

DECLARATION FOR CHARTER.

STATE OF SOUTH CAROLINA)
 COUNTY OF GREENVILLE)

TO THE SECRETARY OF STATE OF SOUTH CAROLINA:

The Undersigned Declarants, Patrick C. Fant and J. M. Perry, both of Greenville, South Carolina, by this their Declaration, would respectfully certify:

- 1st. That their names and residences are as above given.
- 2nd. That the name of the proposed corporation is McDaniel Heights Apartment Corporation.
- 3rd. That the principal place of business is Greenville, South Carolina.
- 4th. That the general nature of the business which it proposes to do and the business or objects to be carried on and promoted by it are as follows:
 - (a) To create hereby a private corporation to provide housing which may be regulated by the Federal Housing Administration (and not otherwise except as herein expressly provided) as to rents, charges, capital structure, rate of return and methods of operation, all pursuant to the provisions of Section 207 of Title II of the National Housing Act, as amended, and as such to acquire, construct, reconstruct, alter repair, maintain and operate a housing project in or near the City of Greenville, in the County of Greenville, State of South Carolina.
 - (b) To acquire, by purchase or otherwise, any real estate, improved or unimproved, or any interest therein or any rights, fixtures, easements or privileges appurtenant or appurtenant thereto, and any and all personal property necessary, suitable, proper or convenient for, in connection with, or incidental to, the accomplishment of the purposes of the corporation.
 - (c) To hold, develop, improve, and operate, and to sell, convey, assign, mortgage, lease (with or without the privilege of purchase), transfer, or otherwise dispose of, any and all improved or unimproved real estate, and any and all personal property which it may now hold or may hereafter acquire; to maintain the same, together with the appurtenances thereto, in accordance with all applicable laws, ordinances and regulations, in good repair and such condition as will preserve the health and safety of its tenants.
 - (d) To borrow money, to issue bonds, notes and other evidences of indebtedness in furtherance of any or all of the objects of its business; to secure the same by mortgage, deed or trust, pledge or other lien upon any or all of the property, rights, privileges, or franchises of the corporation wheresoever situated, acquired, or to be acquired; to sell, pledge, or otherwise dispose of, any or all such bonds, notes, and other evidence of indebtedness in such manner and upon such terms as the Board of Directors may deem proper and to guarantee the payment of any dividends upon stock, or the principal of or interest upon bonds or the contracts or other obligations of any corporation or individual, in accordance with the laws of South Carolina.
 - (e) To enter into, perform, and carry out lawful contracts of any nature or kind necessary, suitable, proper or convenient for, or in connection with, or incidental to, the accomplishment of the purposes of the corporation, and to do any and all other things necessary, suitable, proper or convenient for, or in connection with, or incidental to, the accomplishment of any one or more of the purposes or objects herein enumerated or described, or which shall appear at any time conducive or expedient for the protection or benefit of the corporation, provided that the same be not inconsistent with the laws of the State of South Carolina and of the United States of America.
 - (f) To apply for and obtain or cause to be obtained from the Federal Housing Administration (created under and existing pursuant to the provisions of said National Housing Act, as amended) and/or the Federal Housing Administrator (acting for and on behalf of the said Federal Housing Administration and/or the United States of America and hereinafter called the Administrator), pursuant to the provisions of said National Housing Act, as amended, a Contract or Contracts of Insurance covering bonds, notes, and other evidence of indebtedness issued or to be issued by the Corporation and/or any indenture of mortgage or deed of trust executed or to be executed by the corporation securing the payment thereof, and in connection therewith and in consideration for such insurance, to enter into, undertake, incur, perform, discharge and carry out all such contracts and agreements with and commitments and obligations to said Federal Housing Administration and/or said Administrator and/or others as may be necessary to obtain and/or maintain such insurance, all in such form and upon such terms and conditions as the Board of Directors of the Corporation may approve.
- 5th. The Corporation shall have five directors, and the number of directors of the Corporation shall not be increased or decreased except upon consent of the holders of a majority of the shares of each class of stock, given either in writing or by vote at a meeting of the stockholders called for that purpose.
- 6th. The total amount of authorized capital stock of the Corporation is eight hundred ten (810) shares, of which one hundred (100) shares, having a par value of One dollar per share, shall be designated "Preferred Stock", and seven hundred ten (710) shares, having a par value of One Hundred Dollars per share, shall be designated "Common Stock". Said shares of capital stock shall have preferences, privileges, voting powers, and restrictions and qualifications thereof as follows:
 - (a) The holders of the Preferred Stock shall be entitled to receive, when and as declared by the Board of Directors, out of the net earnings of the Corporation, legally available for dividends and after proper provision for reserves has been made as hereinafter provided, noncumulative dividends at the rate of five (5) cents per share per annum and no more, payable semi-annually as of the first day of May and November, in each year, before any sum or sums shall be set apart for or applied to the purchase or redemption of the Preferred Stock and before any dividend