

BY-LAWS OF HOLIDAY TOWERS CONDOMINIUMS  
PROPERTY OWNERS ASSOCIATION

HORIZONTAL PROPERTY REGIME

ARTICLE I

PLAN OF APARTMENT OWNERSHIP

Section 1.01. Horizontal Property Regime. The Property ( the term "Property" as used herein means and includes the land, the buildings, all improvements and structures thereto) located in Myrtle Beach, in Horry County, State of South Carolina, known as "Holiday Towers Condominiums Horizontal Property Regime" submitted to the provisions of the Horizontal Property Act of South Carolina by a Master Deed recorded in the office of the Clerk of Court for Horry County, South Carolina in Deed Book 661 at Page 575, hereinafter referred to as the Regime.

1.02. Name. The name of the Association is the Holiday Towers Condominium Property Owners Association (the Association).

1.03. Location. The principal office of the Association shall be located on the property and meetings of members of the Association and its Board of Directors shall be held at the community building thereon.

1.04. By-Laws Applicability. The provisions of these By-Laws are applicable to the Property and the Regime.

1.05. Personal Application. All present or future property owners, tenants, future tenants, or their employees, or any other person that might use the facilities of the Property in any manner, are subject to the regulations set forth in these By-Laws and in the Master Deed establishing said Regime. The mere acquisition or rental of any of the Units (hereinafter usually referred to as "Unit") as defined in the Master Deed of the Property or the mere act of occupancy of any of said Units will signify that these By-Laws, the provisions of the Master Deed and the provisions of the Declaration of Covenants, Conditions and Restrictions by Holiday Towers, Inc., dated December 7, 1979, 1979, and recorded in the Office of the Clerk of Court for the County of Horry, in Deed book 661 at Page 575, and any applicable

recorded additions thereto are accepted and ratified, and will be complied with.

## ARTICLE II

### VOTING, MAJORITY OF PROPERTY OWNERS QUORUM, PROXIES

Section 2.01. Voting. Voting shall be on a percentage basis and the percentage of the vote which the property owner is entitled is the percentage assigned to the Unit in the Master Deed.

Section 2.02. Majority of Property Owners. As used in these By-Laws, the term "majority of property owners" shall mean those property owners holding 51% or more of the total value of the property, in accordance with the percentages assigned in the Master Deed.

Section 2.03. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a majority of co-owners as defined in Section 2.02 of this Article shall constitute a quorum.

Section 2.04. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting. PROVIDED, HOWEVER, no person may cast more than five (5) votes by proxy on any matter or issue on which a vote is taken at any meeting.

Section 2.05. Suspension of Membership and Voting Rights. During any period in which a Unit shall be in default in the payment of any annual or special assessment levied by the Association, the voting rights of such members and right of the occupants of such unit to use the recreational facilities may be suspended by the Board of Directors until such assessment has been paid.

## ARTICLE III

### ADMINISTRATION

Section 3.01. Association Responsibilities. The owners of the Units will constitute the Holiday Towers Condominiums Property Owners Association

(hereinafter usually referred to as "Association") who will have the responsibility of administering the Property, approving the annual budget, establishing and collecting periodic assessments and arranging for the management of the Property pursuant to an agreement containing provisions relating to the duties, obligations, removal and compensation of the management agent except that Holiday Towers, Inc. shall have the right to hire a management agent for one (1) year commencing from the date of the first sale, empowered to perform any and all acts herein deemed to be within the providence of the Association. Thereafter, except as otherwise provided, decisions and resolutions of the Association shall require approval by a majority of Property owners.

Section 3.02. Place of Meetings. Meetings of the Association shall be held at such place convenient to the property owners as may be designated by it.

Section 3.03. Annual Meetings. The annual meetings of the Association shall be held in December of each year. The annual meeting date shall be established at the original meeting. At such meetings there shall be elected by ballot of the Property owners a Board of Directors in accordance with the requirements of Section 4.05 of Article IV of these By-Laws. the property owners may also transact such other business of the Association as may properly come before them.

Section 3.04. Special Meetings. It shall be the duty of the President to call a special meeting of the property owners as directed by resolution of the Board of Directors or upon a petition signed by a majority of property owners and having been presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths of the votes present, either in person or by proxy.

Section 3.05. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purposes thereof as well as the time and place where it is to be held, to each property owner of record, at least (10) ten but not more than (30) thirty

days prior to such meeting. The mailing of a notice in the manner provided in this Section shall be considered notice served.

Section 3.06. Adjourned Meeting. If any meeting of the Association cannot be organized because a quorum has not attended, the property owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 3.07. Order of Business. The order of business at all Annual Meetings of the Association shall be as follows:

- (a) Roll Call
- (b) Proof of notice of meeting or waiver of notice
- (c) Reading of minutes of preceding meetings
- (d) Reports of officers
- (e) Report of Committees
- (f) Review financial statement and monthly Regime charges
- (g) Election of Directors
- (h) Unfinished business
- (i) New Business

The order of business at all Special Meetings of the Association shall include items (a) through (d) above, and thereafter, the agenda shall consist of the items specified in the notice of meeting.

#### ARTICLE IV BOARD OF DIRECTORS

Section 4.01. Number and Qualification. The affairs of the Association shall be governed by a Board of Directors (hereinafter referred to as the "Board") comprised of five (5) persons, all of whom must be Property owners in the Regime.

Section 4.02. General Powers and Duties. The Board shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by

these By-Laws directed to be executed and done by the Association or individual Property owners.

Section 4.03. Other Duties. In addition to duties imposed by these By-Laws or by resolutions of the Association, the Board shall be responsible for the following:

- (a) Compliance with all of the terms and conditions of all Regime Documents and enforcement of same.
- (b) Care, upkeep and surveillance of the Property and the common elements.
- (c) Collection of assessments from the Property owners.
- (d) Employment, dismissal and control of the personnel necessary for the maintenance and operation of the common elements.

Section 4.04. Management Agent. The Board may employ a Management agent at a compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section 4.03 of this Article. PROVIDED, HOWEVER, that Holiday Towers, Inc. shall have the right to hire a management agent on such terms and conditions as it deems advisable for one (1) year commencing from the date of the first sale.

Section 4.05. Election of Board and Term of Office. Upon transfer of management responsibility to the Association as provided in the Master Deed notice shall be given and an organizational meeting held. A five (5) man Board of Directors shall be elected to serve until the first annual meeting or until their successors are elected. At the first annual meeting of the Association, the initial term of office of two (2) members of the Board shall be fixed at three (3) years. The term of office of two (2) members of the Board shall be fixed at two (2) years, and the term of office of one (1) member of the Board shall be fixed at one (1) year. At the expiration of the initial term of office of each member of the Board, his successor shall be elected to serve a term of three (3) years. The members of the Board shall hold office until their successors have been elected and hold their first meeting.

Section 4.06. Vacancies. Vacancies in the Board of Directors caused by

reason other than the removal of a member of the Board by a vote of the Association shall be filled by vote of the majority of the remaining members, even though they may constitute less than a quorum; and each person so elected shall be a member of the Board until a successor is elected at the next meeting of the Association.

Section 4.07. Removal of Members of the Board. At any regular or special meeting of the Association duly called, any one or more of the members of the Board may be removed with or without cause by a majority of property owners and a successor may then and there be elected to fill the vacancy thus created. Any member of the Board whose removal has been proposed to the Association shall be given an opportunity to be heard at the meeting.

Section 4.08. Organization Meeting. The first meeting of a newly elected Board shall be held within ten (10) days of election at such place as shall be fixed by the Board at the meeting at which such Board members were elected by the Association, and no notice shall be necessary to the newly elected Board members in order legally to constitute such meeting, providing a majority of the Board shall be present.

Section 4.09. Regular Meetings. Regular Meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Board, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board shall be given by the Secretary-Treasurer, or other designated person, to each Board member, personally or by mail, telephone or telegraph, at least ten (10) days prior to the day named for such meeting.

Section 4.10. Special Meetings. Special Meetings of the Board may be called by the President on three (3) days notice to each Board member, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special Meetings of the Board shall be called by the President or Secretary-Treasurer in like manner and on like notice on the written request of at least two (2) Board members.

Section 4.11. Waiver of Notice. Before or at any meeting of the Board, any Board member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice.

Attendance by a Board member at any meeting of the Board shall be a waiver of notice by him of the time, place and purpose thereof. If all the members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 4.12. Board Quorum. At all meetings of the Board, a majority of the Board members shall constitute a quorum for the transaction of business, and the acts of the majority of the members present at a meeting at which a quorum is present shall be the acts of the Board. If, at any meeting of the Board, there is less than a quorum present, the majority of the Board members present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 4.13. Fidelity Bonds. The Board may require that any and all officers and employees of the Regime handling or responsible for Regime funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Regime.

## ARTICLE V

### OFFICERS

Section 5.01. Designation. The principal officers of the Regime shall be a President, a Vice-President, and a Secretary-Treasurer all of whom shall be elected by and from the Board. The Board may appoint an assistant treasurer, and an assistant secretary and such other officers as in their judgment may be necessary.

Section 5.02. Election of Officers. The officers of the Regime shall be elected annually by the Board at the organization meeting of each new Board and shall hold office at the pleasure of the Board.

Section 5.03. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose.

Section 5.04. President. The president shall be the chief executive officer of the Regime. He shall preside at all Association meetings of the Regime and of the Board. He shall have all of the general powers and duties which are usually vested in the office of President of a Regime, including, but not limited to, the power to appoint committees from among the property owners from time to time as he may in his discretion decide are appropriate to assist in the conduct of the affairs of the Regime.

Section 5.05. Vice-President. The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board shall appoint some other member of the Board to do so on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be delegated to him by the Board.

Section 5.06. Secretary-Treasurer. The Secretary-Treasurer shall keep the minutes of all meetings of the Board and the minutes of all meetings of the association; he shall have charge of such books and papers as the Board may direct; and shall have responsibility for Regime funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Regime. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Regime in such depositories as may from time to time be designated by the Board. He shall, in general, perform all the duties incident to the offices of Secretary and Treasurer.

Section 5.07. Compensation of Officers, If Any. Any payment to officers for services rendered shall be approved first by the Members of the Association at a regular annual meeting. Such approval shall apply to

both the amount and the specific offices that shall be compensated for their services.

## ARTICEL VI

### OBLIGATIONS OF THE PROPERTY OWNERS

Section 6.01. Assessments. All property owners are obligated to pay periodic assessments imposed by the Regime to meet all Regime expenses, which shall include a liability insurance policy premium and an insurance premium for a policy to cover repair and other hazards. The assessments shall be made prorata according to the value of the Apartment owned, as stipulated in the Master Deed.

Escrow Account. The transfer of ownership of an individual Unit within the Regime carries with it the proportionate equity of the Unit ownership in the Regime Escrow Account. Each Unit owner will be assessed for the Regime Escrow Account in accordance with a set schedule in order to provide for a contingency fund for maintenance and repair of Regime Property.

Section 6.02. Maintenance and Repair.

(a) Every Property owner must perform promptly all maintenance and repair work within his own Unit, which if omitted would affect the Property in its entirety or in a part belonging to other property owners, being expressly responsible for the damages and liabilities that his failure to do so may engender.

(b) All the repairs of internal installations of the Unit such as water, light, gas, power, sewage, telephones, air conditioners, sanitary installations, doors, windows, lamps, and all other accessories belonging to the unit shall be at the expense of the property owner.

(c) A property owner shall reimburse the Regime for any expenditures incurred in repairing or replacing any common elements damaged through his fault.

Section 6.03. Use of Apartments - Internal Changes.

(a) All Units shall be utilized for residential purposes only except that the developer or its assignee shall have the right to utilize two (2) apartment units for use as offices, which right shall not be terminated without the consent of developer. Individual unit owners may sublet, rent, or otherwise permit others the use of the living accommodations of their individual units.

(b) A property owner shall not make structural modifications or alterations in his Unit or installations located therein without previously notifying the Regime in writing, through the management agent, if any, or through the President if no management agent is employed. The Regime shall have the obligation to answer within thirty (30) days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modifications or alteration.

Section 6.04. Use of Common Elements. A property owner shall not place or cause to be placed in the passages or roads any furniture, packages or obstructions of any kind. Such areas shall be used for no other purpose than for normal transit through them.

Section 6.05. Right of Entry.

(a) A property owner grants the right of entry to the management agent or to any other person authorized by the Board in case of any emergency originating in or threatening his Unit, whether the property owner is present at the time or not.

(b) A property owner shall permit other property owners, or their representatives, when so required, to enter his Unit for the purposes of performing installations, alterations or repairs to the mechanical or electrical services, provided that requests for entry are made in advance and that such entry is at a time convenient to the property owners. In case of an emergency, such right of entry shall be immediate.

Section 6.06. Rules of Conduct.

(a) Residents shall exercise extreme care to avoid unnecessary noise or the use of musical instruments, radios, television and

amplifiers that may disturb other residents.

(b) No residents of the property shall:

(1) post any advertisements, or posters of any kind in or on the property except as authorized by the Regime.

(2) hang garments, rugs, or similar object, from the windows or from any of the facades of the Property.

(3) dust or clean rugs, mops, or similar objects by beating on the exterior part of the Property;

(4) place garbage or trash outside the disposal installations provided for such purposes in the service areas;

(5) act so as to interfere unreasonably with the peace and enjoyment of the residents of the other Units in the Property.

(c) No property owner, resident or lessee shall install wiring for electrical or telephone installations, television antennae, machines or air conditioning units, or similar objects outside of his dwelling or which protrude through the walls or the roof of his dwelling unit except as authorized by the Board.

(d) Upon an investigation by the Board of complaints, and determination that these rules have been violated, the Board may in addition to other actions available to it, invoke the penalties provided in Section 2.05 above.

## ARTICLE VII

### BOOKS AND RECORDS

Section 7.01. Inspection. The books, records and papers of the Association shall be at all times during reasonable business hours subject to inspection by any member.

## ARTICLE VIII

### AMENDMENTS

Section 8.01. By-Laws. These By-Laws may be amended by the Association

in a duly constituted meeting held for such purpose, and no amendment shall take effect unless approved by property owners representing at least two-thirds (2/3) of the total value of the Property as shown in the Master Deed.

ARTICLE IV

COMPLIANCE

These By-Laws are intended to comply with the requirements of the Horizontal Property Act of South Carolina. In case any of these By-Laws conflict with the provisions of said Statute, it is hereby agreed and accepted that the provisions of the Statute will control. If conflicts or inconsistencies develop between the various documents establishing the Regime, it is understood that the order or priority shall be as follows:

- (1) Master Deed
- (2) Declaration of Covenants, Conditions and Restrictions
- (3) By-Laws

WITNESS the Corporate Hand and Seal of Holiday Towers, Inc. this 7th day of Dec., 1979.

In the Presence of:

HOLIDAY TOWERS, INC., A SOUTH CAROLINA CORPORATION

Richard Lewis

By Drayton B Floyd

Virginia J Hardwick

By Delphia Wilson

STATE OF SOUTH CAROLINA,  
COUNTY OF HORRY, }

PROBATE

PERSONALLY appeared before me Richard Lewis and made oath that he saw the within named Holiday Towers, Inc. by Drayton Floyd its President and Delphia Wilson its Secretary, sign, seal and as its Corporate Act and Deed deliver the within written By-Laws

of Holiday Towers Condominiums Property Owners Association; and that he  
with Virginia J. Hardwick witnessed the execution thereof.

SWORN to before me this 7<sup>th</sup>  
day of Dec., 1979.

Virginia J. Hardwick  
Notary Public for South Carolina

Richard A. Lewis

My Commission expires: 10-17-89

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DECLARATION OF COVENANTS  
CONDITIONS AND RESTRICTIONS  
FOR  
HOLIDAY TOWERS HORIZONTAL PROPERTY REGIME

STATE OF SOUTH CAROLINA,  
COUNTY OF HORRY.

KNOW ALL MEN BY THESE PRESENTS, that this Declaration, made on the date hereinafter set forth by Holiday Towers, Inc., a South Carolina Corporation hereinafter known as Declarant.

WITNESSETH:

The Declarant hereby submits the land described on Exhibit "A" attached hereto to the provision of the Horizontal Property Act of the State of South Carolina and pursuant thereto does hereby establish a condominium regime to be known as "Holiday Towers Condominiums."

WHEREAS, Declarant will convey the property, pursuant to and subject to certain protective covenants, conditions, restrictions, reservations, liens and charges as hereinafter set forth:

NOW, THEREFORE, Declarant does hereby make, declare and publish its intention and desire to submit, and does hereby submit, the property to the form of ownership as provided by the "Horizontal Property Act" South Carolina Code of Laws, 1962, as amended in 1967, Sections 27-31-10 through 27-31-300. The property shall be held, sold and conveyed subject to the following covenants, conditions and restrictions, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the property. Such covenants, conditions and restrictions shall be binding on all parties having or acquiring any right, title or interest in the property or any part thereof and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1.01. Unless the context otherwise specifies or requires, terms used in this Declaration shall have the meanings specified in this Section, and terms within quotation marks within brackets elsewhere in this Declaration shall have the meaning of the phrase or clause just preceding. All definitions shall be applicable equally to the singular and the plural forms of such terms.

Act means the Horizontal Property Act enacted by the General Assembly of the State of South Carolina, S.C. Code of Laws, 1962, as amended in 1967, Sections 27-31-10 through 27-31-300.

Appraisal means the determination for a fair market value for the property or any portion thereof by the consensus of three area realtors or by an MAI.

Assessment means an owner's share of the common expenses from time to time assessed against an owner by the Association in the manner herein provided.

Association means Holiday Towers Condominiums Property Owners Association, its successors and assigns, sometimes referred to as Holiday Towers Property Owners Association or Property Owners Association or Co-Owners.