

to or near the Property. Said facilities and land will be conveyed to a non-profit corporation or association. The Association will acquire one-third (1/3) of the equity or membership interest in said entity for an initial capital contribution of \$1.00. As a member or owner in such entity, the Association shall be required to pay one-third of the operating expenses and costs incurred by the entity for maintenance and repairs of the courts, parking lot, grounds, etc. This expense shall be paid out of the Assessments levied by the Association, as a Common Expense. All owners of Townhomes shall have rights and privileges to utilize such tennis and parking facilities, in accordance with rules and regulations to be established by the governing body of that entity. The Association shall have and continually maintain and exercise voting rights equal to one-third (1/3) of the total voting rights of the members or owners of said entity.

Section 3. Basis and Maximum of Annual Assessments. Until December 31, 1980, the maximum Annual Assessment shall be \$660.00 for each Townhome which is a part of the Property.

(a) From and after January 1, 1981 the maximum Annual Assessment may be increased effective January 1st of each year without a vote of the Owners in conformance with the rise, if any, of the numerical rating for the preceding month of June above such rating for June, 1980, as established by the Greenville, South Carolina, Consumer Price Index for Urban Wage Earners and Clerical Workers (published by the Department of Labor, Washington, D.C.), the successor thereto or other comparable consumer price index should that described herein be discontinued or no longer made available to the Association.

(b) From and after January 1, 1981, the maximum Annual Assessment for any succeeding year may be increased above that established by the Consumer Price Index formula provided that any such charge shall require the consent of a Majority of the votes of the Owners who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be delivered to all Townhomes or sent to all Owners not less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting.

(c) After consideration of current maintenance costs and other needs of the Association, the Board of Directors may fix the Annual