

which the Association may be obligated to maintain. The fund shall be or is maintained out of regular assessments for common expenses.

A working capital fund shall be established for the initial months of the project operation equal to at least a two (2) months' estimated Common Area charge for each unit estate. Each unit estate's share of the working capital fund shall be collected and transferred to the Association at the time of closing of the sale of each unit estate and maintained in a segregated account for the use and benefit of the Association. The purpose of the fund is to insure that the Association board will have cash available to meet unforeseen expenditures, or to acquire additional equipment or services deemed necessary or desirable by the board. Amounts paid into the fund are not to be considered as advance payment of regular assessments.

6. LENDER'S NOTICE: Upon written request to the Owners Association, identifying the name and address of the holder, insurer or guarantor and the unit estate number or address, any such eligible mortgage holder or eligible insurer or guarantor will be entitled to timely written notice of:

a. Any condemnation loss or any casualty loss which affects a material portion of the project or any unit estate on which there is a first mortgage held, insured, or guaranteed by such eligible mortgage holder or eligible insurer or guarantor, as applicable;

b. Any delinquency in the payment of assessments or charges owed by an owner of a unit estate subject to a first mortgage held, insured or guaranteed by such eligible holder or eligible insurer or guarantor, which remains uncured for a period of sixty (60) days;

c. Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Owners Association;

d. Any proposed action which would require the consent of a specified percentage of mortgage holders.

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