

of Directors shall cause an estimated annual budget to be prepared based on its estimations of annual expenses and membership assessments, and copies of such budget shall be furnished to each member.

On or before the first day of each month of the fiscal year covered by such estimated annual budget, each member shall pay at his respective monthly assessment one-twelfth (1/12th) of his proportionate share of the amount designated in the estimated annual budget as membership assessments. Each member's proportionate share of membership assessments shall be the same as his respective percentage ownership in the Common Elements.

Until the annual budget for a fiscal year is sent to each member by the Board, the member shall continue to pay that amount which had been established on the basis of the previous estimated annual budget.

If any member shall fail or refuse to make payment of his proportionate share of the common expenses when due, the amount thereof shall constitute a lien on the interest of such member in the property. The Association and the Board shall have the authority to exercise and enforce any and all rights and remedies provided in the Horizontal Property Act, the Master Deed or these By-laws, or as are otherwise available at law or in equity for the collection of all unpaid assessments.

Section 4. If at any time during the course of any fiscal year, the Board shall deem the amount of the membership assessments to be inadequate by reason of a revision in its estimate of either expenses or other income, the Board shall prepare and cause to be delivered to the members a revised estimated budget for the balance of such fiscal year and thereafter monthly assessments shall be determined and paid on the basis of such revision.

Section 5. Upon the purchase of each unit from the Declarant, or at any time thereafter, at the request and at the option of the Board of Directors, each unit owner, not including the Declarant, shall deposit with the management agent of the property, or as may be otherwise directed by the Board, an amount equal to three times the monthly assessment relating to such owner's unit. Such amount shall be held, together with the amounts similarly deposited by the other unit owners, as an operating reserve for common expenses and shall be used and applied from time to time as may be needed toward meeting deficits and for such other common purposes as the Board may deem necessary. To the extent that the said operating reserve may be depleted, or in the judgment of the Board may be inadequate, the Board may increase the same by an assessment to the members in the proportion of their ownership interest in the Common Elements. The said operating reserve on hand from time to time shall be deemed part of the Common Elements.

Section 6. With respect to any units which have not been sold by the Declarant and which the Declarant continues to own, the Declarant shall pay to the Association, the aggregate amount of the actual expenses from time to time required to be paid with respect to the operating of the property over and above such amounts as have been established by the Board of Directors as the assessments with respect to all other units; provided, that in no event shall the Declarant be required to pay an amount in excess of the aggregate of the assessments established with respect to those units owned by the Declarant.

Anything herein or in the Master Deed to the contrary notwithstanding, the Declarant shall have the right to utilize any units owned by the Declarant as models or general or sales offices for sale and promotion purposes, including the sale and promotion of property or projects other than the property and shall have the right to utilize the Common Elements for such purposes and in such manner as the Declarant may reasonably require.

#### ARTICLE VIII.

PARLIAMENTARY RULES: Roberts Rule of Order (latest edition) shall govern the conduct of the meetings when not in conflict with the By-laws of this Association and the State of South Carolina.

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