

XII. COMMON AREA AND LIMITED COMMON AREA FACILITIES

A. Ownership and use of the common area and limited common areas shall be governed by the following provisions:

(1) The ownership of the percentage of undivided interest of a residence owner in the common areas, limited common areas and facilities shall be deemed to be conveyed or encumbered or to otherwise pass with the residence whether or not expressly mentioned or described in a conveyance or other instrument describing the residence, and may not be separated from the residence.

(2) The common areas, limited common areas and facilities shall remain undivided and no residence owner nor any other person shall bring any action for partition or division of the whole or any part of the common areas and facilities except as provided in the Act or otherwise specifically provided in this Declaration.

(3) Subject to any specific limitations contained herein and any rules duly adopted by the Association, each residence owner and the Association may use the common areas, limited common areas (subject to terms herein) and facilities for the purposes for which they are intended, but no such use shall hinder or encroach upon the lawful rights of the other residence owners.

(4) The maintenance, operation, and groundskeeping service of the common areas, limited common areas and facilities shall be the responsibility and the expense of the Association except for the items listed in Paragraph XI, which shall be the responsibility of the unit owner.

XIII. ASSOCIATION

The Association is a South Carolina corporation which shall be the governing body for all co-owners for the purpose of the administration of the property. However and notwithstanding anything to the contrary contained herein:

A. The Sponsor shall have and exercise all rights, powers, remedies, duties, and privileges of the Association, Board of Directors and Manager, all of which may either be delegated by the Sponsor to a Manager designated by the Sponsor which may be a person controlling, controlled by, or under some common control with the Sponsor until control of the Association becomes vested in the purchasers of the units. Sponsor shall have said rights, powers, remedies, duties and privileges of the Association, Board of Directors and Manager until fourteen (14) units have been sold, except, however, Sponsor may turn control of the Association and Board of Directors to the owners at any time.

B. Until control of the Association becomes vested in the purchasers of the units, the Sponsor will manage the condominium, provided, however, the management by Sponsor or any agreement for professional management may be terminated for cause on thirty (30) days written notice and the terms of any such contract may not exceed one (1) year, renewable for successive one-year periods.

C. Each residence owner will pay monthly to the Association, as such residence owner's share of common expenses, an amount from time to time established and charged by the Sponsor to be such residence owner's monthly pro rata part of common expenses based upon the Sponsor's estimate of cost of management, administration, services, and common expense plus a reasonable management fee to the Sponsor.

D. Unless Sponsor previously shall have turned the Association over to the owners, within ninety (90) days following the completion of the transfer of title to fourteen (14) units, the Sponsor shall call a meeting of the Association to be held within ten (10) days following the call at which meeting the Association will elect Directors, and the Sponsor will render a report on the condominium, turn over management and the books, records, and accounts (which shall be in balance) of the Association, to the Association and its Directors, the Sponsor shall also for all purposes, have all the rights, powers, privileges, duties and obligations of a residence owner and be a member of the Association so long as the Sponsor owns one or more residences and to the extent (including, without limitation, obligation for common expenses to the extent provided in this Declaration, and an undivided percentage interest in the common area and facilities) of the total of all appropriate undivided percentage interests for residences owned by the Sponsor and a vote according to the percentage ownership for each residence then owned by the Sponsor.