenses and rights in the common surplus. The proportionate representation for each unit for voting purposes in the Association (as hereinafter defined and identified) shall be the same percentage as shown above. The percentages as expressed above shall have a permanent character and shall not be altered without the acquiescence of all the co-owners representing all the units.

VII. NAME. The name by which the Regime shall be known is UNIVERSITY PLACE HORIZONTAL PROPERTY REGIME.

VIII. DECLARATION OF RESTRICTIVE AND PROTECTIVE COVENANTS AND AGREEMENTS AND EASEMENT GRANTS. The units and common elements shall be and the same are hereby declared to be subject to the restrictions, easements, conditions and covenants prescribed and established herein governing the use of said units and common elements, and setting forth the obligations and responsibilities incident to ownership of each unit and its appurtenant undivided interest in the common elements. Said units and common elements are further declared to be subject to the restrictions, easements, conditions, and limitations now of record affecting the land and improvements of the Regime.

A. Restriction Against Further Subdividing of Units and Separate Conveyance of Common Elements, etc. No unit may be divided or subdivided into a smaller unit or smaller units than as shown on Exhibit D to be attached hereto; nor shall any unit, or portion thereof, be added to or incorporated into any other unit. The undivided interest in the common elements declared to be an appurtenance to each unit shall not be conveyed, devised, encumbered, or otherwise dealt with separately from said unit; and the undivided interest in common elements appurtenant to each unit shall be deemed conveyed, devised,

encumbered, or otherwise included with the unit even though such undivided interest is not expressly mentioned or described in the instrument conveying, devising, encumbering, or otherwise dealing with such unit. Any conveyance, mortgage or other instrument which purports to affect the conveyance, devise, or encumbrance or which purports to grant any right, interest of lien in, to or upon a unit, shall be null, void, and of no effect insofar as the same purports to affect any interest in a unit and its appurtenant undivided interest in common elements; unless the same purports to convey, devise, encumber, or otherwise trade or deal with the entire unit. Any instrument conveying, devising, encumbering or otherwise dealing with any unit, which describes said unit by the unit number assigned thereto in Exhibit B, without limitation or exception, shall be deemed and construed to affect the entire unit and its appurtenant undivided interest in the common elements. Nothing herein contained shall be construed as limiting or preventing ownership of any unit and its appurtenant undivided interest in the common elements by more than one person or entity as tenants-in-common, joint tenants, or as tenants by the entirety.

B. Perpetual Non-Exclusive Easement in Common Elements. The common elements shall be and the same are hereby declared to be subject to a perpetual non-exclusive easement in favor of all the owners of units in the Regime for their use and the use of their immediate families, guests, and invitees for all property and normal purposes, for the furnishing of services and facilities for which the same are reasonably intended, and for the enjoyment of said owners of units. Notwithstanding anything above provided in this article, University Place Condominium Association, Inc. hereinafter identified, shall have the right to establish the rules and regulations pursuant to which the owner or owners of any unit may be entitled to the exclusive use of any parking space or spaces.

C. Easement for Unintentional Non-negligent Encroachments. In the event that any unit shall encroach upon any common elements or upon any unit for any reason not caused by the purposeful or negligent act of the unit owner or owners, or agents of such owner or owners, then an easement appurtenant to such unit shall exist for the continuance of such encroachment of the unit upon the common elements or upon the other units so long as such encroachment shall naturally exist; and, in the event that any portion of the common elements shall encroach upon any unit, then an easement shall exist for the continuance of such encroachment of the common elements into any unit for so long as such encroachment shall naturally exist.

D. Restraint Upon Separation and Partition of Common Elements. Recognizing that the proper use of a unit by any owner or owners is dependent upon the use and enjoyment of the common elements, in common with the owners of all other units, and that it is in the best interest of all owners of the units that the ownership of the common elements appurtenant to each unit shall

remain undivided, and no owner of any unit shall bring or have any right to bring any action for partition or division.

E. Easement for Air Space. The owner of each unit shall have an exclusive easement for the use of the air space occupied by said unit as exists at any particular time, and said unit may be lawfully altered or reconstructed from time to time, which easement shall be terminated automatically in any air space which is vacated from time to time.

F. Administration of the Regime. To effectively and efficiently provide for the administration of the Regime by the owners of the units, a non-profit corporation has been formed known as University Place Condominium Association, Inc., hereinbefore and hereinafter referred to as the "Association", and said Association shall administer the operation and management of the Regime and undertake and perform all acts and duties instant thereto in accordance with the terms, provisions, and conditions of this Master Deed, its Articles of Incorporation, and its By-Laws. A true copy of the Articles of Incorporation and By-Laws of said Association will be annexed hereto and expressly made a part hereof as Exhibits "C" and "D", respectively. The owner or owners of each unit shall automatically become members of the Association upon his, their or its acquisition of an ownership interest in any unit and its appurtenant undivided interest in the common elements, and the membership of such owner or owners shall terminate automatically upon each owner or owners being divested of such ownership interest in the title to such unit, regardless of the means by which such ownership may be divested. No person, firm or corporation holding any lien, mortgage or other encumbrance on the unit shall be entitled by virtue of such lien, mortgage or other encumbrance to membership in the Association, or to any other rights or privileges of such membership. In the administration of the operation of the management of the Regime, said Association shall have and is hereby granted the authority and power to enforce the provisions of this Master Deed, levy and collect assessments in the manner hereinafter provided, and to adopt, promulgate, and enforce such rules and regulations governing such use of the units and common elements as the Association may deem to be in the best interest of the Regime.

G. Residential Use Restriction Applicable to the Units. Each unit is hereby restricted to residential use by the owner or owners thereof, their immediate families, guests, and lessees; provided, however, nothing in this provision shall be construed to prohibit short term rental periods and each unit owner is expressly allowed to rent or lease his unit for any length rental period, including seasonal rentals, either individually or through rental programs, provided however, NO UNIT MAY BE RENTED TO MORE PERSONS, NOR MAY IT BE OCCUPIED AS A RESIDENCE BY MORE PERSONS THAN IS ALLOWED BY THE CITY OF CLEMSON ZONING ORDINANCE. TO AID IN THE ENFORCEMENT OF THIS RESTRICTION EACH OWNER IS REQUIRED TO FURNISH A COPY OF EACH SIGNED LEASE,

RENTAL AGREEMENT, OR OCCUPANCY AGREEMENT TO THE ASSOCIATION WITHIN 10 DAYS OF THE ENTERING OF A LEASE AGREEMENT AFFECTING THE OWNER'S UNIT. FURTHERMORE, ANY LEASE, RENTAL AGREEMENT, OR OCCUPANCY AGREEMENT MUST BE IN WRITING. Further, however, so long as Grantor shall retain any interest in the ownership of a unit, it may utilize a unit or units of its choice from time to time, for sales offices, models or other usage for the purpose of selling the units in said Regime.

H. Use of Common Elements Subject to Rules of Association. The use of common elements by the owner or owners of all units, and all parties authorized to use the same, shall be at all times subject to such reasonable rules and regulations as may be prescribed and established governing such use, or which may hereafter be prescribed and established by the Association.

I. Regime to be used for Lawful Purposes, Restrictions Against Nuisances, etc. No immoral, improper, offensive, or unlawful use shall be made of any unit or common elements, nor any part thereof; and all laws, zoning ordinances, and regulations of all governmental authorities having jurisdiction of the Regime shall be observed. No owner of any unit shall permit or suffer anything to be done or kept in his unit, or on the common elements, which will increase the rate of insurance on the Regime, or which will obstruct or interfere with the rights of other occupants of the building, or annoy them by unreasonable noises; nor shall any such owner undertake any use or practice which will create and constitute a nuisance to any other owner of a unit, or which interferes with the peaceful possession and proper use of any other unit or the common elements.

J. Right of Entry into Units in Emergencies. In case of any emergency originating in or threatening any unit, regardless of whether the owner is present at the time of such emergency, the Board of Directors of the Association, or any person authorized by it, shall have the right to enter such unit for the purpose of remedying or abating the cause of such emergency, and such right of entry shall be immediate; and to facilitate entry in the event of any such emergency, the owner of each unit, if required by the Association, shall deposit under the control of the Association a key to such unit.

K. Right of Entry for Maintenance of Common Elements. Whenever it is necessary to enter any dwelling for the purpose of performing any maintenance, alteration, or repair to a portion for the common elements, the owner of each unit shall permit owners or their representatives, or the duly constituted and authorized agent of the Association, to enter such unit, provided that such entry shall be made only at reasonable times and with reasonable advance notice.

L. Limitation Upon Right of Owners to Alter and Modify Units. No owner of any unit shall permit there to be made any structural modifications or alterations therein without first

obtaining the written consent of the Association, which consent may be withheld in the event that a majority of the Board of Directors of said Association determines, in their sole discretion, that structural modifications or alterations would affect or in any manner endanger the building in part or in its entirety. If the modification or alteration desired by the owner of any unit involves the removal of any permanent interior partition, the Association shall have the right to permit such removal as long as the permanent interior partition to be removed is not a load bearing partition, so long as the removal thereof would in no manner affect or interfere with the provision of utility services constituting common elements located therein. No owner shall cause the balcony, porch or patio abutting his unit to be closed, or cause any improvements or changes to be made on the exterior of the building, including painting or other decoration, or the installation of electrical wiring, television antenna, machines or air conditioning units which may protrude through the walls or roof of the building, or in any manner change the appearance of any portion of the building not within the walls of such unit, nor shall storm panels or awnings be affixed without the written consent of the Association being first obtained.

M. Right of Association to Alter and Improve Common Elements and Assessment Therefor. The Association shall have the right to make, or cause to be made, such alterations or improvements to the common elements which do not prejudice the rights of the owner of any unit, unless such owner's written consent has been obtained; provided the making of such alterations or improvements shall be assessed as common expense to be assessed and collected from all of the owners of units. However, where any alterations and improvements are exclusively or substantially exclusively for the benefit of the owners of any unit requesting the same, then the costs of such alterations and improvements shall be assessed against and collected solely from the owner or owners of the unit or units exclusively or substantially exclusively benefited, the assessment to be levied in such proportion as determined by the Board of Directors of the Association. No such alteration or improvements shall be allowed which violate any condition of PUD Zoning Ordinance of the City of Clemson under which this property is developed.

N. Maintenance and Repair by Owners of Units. Every owner must perform promptly all maintenance and repair work within his dwelling which, if omitted, would affect the Regime in its entirety or in a part belonging to other owners, being expressly responsible for the damages and liability which his failure to do so may engender. The owner of each unit shall be liable and responsible for the maintenance, repair or replacement, as the case may be, of all air conditioning and heating equipment, stoves, refrigerators, fans, or other appliances or equipment, including any fixtures and/or their connections required to provide water, light, power, telephone,

sewage, and sanitary service to his unit, and which may now or hereafter be situated in his unit. Such owner shall further be responsible and liable for maintenance, repair and replacement of any and all window glass, screenwire, wall, ceiling, and floor, exterior services, painting, decorating, furnishing and all other accessories which such owner may desire to place or maintain in his unit. Further, each owner shall, at his own expense, maintain, repair and replace when necessary, that portion of the air conditioning system servicing his unit which is located outside of his unit and each owner shall, at his own expense, keep the limited common areas to which his unit has exclusive access and to which he has exclusive use clean and neat. Wherever the maintenance, repair and replacement of any items, which the owner of any unit is obligated to maintain, repair or replace at his own expense, is occasioned by any loss or damage which may be covered by any insurance maintained by the Association, the proceeds of the insurance received by said Association, or the insurance trustee hereinafter designated, shall be used for the purpose of making such maintenance, repair, or replacement except that the owner of such unit shall be in said instance required to pay such portion of the cost of such maintenance, repair, or replacement as shall, by reason of the applicability of any deductibility portion of such insurance, exceed the amount of the insurance proceeds applicable to such maintenance, repair or replacement.

O. Maintenance and Repair of Common Elements by the Association. The Association at its expense shall be responsible for the maintenance, except as noted herein, repair, or replacement of all of the common elements, including those portions thereof which contribute to the support of the building and all conduits, ducts, plumbing, wiring, and other facilities located in the common elements for the furnishing of utility services for the units and said common elements, and should any incidental damage be caused to any unit by virtue of any work which may be done or caused to be done by the Association in the maintenance, repair, or replacement of any common elements, the said Association shall, at its expense, repair such incidental damage.

P. Personal Liability and Risk of Loss of Owner of Unit and Separate Insurance Coverage. The owner of each unit may, at his own expense, obtain insurance coverage for loss of or damage to any furniture, furnishings, personal effects, and other personal property belonging to such owner and may, at his own expense and option, obtain insurance coverage against personal liability for injury to the person or property of another while within such owner's unit or upon the common elements. All such insurance obtained by the owner of each unit shall, wherever such provisions shall be available, provide that the insurer waives its right of subrogation as to claims against other owners of units, the Association, and the respective servants, agents, and guests of other owners in the Association; and such other insurance coverage should be obtained

from the insurance company from which said Association obtains coverage against the same risk, liability or peril, if said Association has such coverage. Risk, or loss of, or damage to any of the furniture, furnishings, personal effects, and other personal property (other than such furniture, furnishings, and personal property as constitutes a portion of the common elements) belonging to or carried on the person of the owner of each unit, or which may be stored in any unit, or in, to, or upon common elements, shall be borne by the owner of each such unit. All furniture, furnishings, or personal property constituting a portion of the common elements and held for the joint use and benefit of all owners of all units shall be covered by such insurance as shall be maintained in force and effect by the Association, as hereinafter provided. The owner of a unit shall have no personal liability for any damages caused by the Association or in connection with the use of the common elements. The owner of a unit shall be liable for injuries or damage resulting from an accident in his own unit to the same extent and degree that the owner of a house would be liable for an accident occurring within the house.

Q. Insurance Coverage to be Maintained by Association; Insurance Trustee; Use and Distribution of Insurance Proceeds, etc. The following insurance coverage shall be maintained in full force and effect by the Association covering the operation and management of the Regime and the said Regime, meaning the units and common elements, to wit:

1. Casualty insurance covering all of the units including all appliances originally included in the sales price when the unit was first sold and common elements in an amount equal to the maximum insurance replacement value thereof, exclusive of excavation and foundation costs, as determined annually by the insurance carrier, such coverage to afford protection against loss, or damage by fire, or other hazards covered by the standard extended coverage, or other perils, endorsements, and such other risks of a similar or dissimilar nature as are or shall be customarily covered with respect to buildings similar in construction, location, and use to the Regime, including but not limited to vandalism, malicious mischief, windstorm, water damage, and war risk insurance, if available.

2. Public liability and property damage insurance in such amounts and in such form as shall be required by the Association to protect said Association and the owners of all units including but not limited to water damage, legal liability, hired automobile, non-owned automobile, and off-premises employee coverage.

3. Worker's compensation insurance to meet the requirements of law.

4. Such other insurance coverage, other than title insurance, as the Board of Directors of the Association in its sole discretion may determine from time to time to be in the best

interests of the Association and the owners of all of the units, or as an institutional-type lender may reasonably require so long as it is the owner of a mortgage on any unit.

All liability insurance maintained by the Association shall contain cross-liability endorsements to cover liability of all owners of units as a group to each owner. All insurance coverage authorized to be purchased shall be purchased by the Association for itself and for the benefit of all owners of all units. The cost of obtaining the insurance coverage authorized above is declared to be a common expense, as are any other fees and expenses incurred which may be necessary or incidental to carrying out the provisions hereof. If deemed desirable or required by the holder of any mortgage on any unit, the Association shall have the right to designate any insurance trustee and all parties beneficially interested in such insurance coverage shall be bound hereby.

In the event of the loss of or damage only to common elements, real or personal, which loss or damage is covered by the casualty insurance, the proceeds paid to cover such loss or damage shall be applied to the repair, replacement or reconstruction of such loss or damage. If the insurance proceeds are in excess of the cost of repair, replacement or reconstruction of such common elements, then such excess insurance proceeds shall be paid to the owners of all of the units and their respective mortgagees, the distribution to be solely made to the owner of each unit and his respective mortgagee or mortgagees, as their interests may appear, in such proportion that the share of such excess insurance proceeds paid to the owner of each unit and his mortgagee or mortgagees, if any, shall bear the same ratio to the total excess insurance proceeds as does the undivided interest in common elements appurtenant to each unit bears to the total undivided interest in common elements appurtenant to all units. If it appears that the insurance proceeds covering the casualty loss or damage are not sufficient to pay for the loss or damage, replacement or reconstruction of the loss or damage, or that the insurance proceeds when collected will not be so sufficient, then the Association shall add to the proceeds such sum as will enable it to completely pay for the repair, replacement or reconstruction of any loss or damage, as the case may be. The monies added by the Association in the latter event may be paid by the Association out of its reserve for replacements fund and if the amount in such reserve is not sufficient, then the Association shall levy and collect an assessment against the owners of all units, in an amount which shall provide the funds required to pay for said repair, replacement or reconstruction.

In the event of the loss or damage to common elements and any unit or units which loss or damage is covered by the casualty insurance, the proceeds shall be first applied to the repair, replacement or reconstruction, as the case may be, of the common elements, real or personal, and then any remaining

insurance proceeds shall be applied to the repair, replacement or reconstruction of any unit or units which may have sustained any loss or damage so covered. If the insurance proceeds are in excess of the costs of the repair, replacement or reconstruction of the common elements and the unit or units which have sustained loss or damage, the insurance proceeds shall be paid and distributed to the owners of all units and to their mortgagee or mortgagees, as their respective interests may appear, such distributions to be made in the manner and in the proportions as are hereinabove provided. If it appears that the insurance proceeds covering the casualty loss or damage are not sufficient to pay for the repair, replacement or reconstruction of the loss or damage, or that the insurance proceeds when collected will not be so sufficient, then the Board of Directors of the Association, based upon reliable and detailed estimates obtained by it from competent and qualified parties, shall determine and allocate the costs of repair, replacement or reconstruction between the common elements and the unit or units sustaining any loss or damage. If the proceeds of said casualty insurance are sufficient to pay for the repair, replacement or reconstruction of the loss or damage to common elements, but should the same be not sufficient to repair, replace or reconstruct any loss of or damage to any unit or units, then the Association shall levy and collect an assessment from the owner or owners of a unit or units sustaining loss or damage and the assessment so collected from said owner or owners shall be added to the insurance proceeds so that the total shall be sufficient to completely pay for the repair, replacement or reconstruction of all common elements and unit or units. In the latter event, the assessment to be levied and collected from the owner or owners in such manner that the assessment levied against each owner of a unit and his unit shall bear the same proportion to the total assessment levied against all of the owners of units sustaining loss or damage as does the cost of repair, replacement or reconstruction of each owner's unit bears to the cost applicable to all of the units sustaining loss or damage.

Should the casualty insurance proceeds (in the event of loss of or damage to common elements and unit or units) be not in an amount which will pay for the complete repair or replacement or reconstruction of the common elements, it being recognized that such insurance proceeds are to be first applied to the payment of repair, replacement or reconstruction of said common elements before being applied to the repair, replacement or reconstruction of a unit or units, then the cost to repair, replace or reconstruct said common elements in excess of available casualty insurance proceeds shall be levied and collected as would an assessment from all of the owners of all units in the same manner as would such assessment be levied and collected had the loss or damage sustained been solely to common elements and the casualty insurance proceeds had not been sufficient to cover the costs of repair, replacement or reconstruction; and the costs of repair, replacement or reconstruction of each unit or units sustaining loss or damage

shall then be levied and collected by an assessment of the owner or owners of unit or units sustaining the loss or damage. In the event of loss of or damage to property covered by such casualty insurance, within sixty (60) days after any such occurrence the Association shall obtain reliable and detailed estimates of the costs to replace the damaged property in condition as good as that before such loss or damage, such estimates to contain and include the costs of any professional fees and premium for such bond as the Board of Directors of the Association may deem to be in the best interests of the membership of the Corporation.

Wherever it shall appear that the insurance proceeds payable for such loss or damage shall not be sufficient to defray the costs of repair, replacement or reconstruction thereof, the additional monies required to pay for such repair, replacement or reconstruction of any loss or damage, whether to be paid by all of the owners of units or only by the owner or owners of any unit or units sustaining loss or damage or both, shall be deposited with the Board of Directors not later than thirty (30) days from the date upon which the Board shall receive the monies payable under the policy or policies of casualty insurance.

In the event of the loss of or damage to personal property belonging to the Association, the insurance proceeds shall be paid to the Association. In the event of the loss of or damage to personal property constituting a portion of the common elements and should the Board of Directors of the Association determine not to replace such personal property as may be lost or damaged, then the insurance proceeds received by the Board shall be paid to all of the owners of all of the units and their respective mortgagee or mortgagees, as their interests may appear, in the manner and proportions hereinbefore provided for the distribution of excess insurance proceeds.

R. Apportionment of Tax or Special Assessment if Levied and Assessed. In the event that any taxing authority having jurisdiction over the Regime shall levy or assess any tax or special assessment against the Regime as a whole, as opposed to levying and assessing such tax or special assessment against each individual unit and its appurtenant undivided interest in common elements as provided by 27-31-260 of the Horizontal Property Act of the Code, then such tax or special assessment so levied shall be paid as common expense by the Association. Any taxes or special assessments which are to be so levied are to be included, whenever possible, in the estimated annual budget of the Association or shall be separately levied and collected as an assessment by the Association against all of the owners of all units and the units, if not included in the annual budget. The amount of any tax or special assessment paid or to be paid by the Association, in the event that such tax or special assessment is levied against the Regime as a whole, instead of against each separate unit and appurtenant undivided interest in the common elements, shall be apportioned among all units so that the amount of such tax or special assessment so paid or to be paid by the

Association and attributable to and to be paid by the owner or owners of each unit shall be that portion of such total tax or special assessment which bears the same ratio as does the undivided interest in the common elements appurtenant to each unit bears to the total undivided interest in the common elements appurtenant to all units.

In the event that any tax or special assessment shall be levied against the Regime in its entirety, without apportionment by the taxing authority to the units or appurtenant undivided interest in common elements, then the assessment by the Association, which shall include the proportionate share of such tax or special assessment attributable to each unit and its appurtenant undivided interest in common elements, shall separately specify and identify the amount of such assessment attributable to such tax or special assessment so designated shall be and constitute a lien prior to all mortgages and encumbrances upon any unit and its appurtenant undivided interest in common elements, regardless of the date of the attachment and/or recording of such mortgage or encumbrance, to the same extent as though such tax or special assessment had been separately levied by the taxing authority upon each unit and its appurtenant undivided interest in common elements.

All personal property taxes levied or assessed against personal property owned by the Association shall be paid by the Association and shall be included as a common expense in the annual budget of the Association.

S. Association to Maintain Registry of Owners and Mortgagees. The Association shall at all times maintain a register setting forth the names of owners of the units and in the event of the sale or transfer of any unit to a third party, the purchaser or transferee shall notify the Association in writing of his interest in such dwelling, together with such recording information as shall be appurtenant to identify the instrument by which the purchaser or transferee has acquired his interest in any unit. Further, the owner of each unit shall at all times notify the Association of the names of the parties holding any mortgage or mortgages on any unit, the amount of such mortgage or mortgages and the recording information which shall be appurtenant to identifying the mortgage or mortgagee. The holder of any mortgage or mortgages on any unit may, if he so desires, notify the Association of the existence of any mortgage or mortgages held by such party on any unit and upon receipt of such notice, the Association shall register in its records all pertinent information pertaining to the same.

T. Assessments. The Association is given the authority to administer the operation and management of the Regime, it being recognized that the delegation of such duties to one entity is in the best interests of the owners of all units. To properly administer the operation and management of the Regime, the Association will incur for the mutual benefit of

all owners of units, costs and expenses which will be continuing or non-recurring costs, as the case may be, which costs and expenses are sometimes herein referred to as "common expense". To provide the funds necessary for such proper operation and management, the Association has heretofore been granted the right to make, levy and collect assessments against the owners of all units and the said units. In furtherance of the grant of authority to the Association to make, levy and collect assessments to pay the costs and expenses for the operation and management of the Regime, the following provisions shall be operative and binding upon the owners of all units, to-wit:

1. All assessments levied against the owners of units and the units themselves shall be uniform and unless specifically otherwise provided for in this Master Deed, the assessments made by the Association shall be in such proportion that the amount of assessment levied against each owner of a unit and his unit, shall bear the same ratio to the total assessment made against all owners of units and their units, as does the undivided interest in the common elements appurtenant to each unit bear to the total undivided interest in the common elements appurtenant to all units. Should the Association be the owner of any unit or units, the assessment which would otherwise be due and payable to the Association by the owner of such unit or units, reduced by an amount of income which may be derived from the leasing of such unit or units of the Association shall be apportioned, and assessment therefore levied ratably among the owners of all units which are not owned by the Association, based upon their proportionate interest in the common elements exclusive of the interest therein appurtenant to any unit or units owned by the Association.

2. The assessment levied against the owner of each unit and his unit shall be payable in annual, quarterly or monthly installments or in such other installments, at such time or times as may be determined by the Board of Directors of the Association.

3. The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year which shall correspond to the calendar year, and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Regime, including a reasonable allowance for contingencies and reserves. Such budget shall take into account projected anticipated income which is to be applied in reduction of the amount required to be collected as an assessment each year. Upon adoption of such annual budget by the Board of Directors of the Association, copies of said budget shall be delivered to each owner of a unit and an assessment for said year shall be established based on such budget, although the delivery of a copy of said budget to each owner shall not affect liability of any owner for such assessment. Assessments for common expenses of emergencies which cannot be paid from the annual assessment for

common expenses shall be made only after notice of the need therefor to the apartment owner or owners concerned. After such notice and upon approval in writing by persons entitled to cast a majority of the votes of the Association, the assessment shall be effective, and it shall be due after (30) days' notice thereof in such manner as the Board of Directors of the Association may require.

4. The Board of Directors of the Association, in protecting the annual budget for the operation, management and maintenance of the Regime, shall include therein a sum to be collected and maintained as a reserve fund for replacement of common elements, which reserve fund shall be for the purpose of enabling the Association to replace structural elements and mechanical equipment constituting a part of the common elements as well as the replacement of personal property which may constitute a portion of the common elements held for the joint use and benefit of all of the owners of all units. The amount to be allocated to such reserve fund for replacement shall be established by the Board of Directors so as to accrue and maintain at all times a sum reasonably necessary to anticipate the need for replacement of these common elements. The amount collected and allocated to the reserve fund for replacements from time to time shall be maintained in a separate account by the Association. Nothing herein contained shall limit the Association from applying any monies from such reserve fund for replacement to meet other needs or requirements of the Association in operating or managing the project in the event of emergencies or in the event that the sums collected from the owners of units are insufficient to meet the then fiscal financial requirements of the Association, but it shall not be a requirement that these monies be used for such latter purposes as a separate assessment may be levied therefor if deemed to be preferable by the Board of Directors of the Association in the sole discretion of the Board.

5. The Board of Directors of the Association, in establishing an annual budget for operation, management and maintenance of the Regime, shall include therein a sum to be collected and maintained as a general operating reserve, which shall be used to provide a measure of financial stability during periods of special stress when such sum may be used to meet deficiencies from time to time existing as a result of a delinquent payment of assessments by owners of units or as a result of emergencies or for other reasons placing financial stress upon the Association.

6. All monies collected by the Association shall be treated as a separate property of the Association and such monies may be applied by the Association for the payment of any expense of operating and managing the Regime or to the proper undertaking of all acts and duties imposed upon it by virtue of this Master Deed and the By-Laws of said Association, and as the monies for any assessment are paid into the Association by any owner of a unit, the same may be co-mingled with the monies paid to the Association by other owners of units. Although all funds and other assessments of the Association and any increments thereto

or profits derived therefrom, or from the leasing and use of the common elements, shall be held for the benefit of the members of the Association who shall own any common surplus in the proportions of their percentage of undivided interest in the Regime. No member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest therein except as an appurtenance to his unit.

7. The payment of any assessment or installment thereof due to the Association shall be in default if such assessment, or installment thereof, is not paid into the Association on or before the due date of such payment. When in default, the delinquent assessment or the delinquent installment thereof due to the Association shall bear interest at the rate of ten (10%) per centum per annum until such delinquent assessment or installment thereof and all interest due thereon has been paid in full to the Association.

8. The owner or owners of each unit shall be personally liable, jointly and severally, as the case may be, to the Association, for payment of all assessments, regular or special, which may be levied by the Association which such party or parties are owner or owners of a unit in the Regime. In the event that any owner or owners are in default for payment of any assessment or installment thereof owed to the Association, such owner or owners of any unit shall be personally liable, jointly and severally, for interest on such delinquent assessment or installment thereof as above provided and for all costs of collecting such assessment or installment thereof and interest therein, including a reasonable attorney's fee, whether suit be brought or not.

9. No owner of a unit may exempt himself of a liability for any assessment levied against such owner and his unit by waiver of the use or enjoyment of any of the common elements or by abandonment of the unit or in any other manner.

10. Recognizing that the necessity for providing proper operation and management of the Regime entails the continuing payment of costs and expenses therefor, which results in benefit to all of the owners of units, and that the payment of such common expense represented by the assessments levied and collected by the Association is necessary in order to preserve and protect the investments of the owners of each unit, the Association is hereby granted a lien upon each dwelling and its appurtenant undivided interest in the common elements as set forth in 27-31-210 of the Code of Laws of South Carolina (1976), which lien shall secure and does secure the monies due for all assessments now or hereafter levied against the owner of each unit, which lien shall further secure interest, if any, which may be due on the amount of any delinquent assessments owing to the Association and which lien shall also secure all costs and expenses, including a reasonable attorney's fee, which may be

incurred by the Association in enforcing this lien upon said unit and its appurtenant undivided interest in the common elements. The lien granted to the Association hereby may be foreclosed in the same manner as mortgages may be foreclosed in the State of South Carolina. The lien granted to the Association shall further secure such advances for taxes, and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien and the Association shall be entitled to interest at the rate of ten (10%) per centum per annum on any such advances made for such purposes. All persons, firms or corporations who shall acquire, by whatever means, any interest in the ownership of any unit or who may be given or acquire a mortgage, lien or other encumbrance thereof, are hereby placed on notice of the lien granted to the Association and shall acquire such interest in any unit expressly subject to such lien.

11. The lien herein granted to the Association shall be effective from and after the time of recording in the records of Pickens County, South Carolina, a claim of lien stating the description of the dwelling encumbered thereby, the name of the record owner, the amount due and the date when due, and the lien shall continue in effect until all sums secured by said lien, as herein provided, shall have been fully paid. Such claims of lien shall include any assessments which are due and payable when the claim of lien is recorded, plus interest, costs, attorney's fees, advances to pay taxes and prior encumbrances and interest thereon, all as above provided. Such claims of lien shall be signed and verified by an officer or agent of the Association. Upon payment in full of all sums secured by such claim of lien the same shall be satisfied of record. The claim of lien filed by the Association shall be subordinate to the lien of any mortgage or any other lien recorded prior to the time of recording the Association's claim of lien, except the lien of the Association for tax or special assessment advances made by the Association, where any taxing authority having jurisdiction levies any tax or special assessment against the Regime as an entity instead of levying the same against each unit and its appurtenant undivided interest in the common elements, shall be prior in lien, right and dignity to the lien of all mortgages, liens, encumbrances, whether or not recorded prior to the Association's claim of lien therefor, and the Association's claim of lien for collection of such portion of such tax or special assessment shall specifically designate that the same secures an assessment levied pursuant to paragraph "R" of this Section of this Master Deed.

In the event that any person, firm or corporation shall acquire title to any unit and its appurtenance undivided interest in common elements by virtue of any foreclosure or judicial sale, such person, firm or corporation so acquiring title shall only be liable and obligated for assessments as shall accrue and become due and payable for said unit and its appurtenant undivided interest in the common elements subsequent to the date of acquisition of such title and shall not be liable for the payment of any assessments which were in default and delinquent at the time of such title subject to the lien of any assessment by the Association representing an apportionment of taxes or special assessments levied by taxing authorities against the Regime in its entirety. In the event of the acquisition of title to a unit by a foreclosure or judicial sale, the assessment or assessments as to which the party so acquiring title shall not be liable shall be absorbed and paid by all owners of all units as far as the common expense, although nothing herein contained shall be construed as releasing the party liable for such delinquent assessment from the payment thereof or the enforcement of collection of such payment by means other than foreclosure.

12. Whenever any unit may be sold or mortgaged by the owner thereof, upon written request by the owner of such unit, the Association shall furnish to the proposed purchaser or mortgagee a statement verifying the status of payment of any assessment which will be due and payable to the Association by the owner of such unit. Such statement shall be executed by any officer of the Association, and any purchaser or mortgagee may rely upon such statement in concluding the proposed purchase or mortgage transaction, and the Association shall be bound by such statement.

In the event that a unit is to be sold or mortgaged at the time when the payment of any assessment against the owner of said unit and such unit due to the Association shall be in default (whether or not a claim of lien has been recorded by the Association) that the proceeds of such purchase or mortgage proceeds will be applied by the purchaser or mortgagee first to payment of any then delinquent assessment or installment thereof due to the Association before the payment of any proceeds of purchase or mortgage proceeds to the owner of any unit who is responsible for payment of such delinquent assessment.

In any voluntary conveyance of a unit, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor made prior to the time of such voluntary conveyance, without prejudice to the rights of the grantee to recover from the grantor the amount paid by the grantee therefor.

Institution of a lawsuit to attempt to effect collection of the payment of any delinquent assessment shall not be deemed to be an election by the Association which shall prevent it thereafter from seeking enforcement of the collection

of any sums remaining owing to it by foreclosure, nor shall any proceeding by foreclosure to attempt to effect such collection be deemed to be an election precluding the institution a lawsuit to attempt to effect collection of any sums then remaining owing to it.

U. RESERVATION OF EASEMENTS AND RIGHTS OF WAY. The Grantor herein reserves the right to grant easements and rights of way to public utilites, cable television companies, and governmental entities for the installation and maintenance of the utilities, water, sewer, gas, telephone, electricity, and cable televison services to the properties. Further the Grantor reserves an easement and right of way over and across the properties in order to build all of the phases of the project described herein.

IX. TERMINATION. This Master Deed and the Regime may only be terminated by the unanimous consent of the City of Clemson, all of the owners of all units and all parties holding mortgages, liens or other encumbrances against any of the units, in which event the termination of the Regime shall be by such plan as may then be adopted by the owners and parties holding any mortgages, liens or other encumbrances. Such election to terminate this Master Deed and the Regime established herein shall be executed in writing by all of the above-mentioned parties, and such instrument shall be recorded in the records of Pickens County, South Carolina.

X. AMENDMENT OF MASTER DEED. Except for any alteration of the percentage of ownership in the common elements appurtenant to each unit, or alteration of the basis for apportionment of assessments which may be levied by the Association according to the provisions hereof, in which said instances consent of all of the owners of all of the units and their respective mortgagees shall be required, and except for any alteration, amendment or modification of the rights and privileges granted and reserved hereunder in favor of Grantor, which said rights and privileges granted and reserved unto Grantor shall only be altered, amended or modified with the respective expressed written consent of the said Grantor, this Master Deed may be amended in the following manner:

A. An amendment or amendments to this Master Deed may be proposed by the Board of Directors of the Association acting upon a vote of the majority of the Directors or by the members of the Association owning a majority of the units in the Regime, whether meeting as members or by instrument in writing signed by them.

B. Upon any amendment or amendments to the Master Deed being proposed by the 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 meeting of the members of the Association for a date not sooner than twenty (20) days nor later than sixty (60) days from receipt by him of the proposed amendment or amendments. It shall be the duty of the Secretary to give to each member written or printed notice of the special meeting, stating the time and place thereof and reciting the proposed amendment or amendments in reasonably detailed form, which notice shall be mailed not less than ten (10) days nor more than thirty (30) days before the date set for such special meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States mail addressed to the member at his post office address as appears on the records of the Association, with postage fully prepaid. Any member may, by written waiver of notice signed by such member, waive such notice and such waiver, when filed in the records of the Association, whether before or after the holding of such meeting, shall be deemed equivalent to the giving of such notice to such member.

C. At the meeting, the amendment or amendments proposed must be approved by an affirmative vote of all the members owning a unit in the Regime in order for such amendment or amendments to become effective.

D. Thereupon, such amendment or amendments of this Master Deed shall be transcribed and certified by the President and Secretary of the Association as having been duly adopted and the original or an executed copy of such amendment or amendments so certified and executed with the same formalities as the Master Deed shall be recorded in the public records of Pickens County, South Carolina, within the ten (10) days from the date upon which the same became effective, such amendment or amendments to specifically refer to the recording data identifying the Master Deed. Thereafter, a copy of said amendment in the form in which the same were placed of record by the officers of the Association shall be delivered to all of the owners of all units and mailed to the mortgagees listed in the registry required to

be maintained by paragraph 5 of Section VII hereof, but delivery in mailing of a copy thereof shall not be a condition precedent to the effectiveness of such amendment or amendments.

E. At any meeting held to consider such amendment or amendments, the written vote of any member of the Association shall be recognized if 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. Furthermore, no amendment of this Master Deed shall be adopted which would operate to affect the validity or priority of any mortgage held by a mortgagee or which would alter, amend or modify in any manner whatsoever the rights, powers and privileges granted and reserved herein in favor of any mortgagee or in favor of the grantor, without the consent of all such mortgagees or grantor as the case may be.

G. Furthermore, no amendment of this Master Deed shall be adopted which would operate to affect any condition of the PUD Zoning Ordinance pursuant to which this property was developed without first having obtained the consent of the City of Clemson.

XI. REMEDIES IN EVENT OF DEFAULT. The owner or owners of each unit shall be governed by and shall comply with the provisions of this Master Deed and the By-Laws of the Association and its rules and regulations as any of the same are not constituted or as they may be adopted and/or amended from time to time. A default by the owner or owners of any unit shall entitle the Association or the owner or owners of any other unit or units to the following relief:

1. Failure to comply with any of the terms of this Master Deed or other restrictions or regulations contained in the By-Laws of the Association or its rules and regulations, shall be grounds for relief which may include, without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien or any combination thereof, which relief may be sought by the Association or, if appropriate by an aggrieved owner of a unit.

2. The owner or owners of each unit shall be liable for the expense of any maintenance, repair or replacement

rendered when necessary by his act, neglect or carelessness or by that of any member of his family or his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of the insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by the use, misuse, occupancy or abandonment of a unit or its appurtenances. Nothing herein contained, however, shall be construed as to modify any waiver by insurance companies of rights of subrogation.

3. In any proceeding arising because of an alleged default by the owner of any unit the Association, if successful, shall be entitled to recover the costs of the proceedings and such reasonable attorney fees as may be determined by the Court, but in no event shall the owner of any unit be entitled to such attorney's fees.

4. The failure of the Association or of the owner of a unit to enforce any right, provision, covenant or condition which may be granted by this Master Deed or other above-mentioned documents shall not constitute a waiver of the right of the Association or of the owner of a unit to enforce such right, provision, covenant or condition in the future.

5. All rights, remedies and privileges granted to the Association or the owner or owners of a unit pursuant to any terms, provisions, covenants or conditions of this Master Deed or other above-mentioned documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.

6. The failure of the Grantor to enforce any right, privilege, covenant or condition which may be granted to it by this Master Deed or other above-mentioned documents shall not constitute a waiver of the right of such party to thereafter enforce such right, provisions, covenant or condition in the future.

XII. USE OR ACQUISITION OF INTEREST IN THE REGIME TO RENDER USER OR ACQUIRER SUBJECT TO PROVISIONS OF THE MASTER DEED. All present or future owners, tenants or other persons who might use the facilities of the Regime in any manner are subject to the provisions of this Master Deed and all documents appurtenant hereto and incorporated herewith including, but not limited to, the By-Laws of the Association and the Articles of Incorporation of the Association.

The mere acquisition or rental of any unit or the mere act of occupancy of any unit shall signify that the provisions of this Master Deed and all documents appurtenant hereto and incorporated herein by reference are accepted and ratified in all respects.

XIII. SEVERABILITY. In the event that any of the terms, provisions or covenants of this Master Deed are held to be partially or fully invalid or unenforceable for any reason whatsoever, such holding shall not affect, alter, modify or impair in any manner whatsoever any of the terms, provisions or covenants.

XIV. LIBERAL CONSTRUCTION AND ADOPTION OF PROVISIONS OF HORIZONTAL PROPERTY ACT. Provisions of this Master Deed shall be liberally construed to effectuate its purpose of creating a uniform plan of condominium ownership. The Horizontal Property Act of the Code of Laws of South Carolina (1976), as the same may be amended from time to time hereafter, is hereby adopted and made a part hereof. In the event of any conflict between this Master Deed and the said Horizontal Property Act, as the same may be amended from time to time, the said Act shall take the place of the provisions in conflict with this Master Deed.

XV. MASTER DEED BINDING UPON GRANTOR, ITS SUCCESSORS AND ASSIGNS, AND SUBSEQUENT OWNERS. The restrictions and burdens imposed by the covenants of this Master Deed are intended to be and shall constitute covenants running with the land and shall constitute an equitable servitude upon each unit and its appurtenant undivided interest in common elements and this Master Deed shall be binding upon the Grantor, its successors and assigns, and upon all parties who may subsequently become owners of units in the Regime and their respective heirs, legal representatives, successors or assigns.

IN WITNESS WHEREOF, the Grantor has placed its Seal and caused these presents to be executed by its General Partner this 3rd day of May, in the year of our Lord one thousand nine hundred ninety.

Signed, sealed and delivered
in the presence of:

Charlene S. Harrison
Raven W. Koon

THE BRADLEY COMPANY OF ROANOKE, VIRGINIA,

BY: [Signature]
Its: PRESIDENT

STATE OF SOUTH CAROLINA)
COUNTY OF PICKENS)

PROBATE

PERSONALLY appeared the undersigned witness who, being duly sworn, states that (s)he saw the within named sign, seal and as its act and deed deliver the within written instrument for the uses and purposes contained therein, and that

(s)he together with the other witness subscribed above witnessed the execution thereof.

Charlene S. Harrison

SWORN to before me this 3rd
day of May, 1990.

James W. Slane L.S.
Notary Public for South Carolina
My Commission Expires: 4/10/90

005759
OLIVER A. MEND
FILED
MAY 3 4 35 PM '90
CLERK OF COURT
PICKENS, S.C.

EXHIBIT A

ALL that certain piece, parcel or tract of land lying and being situate in the State of South Carolina, County of Pickens, within the corporate limits of the City of Clemson, being known and designated as 6.66 acres, more or less, according to plat prepared by B. P. Barber & Associates, Inc., C. La Verne Steadman, SCPLS #7883, dated March 12, 1990, and recorded in Plat Book 43, Page 28, records of Pickens County, South Carolina, reference to which plat is hereby made for a more complete and accurate description and being more fully described according to said plat as follows:

BEGINNING at an iron pin at the northern boundary of Elm Street which point is also common corner with property now or formerly owned by Moore; running thence in a northerly direction along Elm Street N71-11-12W 731.71 feet to an old concrete monument; thence leaving Elm Street and running along line of property now or formerly owned by Mauldin, N03-41-00W 394.35 feet to an iron pin; thence running along line of property of Frederick L. Russell, Trustee, S71-29-00E 674.15 feet to a point; thence S20-50-24W 21.62 feet to a new concrete monument; thence S72-36-00E 191.73 feet to a point; thence running along line of property now or formerly owned by McAlister, S21-16-00W 100.20 to an old iron pin; thence S72-36-00E 21.86 feet to a point; thence along line of property now or formerly owned by Moore, S18-49-00W 251.38 feet to the point of BEGINNING. The exact boundary lines may be adjusted slightly depending upon the topography and location of easements and right of ways.

This being the identical property conveyed to The Bradley Company, A Virginia Corporation d/b/a The Bradley Company of Roanoke, Virginia, Inc. by deed of Frederick L. Russell, Trustee under three agreements with S. W. Heischman dated March 12, 1990 and recorded in Deed Book 94, Page 137, records of Pickens County, South Carolina.

EXHIBIT B

ALL that certain piece, parcel or tract of land lying and being situate in the State of South Carolina, County of Pickens, Township of Clemson, being known and designated as 18.2 acres, more or less, according to plat prepared by Beeson Engineering Company dated September, 1969 and recorded in Plat Book 19, Page 70, records of Pickens County, South Carolina, reference to which plat is hereby made for a more complete and accurate description and being more fully described according to said plat as follows:

BEGINNING at a point which point is joint corner with a 6.66 acre tract running thence along the boundary line of the 6.66 acre tract N71-29W 674.15 feet to a point; thence running N71-29W 1044.05 feet to a point; thence N5-38-36E 159.23 feet; thence S39-02E 64.51 feet; thence N64-59E 566.1 feet to a point; thence S71-07-39E 1,279.55 feet to a point; thence S9-27-18W 149.45 feet to a point; thence S20-50-24W 355.58 feet to the point of BEGINNING.

This being a portion of the property conveyed to Frederick L. Russell, Trustee under three agreements with S. W. Heischman dated April 1, 1968 by deed of John F. Griffin, Clerk of Court for Pickens County dated August 31, 1976 and recorded in Deed Book 13-C, Page 435, records of Pickens County, South Carolina.

The within document was filed
or record on the 3rd day of

May 1990 and recorded

In Book 97 page 263

Clavin A. Nealy

Clerk of Court and C.M.C.
Pickens County, S. C.

EXHIBIT C



PENTHOUSE LEVEL (3)

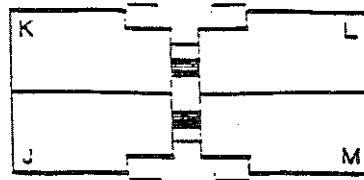


MID LEVEL (2)



TERRACE LEVEL (1)

BUILDING 1



PENTHOUSE LEVEL (3)



MID LEVEL (2)



TERRACE LEVEL (1)

BUILDING 2



PENTHOUSE LEVEL (3)

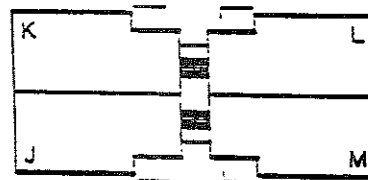


MID LEVEL (2)



TERRACE LEVEL (1)

BUILDING 3



PENTHOUSE LEVEL (3)

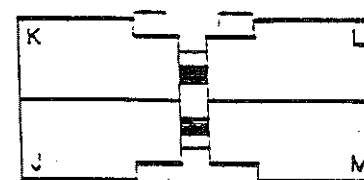


MID LEVEL (2)

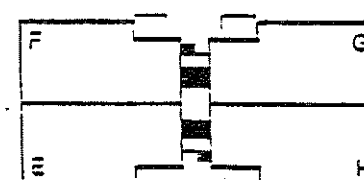


TERRACE LEVEL (1)

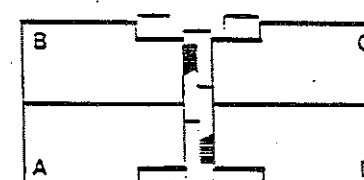
BUILDING 4



PENTHOUSE LEVEL (3)

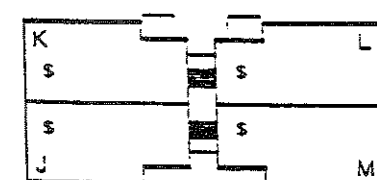


MID LEVEL (2)

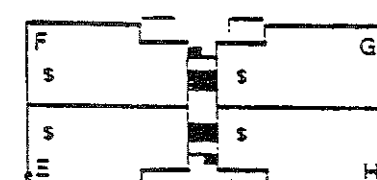


TERRACE LEVEL (1)

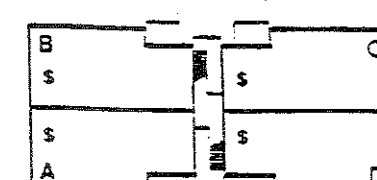
BUILDING 5



PENTHOUSE LEVEL (3)



MID LEVEL (2)



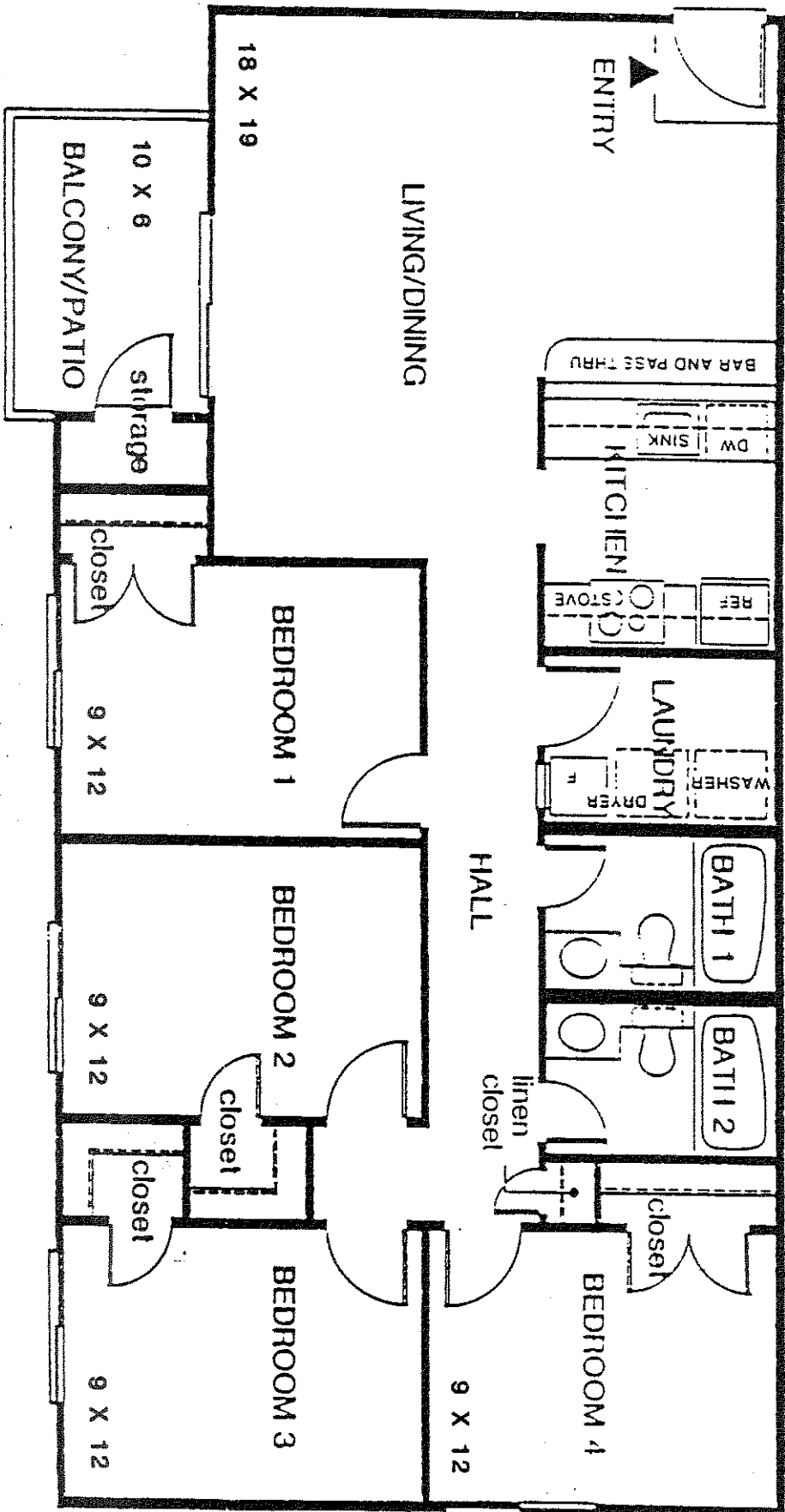
TERRACE LEVEL (1)

BUILDING 6

UNIVERSITY
PLACE
CONDOMINIUM
CLEMSON

UNIVERSITY PLACE CONDOMINIUM

FLOOR PLAN



ARTICLES OF INCORPORATION

OF

UNIVERSITY PLACE CONDOMINIUM ASSOCIATION, INC.

The undersigned by these Articles associate themselves for the purpose of forming a non-profit corporation under the provisions of Chapter 31, Code of Laws of South Carolina (1976), and certify as follows:

I. NAME

The name of the Corporation shall be UNIVERSITY PLACE CONDOMINIUM ASSOCIATION, INC. For convenience, the corporation shall be referred to in this instrument as "the Association".

II. HEADQUARTERS

The headquarters of the Association will be located at College Avenue, Clemson, South Carolina, and the initial registered agent of the Association shall be William E. Grishaw.

III. PURPOSE

The purpose for which the Association is organized is to provide a form of administration for a Horizontal Property Regime to be known as UNIVERSITY PLACE CONDOMINIUM ASSOCIATION, INC. (hereinafter "the Regime"), which is being established pursuant to the provisions of Chapter 27 of the Code. Said Regime is located upon the lands described on Exhibit A attached hereto and made a part hereof. Additional lands may be annexed into the Regime and are described on Exhibit B attached hereto and made a part hereof.

IV. POWERS

The powers of the Association shall include and be governed by the following provisions:

4.1: The Association shall have all of the common law and statutory powers of a non-profit corporation not in conflict with the terms of these Articles.

4.2: The Association shall have all of the powers and duties prescribed for the "Council of Co-Owners" as set forth in the Horizontal Property Act of the Code, except as limited by these Articles and the Master Deed, and all of the powers and duties reasonably necessary to operate the Regime pursuant to the Master Deed and as it may be amended from time to time, including but not limited to the following:

i. To make and collect assessments against members as apartment owners to defray the costs, expenses and losses of the Regime;

ii. To use the proceeds of the assessments in the exercise of its powers and duties;

iii. The maintenance, repair, replacement and operation of the Regime;

iv. The purchase of insurance upon the Regime property and insurance for the protection of the Association and its members as apartment owners;

v. The reconstruction of improvements after casualty, and the further improvement of the property;

vi. To make and amend reasonable regulations respecting the use of the property in the Regime;

vii. To enforce by legal means the provisions of the Horizontal Property Act, the Master Deed, these Articles and the By-Laws of the Association and the regulation for the use of the property in the Regime;

viii. To contract for the management of the Regime and to delegate to such contractor all powers and duties of the Association except such as are specifically required by the Master Deed to have the approval of the Board of Directors or the membership of the Association; and

ix. To employ personnel to perform services required for proper operation of the Regime.

4.3: The Association shall not have the power to purchase an apartment in the Regime except at sales and foreclosures of liens for assessments for common expenses, at which sales the Association shall bid no more than the amount secured by its lien. This provision shall not be changed without the unanimous approval of the members and the joinder of all record owners of mortgages upon the Regime.

4.4: All funds and titles of all properties acquired by the Association and their proceeds shall be held in trust for the members in accordance with the provisions of the Master Deed, these Articles of Incorporation and the By-Laws.

4.5: The powers of the Association shall be subject to and exercised in accordance with the provisions of the Master Deed and the By-Laws.

V. MEMBERS

5.1: The members of the Association shall consist of all of the owners by the records of Pickens County, South Carolina, of apartments in the Regime, and after termination of the Regime, shall consist of those who are members at the time of the termination and their successors and assigns.

5.2: Change of membership in the Association shall be established by recording in the public records of Pickens County, South Carolina, a deed or other instrument establishing a record title to an apartment in the Regime and the delivery to the Association of a certified copy of such instrument. The owner designated by such instrument thus becomes a member of the Association and the membership of the prior owner is terminated.

5.3: The share of a member in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner except as an appurtenance to his apartment.

5.4: Voting shall be on a percentage basis and the percentage of the vote to which the owner of each apartment shall be entitled is the percentage assigned to the apartment by the Master Deed. The manner or exercising voting rights shall be determined by the By-Laws of the Association.

VI. DIRECTORS

6.1: The affairs of the Association shall be managed by a Board of Directors consisting of a number of directors as determined by the By-Laws.

6.2: Directors of the Association shall be elected at the annual meeting of the members in the manner determined by the By-Laws. Directors may be removed and vacancies on the Board shall be filled in the manner provided by the By-Laws.

6.3: The names and addresses of the initial Board of Directors of the Association, who shall hold office until their successors are elected and qualified or until removed, are as follows:

<u>Name</u>	<u>Address</u>
Robert N. Bradley	P. O. Box 8187 Roanoke, VA 24014-0187
William E. Grishaw	College Avenue Clemson, SC 29631

VII. OFFICERS

The affairs of the Association shall be administered by the officers designated in the By-Laws. The officers shall be elected by the Board of Directors at its first meeting following the annual meeting of the members of the Association and shall serve at the pleasure of the Board of Directors. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

<u>Name</u>	<u>Office</u>	<u>Address</u>
Robert N. Bradley	President	P. O. Box 8187 Roanoke, VA 24014-0187
William E. Grishaw	Sec.-Treasurer	College Avenue Clemson, SC 29631

VIII. INDEMNIFICATION

Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding or any settlement of any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a director or officer of the Association, whether he is a director or officer at the time such expenses are incurred, except when the director or officer is adjudged guilty of willful malfeasance in the performance of his duties. Provided, however, in the event of a settlement the indemnification shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of the Association. The foregoing right of indemnification shall be in addition and not exclusive of all other rights to which such director or officer may be entitled.

IX. BY-LAWS

The first By-Laws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded by the members in the manner provided for by the By-Laws.

X. AMENDMENTS

Amendments to these Articles of Incorporation shall be proposed and adopted by the members in the following manner:

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

ii. An amendment shall be approved by three-fourths (3/4) of all of the members. Members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided such approval is delivered to the secretary at or prior to the meeting.

iii. No amendment shall make any changes in the qualifications for membership nor the voting rights of the members, nor any change in Section 3.3 of Article III without the approval in writing of all members and the joinder of all record owners or mortgages upon the Regime.

XI. TERM

The term of the Association shall be perpetual.

XII. SUBSCRIBERS

The names and addresses of the subscribers of these Articles of Incorporation are as follows:

<u>Name</u>	<u>Address</u>
<u>Robert N. Bradley</u>	<u>P. O. Box 8187</u> <u>Roanoke, Virginia 24014-0187</u>
<u>William E. Grishaw</u>	<u>College Avenue</u> <u>Clemson, SC 29631</u>

IN WITNESS WHEREOF, the Subscriber has hereunto fixed his hand and seal this 3rd day of May, 1990.

 (SEAL)
Incorporator

STATE OF SOUTH CAROLINA)
COUNTY OF PICKENS)

The undersigned, Robert N. Bradley, does hereby certify that he is the incorporator of UNIVERSITY PLACE CONDOMINIUM ASSOCIATION, INC., and is authorized to execute this verification; that he does for himself hereby further certify that he has read the foregoing document, understands the meaning and purport of the statements therein contained and the same are true to the best of his information and belief.


(Incorporator's signature)

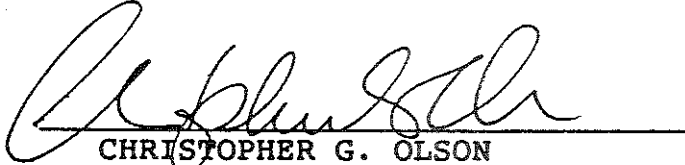
The undersigned, William E. Grishaw, does hereby certify that he is the incorporator of UNIVERSITY PLACE CONDOMINIUM ASSOCIATION, INC., and is authorized to execute this verification; that he does for himself hereby further certify that he has read the foregoing document, understands the meaning and purpose of the statements therein contained and the same are true to the best of his information and belief.


(Incorporator's signature)

Dated: May 3, 1990

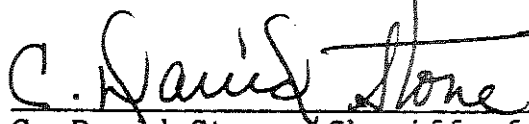
I, Christopher G. Olson, an attorney licensed to practice in the State of South Carolina, certify that the corporation to whose Articles of Incorporation this certificate is attached, has complied with the requirements of Chapter 31 and Chapter 33, Code of Laws of South Carolina, (1976), relating to the organization of corporations and non-profit organizations, and in my opinion, the corporation is organized for a lawful purpose.

Dated: May 3, 1990


CHRISTOPHER G. OLSON
Attorney at Law
Post Office Box 1633
Clemson, South Carolina 29633

SHERIFF'S APPROVAL

Pursuant to §33-31-40, Code of Laws of South Carolina (1976), as amended, the Undersigned, as Sheriff of Pickens County, South Carolina, does hereby approve the foregoing Articles of Incorporation for UNIVERSITY PLACE CONDOMINIUM ASSOCIATION, INC.


C. David Stone, Sheriff of
Pickens County

Dated: 5-2, 1990

005758
6/24
OLIVER
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CLERK OF COURT
PICKENS, S.C.

EXHIBIT A

ALL that certain piece, parcel or tract of land lying and being situate in the State of South Carolina, County of Pickens, within the corporate limits of the City of Clemson, being known and designated as 6.66 acres, more or less, according to plat prepared by B. P. Barber & Associates, Inc., C. La Verne Steadman, SCPLS #7883, dated March 12, 1990, and recorded in Plat Book 43, Page 28, records of Pickens County, South Carolina, reference to which plat is hereby made for a more complete and accurate description and being more fully described according to said plat as follows:

BEGINNING at an iron pin at the northern boundary of Elm Street which point is also common corner with property now or formerly owned by Moore; running thence in a northerly direction along Elm Street N71-11-12W 731.71 feet to an old concrete monument; thence leaving Elm Street and running along line of property now or formerly owned by Mauldin, N03-41-00W 394.35 feet to an iron pin; thence running along line of property of Frederick L. Russell, Trustee, S71-29-00E 674.15 feet to a point; thence S20-50-24W 21.62 feet to a new concrete monument; thence S72-36-00E 191.73 feet to a point; thence running along line of property now or formerly owned by McAlister, S21-16-00W 100.20 to an old iron pin; thence S72-36-00E 21.86 feet to a point; thence along line of property now or formerly owned by Moore, S18-49-00W 251.38 feet to the point of BEGINNING.

This being the identical property conveyed to The Bradley Company, A Virginia Corporation d/b/a The Bradley Company of Roanoke, Virginia, Inc. by deed of Frederick L. Russell, Trustee under three agreements with S. W. Heischman dated March 12, 1990 and recorded in Deed Book 94, Page 137, records of Pickens County, South Carolina.

EXHIBIT B

ALL that certain piece, parcel or tract of land lying and being situate in the State of South Carolina, County of Pickens, Township of Clemson, being known and designated as 18.2 acres, more or less, according to plat prepared by Beeson Engineering Company dated September, 1969 and recorded in Plat Book 19, Page 70, records of Pickens County, South Carolina, reference to which plat is hereby made for a more complete and accurate description and being more fully described according to said plat as follows:

BEGINNING at a point which point is joint corner with a 6.66 acre tract running thence along the boundary line of the 6.66 acre tract N71-29W 674.15 feet to a point; thence running N71-29W 1044.05 feet to a point; thence N5-38-36E 159.23 feet; thence S39-02E 64.51 feet; thence N64-59E 566.1 feet to a point; thence S71-07-39E 1,279.55 feet to a point; thence S9-27-18W 149.45 feet to a point; thence S20-50-24W 355.58 feet to the point of BEGINNING.

This being a portion of the property conveyed to Frederick L. Russell, Trustee under three agreements with S. W. Heischman dated April 1, 1968 by deed of John F. Griffin, Clerk of Court for Pickens County dated August 31, 1976 and recorded in Deed Book 13-C, Page 435, records of Pickens County, South Carolina.

The within document was filed
or record on the 3rd day of
May 1990 and recorded
in Book 97 page 255
Oliver A. Neely
Clerk of Court and C.M.C.
Pickens County, S. C.