

EXHIBIT "B": BYLAWS

BYLAWSOF ELLIOTT HOUSE INN OWNERS ASSOCIATION, INC.**A South Carolina Nonprofit Mutual Benefit Corporation**

Pursuant to the provisions of the South Carolina Nonprofit Corporation Act and the South Carolina Horizontal Property Act, the Board of Directors of the Elliott House Inn Owners Association, Inc. (the "Association"), a South Carolina nonprofit mutual benefit corporation, has adopted the following Bylaws for such corporation.

1. NAME AND PRINCIPAL OFFICE

1.1. Name.

The name of the nonprofit corporation is "Elliott House Inn Owners Association, Inc.", hereinafter referred to as the "Association".

1.2. Offices.

The principal offices of the Association shall be in South Carolina.

2. DEFINITIONS

2.1. Definitions.

Except as otherwise provided herein or required by the context hereof, all capitalized terms used herein are intended to have the same meaning as any similar terms set forth in the Master Deed of the Elliott House Inn Horizontal Property Regime (the "Master Deed"), if such Master Deed is then recorded in the office of the Register of Mesne Conveyances for Charleston County, and all amendments or supplements thereto filed for record from time to time.

3. MEMBERS; VOTING AND MEETINGS

3.1. Members.

Each Owner of a Unit shall be a Member of the Association. If the Member is a corporation, partnership, limited liability company, trust, tenancy in common, joint tenancy, or similar entity or ownership arrangement, it is the entity or ownership arrangement which is the Member, and not each shareholder, partner, member, beneficiary or trustee, joint tenant or tenant in common, etc. who is a Member. In order to permit the efficient administration of the business and operations of the Association, the rights and authority of Members are limited to the extent set forth in the Master Deed or these Bylaws unless otherwise required by applicable law.

3.2. Notice of Ownership.

In order to confirm Membership, upon purchasing a Unit in the Elliott House Inn Horizontal Property Regime, the Owner of such Unit shall promptly furnish to the Association a legible copy of the instrument conveying ownership to the Owner (e.g. a recorded deed), which copy shall be maintained in the records of the Association. This provision shall not apply to the Declarant or any Owner of a Unit who purchases his Unit from the Declarant.

3.3. Annual and Regular Meetings.

The first meeting of the Members shall be held within one (1) year from the date of recording of the Master Deed. Unless otherwise determined by the Board of Directors, subsequent annual meetings shall be held on such dates and at such location in Charleston County, South Carolina as the Board of Directors may determine.

3.4. Special Meetings.

Pursuant to South Carolina Code Section 33-31-702, a special meeting of the Members shall be held (a) upon the call of the President of the Association or the Board of Directors, or (b) if the holders of at least five percent (5 %) of the Percentage

Interests sign, date and deliver to an officer of the Association a written demand for a special meeting describing the purpose for which it is to be held. (The close of business on the thirtieth [30th] day before delivery of the written demand is the record date for determining whether the five percent (5 %) requirement has been met.) If a notice for a special meeting demanded under (b) is not given within thirty (30) days of the date the written demand is properly delivered to an officer of the Association, a person signing the demand may set the time and place of the meeting in Charleston County, South Carolina and give notice in accordance with these Bylaws. Only those matters that are within the purposes described in the meeting notice may be conducted at a special meeting.

3.5. Notice of Meetings.

Unless a shorter time is permitted by applicable law, the Association shall notify Members of the place, date and time of each meeting or ballot in lieu of a meeting at least ten (10) days prior thereto. Notice shall be given in accordance with the procedure set forth in Section 10. A Member may waive any notice required by these Bylaws or applicable law by written waiver, signed by the Member, delivered to the Secretary or President of the Association or the Board of Directors, either before or after the event. Attendance by a Member at a meeting or participation in a ballot waives objection to lack of notice or defective notice thereof unless the Member, prior to the end of the meeting or ballot, submits a written objection to the meeting or ballot.

3.6. Voting by Members.

3.6.1. In all votes or ballots by Members, each Owner of a Unit shall have the same number of votes as the Percentage Interest of such Unit, unless otherwise expressly required by law. The Percentage Interest of each Unit is defined in the Master Deed.

3.6.2. Pursuant to South Carolina law, in decisions requiring the approval of Members, at least fifty-one percent (51%) of the Percentage Interests shall be required to constitute approval.

Example: Members having thirty percent (30%) of the cumulative Percentage Interests vote to approve a matter and Members having twenty-five percent (25%) of the cumulative Percentage Interests vote not to approve the matter. Although fifty-five percent (55%) of the cumulative Percentage Interests cast votes, and at least fifty-one percent (51%) of those casting votes voted to approve the matter, approval did not occur. In this example, fifty-one percent (51%) of all Percentage Interests would have to vote to approve the matter. (Note: this example is provided for mathematical purposes only.)

3.6.3. In approving any decision requiring the approval of Members, the Members may delegate to the Board of Directors or any officer of the Association the authority to determine and implement such details or matters as the Members determine.

Example: Assume that the Members approve obtaining a loan to the Association in a principal amount not to exceed \$10,000 "on such terms and conditions as shall be approved by the Board of Directors." In such case, the Board of Directors shall have authority to determine such details as the term of the loan, the interest rate, the repayment schedule, the security for the loan, etc.

3.6.4. Cumulative voting is prohibited.

3.7. Quorum of Members.

Fifty-one percent (51%) of the cumulative Percentage Interests shall constitute a quorum for the transaction of business at any meeting or vote of the Members. A meeting may be conducted by any means that permits all Members participating to

communicate simultaneously (such as a telephone conference call).

3.8. Proxies and Authority of Person Voting.

A Member may be represented by a written proxy that in the reasonable opinion of the President or Secretary of the Association evidences the intention of the Member to permit the holder of the proxy to vote on such Member's behalf. A proxy may be held by any Person, including, without limitation, any authorized representative of a Management Agent of the Association. The Board of Directors, or, in its absence, the President of the Association, shall have the authority to determine, in their sole reasonable discretion, whether any individual claiming to have authority to vote for a Member has such authority. If the Member is a corporation, partnership, limited liability company, trust, tenancy in common, joint tenancy, or similar entity or ownership arrangement, the Association may require the individual purporting to vote for such Member to provide reasonable evidence that such individual (the "Representative") has authority to vote for such Member. Unless the authority of the Representative is challenged in writing at or before the time of voting, or is challenged orally at the time of voting, however, the Association may accept such Representative as a person authorized to vote for such Member, regardless of whether adequate evidence of such authority is provided.

4. BOARD OF DIRECTORS

4.1. General Powers.

The Board of Directors of the Association (the "Board") shall manage the property, affairs, and business of the Association. The Board shall constitute that body referred to in the Horizontal Property Act of South Carolina as "the board of administration." The Board may exercise all of the powers of the Association, whether derived from law, the Master Deed, the Articles of Incorporation, or these Bylaws, except such powers as are expressly vested in another Person, including the Members as a whole, by such sources. Such powers shall include, without limitation, selection, hiring and dismissal of personnel or entities necessary for administering the affairs of the Association. Unless otherwise expressly set forth in law, the Master Deed, the Articles of Incorporation, or these Bylaws, the Board shall constitute the final administrative authority of the Association, and all decisions of the Board shall be binding upon the Association and the Members. Unless prohibited by applicable law, the Board may, in writing or by resolution of the Board, delegate to one or more officers or to a Management Agent or Agents, such of its duties, responsibilities, functions, and powers, as it determines are appropriate.

4.2. Number, Tenure, and Qualifications.

4.2.1 Until the election of a successor Board of Directors pursuant to Section 4.2.2, the Board of Directors shall consist of not less than three (3) nor more than five (5) individuals, as determined and designated by Declarant from time-to-time. A Controlling Interest shall exist as long as Declarant owns Units to which at least fifty-one percent (51%) of the cumulative Percentage Interests are allocable. Directors need not be Members.

4.2.2. Within one hundred eighty (180) days after the date on which the Declarant no longer has a Controlling Interest, or such earlier time as the Declarant records a document waiving its authority to designate the Board, or notifies the Members that it is waiving its authority to designate the Board as of a defined date, the successor Board shall be selected as follows:

A. The successor Board shall consist of five (5) individuals, each of whom shall serve for a three (3) year staggered term. Initially, however, in order to create a staggered Board, one (1) Director shall be elected for a one (1) year term, two (2) Directors shall be elected for a two (2) year term, and two (2) Directors shall be elected for a three (3) year term. The two (2) individuals receiving the highest

number of votes shall be elected to a three (3) term, the two (2) individuals receiving the next highest number of votes shall be elected to a two (2) year term, and the individual receiving the next highest number of votes shall be elected to the one (1) year term.

B. Thereafter, upon the expiration of the designated term, each Director shall be elected for a three (3) year term. If a Director resigns or is replaced, the replacement Director shall serve for the balance of the applicable term. It is not necessary that a Director be a Member. An individual may serve as a Director for more than one (1) term, but no individual shall serve as a Director for a period in excess of six (6) consecutive years.

C. The current Board of Directors of the Association shall constitute a Nominating Committee to nominate competent and responsible individuals to serve as Directors of the Association. At the discretion of the Board of Directors, elections of Directors shall be held either (i) by written ballot distributed to the Owners of Units without a meeting or (ii) by written ballot at a meeting of the Member. In all cases, the Board of Directors shall determine the form of the written ballot, but the ballot shall contain one or more blank spaces for additional Persons to be nominated.

D. Notice of the election shall be given in accordance with Section 3.5. If election is by written ballot distributed to Member without a meeting, the ballot or accompanying materials shall state a date by which the ballot must be returned to the Association in order to be counted. The notice shall contain the names of those persons recommended by the Nominating Committee, but, if the vote will occur at a meeting, the notice shall state that Member may make other nominations at the meeting.

E. Each Member shall be authorized to cast as many votes as the number of Directors to be elected (i.e. if two Directors are being elected, then a Member may vote for two nominees). Votes shall be weighted to reflect the Percentage Interest allocable to each Unit. (See Section 3.6.1).

4.3. Annual and Regular Meetings.

The first meeting of the Board of Directors shall be held within one (1) year from the date of recording of the Master Deed. Unless otherwise determined by the Board of Directors, subsequent annual or regular meetings shall be held on such dates and at such location as the Board of Directors may determine.

4.4. Special Meetings.

Special meetings of the Board may be called by or at the request of the Chairman of the Board of Directors or any two (2) Directors (or if there are only two Directors, then any Director). The Director(s) calling a special meeting of the Board may fix any place within Charleston County, South Carolina (or such other place as is approved by all Directors) as the place for holding such a meeting. Except as otherwise required or permitted by the South Carolina Nonprofit Corporation Act, notice of any special meetings shall be given at least two (2) days prior thereto. Notice shall be in accordance with the procedure set forth in Section 10. Any Director may waive notice of a meeting.

4.5. Quorum, Telephonic Meetings and Manner of Acting.

A majority of the number of Directors shall constitute a quorum for the transaction of business at any meeting of the Board. Upon approval of a majority of the Board, a meeting may be conducted by any electronic means that permits all participating Directors to communicate simultaneously (such as a telephone conference call). The act of a majority of the Directors present at any meeting at which a quorum is present shall be the act of the Board. The Directors shall act only as a Board and individual Directors shall have no powers as such.

4.6. Compensation.

No Director shall receive compensation for any services that he may render to the Association as a Director; provided, however, that Directors may be reimbursed for expenses incurred in performance of their duties as Directors and, except as otherwise provided in these Bylaws, may be compensated for services rendered to the Association other than in their capacities as Directors.

4.7. Resignation and Removal.

A Director may resign at any time by delivering a written resignation to either the President or the Board. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any Director may be removed at any time for or without cause, by proper action of the Person(s) having the right to designate or elect Directors at the time of removal (see Sections 4.2.1 and 4.2.2, above).

4.8. Vacancies.

If a vacancy shall occur in the Board by reason of the death or resignation of a Director, then such vacancy shall be filled by a vote of a majority of the remaining Directors. If a vacancy shall occur in the Board by reason of removal, then such vacancy shall be filled solely by vote of the Person(s) then having the right to designate or elect Directors (i.e. by the Declarant or the Members, as set forth in Sections 4.2.1 and 4.2.2, above). Any Director designated or appointed to fill a vacancy shall serve for the unexpired term of his predecessor.

4.9. Informal Action by Directors.

Any action that is required or permitted to be taken at a meeting of the Board may be taken without a meeting, if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors.

4.10. Election of Chairman of Board.

The Chairman of the Board of Directors shall be elected by a majority of the Board at any meeting. The Chairman shall serve until the earlier of (a) such time as a new Chairman shall be elected, (b) his resignation as Chairman, (c) his resignation or removal as a Director, or (d) his death. The Board of Directors may elect a Vice Chairman to serve in the absence of the Chairman. If a Vice Chairman is elected, he shall also be a Vice President of the Association.

5. OFFICERS5.1. Number.

The officers of the Association shall be a President, a Vice President, a Secretary, a Treasurer, and such other officers as the Board may from time to time elect.

5.2. Election, Tenure, and Qualifications.

The officers of the Association shall normally be elected by the Board at the annual meeting of the Board. In the event of failure to choose officers at such annual meeting of the Board, officers may be chosen at any subsequent regular or special meeting of the Board. Each officer (whether chosen at a regular annual meeting of the Board or otherwise) shall hold his office until his successor shall have been chosen and qualified, or until his death, or until his resignation or removal in the manner provided in these Bylaws, whichever first occurs. Any one individual may hold any two or more of such offices. No individual holding two or more offices shall act in or execute any instrument in the capacity of more than one office. It is not necessary that an officer be a Director or a Member.

5.3. Subordinate Officers and Agents.

The Board may from time to time appoint such other officers or agents as it deems advisable, each of whom shall have such title, hold office for such periods, have such authority, and perform such duties as the Board may from time to time determine.

The Board may from time to time delegate to any officer or agent the power to appoint any such subordinate officers or agents and to prescribe their respective titles, terms of office, authorities, and duties. It is not necessary that a subordinate officer or agent be a Director or an Owner.

5.4. Resignation and Removal.

Any officer may resign at any time by delivering a written resignation to the President or the Board. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any officer may be removed by the Board at any time, for or without cause.

5.5. Vacancies and Newly Created Offices.

If any vacancies shall occur in any office by reason of death, resignation, removal, disqualification, or any other cause, or if a new office shall be created, such vacancies or newly created offices may be filled by the Board at any regular or special meeting.

5.6. The President.

The Chairman of the Board of Directors shall serve as the President of the Association. The President shall preside at meetings of the Board and at meetings of Members of the Association. He shall sign on behalf of the Association all conveyances, mortgages, documents, and contracts, and shall do and perform all other acts and things that the Board may require of him; provided that the Board may authorize other officers or Persons to act on specific matters by proper resolution of the Board.

5.7. The Vice President.

The Vice President shall preside in the absence of the President and shall do and perform all other acts and things that the Board may require of him. The Board may elect more than one Vice President. (Also see Section 4.10.)

5.8. The Secretary.

The Secretary shall keep the minutes of the Association and shall maintain such books and records as these Bylaws, the Master Deed, any resolution of the Board or applicable law may require him to keep. He shall be the custodian of the seal of the Association, if any, and shall affix such seal, if any, to all papers and instruments requiring the same. He shall perform such other duties as the Board may require of him.

5.9. The Treasurer.

The Treasurer shall have custody and control of the funds of the Association, subject to the action of the Board, which may include authorization for other entities, such as a Management Agent, to handle day-to-day matters under the general direction of the Treasurer or the Board. When requested by the President or the Board to do so, the Treasurer shall report the state of the finances of the Association. He shall perform such other duties as the Board may require of him.

5.10. Compensation.

No officer shall receive compensation for any services that he may render to the Association as an officer; provided further, however, that officers may be reimbursed for expenses incurred in performance of their duties as officers and, except as otherwise provided in these Bylaws, may be additionally compensated for services rendered to the Association other than in their capacities as officers.

6. COMMITTEES

6.1. Designation of Committees.

The Board may from time-to-time appoint such committees as it may deem appropriate in carrying out its duties, responsibilities, functions, and powers. The membership of each such committee appointed hereunder shall consist of such number

as the Board shall determine. No committee member shall receive compensation for services that he may render to the Association as a committee member; provided, however, that committee members may be reimbursed for expenses incurred in performance of their duties as committee members and (except as otherwise provided by these Bylaws) may be compensated for services rendered to the Association other than in their capacities as committee members. It is not necessary that a committee member be a Director, an officer or a Member of the Association.

6.2. Proceedings of Committees.

Unless appointed by the Board, each committee appointed hereunder by the Board may appoint its own presiding and recording officers and may meet at such places and times and upon such notice as such committee may from time to time determine. Each such committee shall keep adequate records of its proceedings and shall regularly report such proceedings to the Board. Unless expressly delegated to the committee by the Board, the power and authority of each committee shall only be to make recommendations to the Board, which shall have the final decision whether to take any action or not.

6.3. Quorum and Manner of Acting.

At each meeting of any committee designated hereunder by the Board, the presence of committee members constituting at least a majority of the authorized membership of such committee shall constitute a quorum for the transaction of business, and the act of a majority of the committee members present at any meeting at which a quorum is present shall be the act of such committee. The members of any committee designated by the Board hereunder shall act only as a committee, and the individual committee members thereof shall have no powers as such.

6.4. Resignation and Removal.

Any committee member designated hereunder by the Board may resign at any time by delivering a written resignation either to the President, the Board, or the presiding officer of the committee of which he is a member. Unless otherwise specified therein, such resignation shall take effect upon delivery. The Board may at any time, for or without cause, remove any member of any committee designated by it hereunder.

6.5. Vacancies.

If a vacancy shall occur in any committee designated by the Board hereunder, due to disqualification, death, resignation, removal, or otherwise, the remaining committee members shall, until the filling of such vacancy, constitute the then total authorized membership of the committee and, provided that two or more members are remaining, may continue to act. Such vacancy may be filled at any Board meeting.

7. INDEMNIFICATION

7.1. Indemnification.

Unless expressly prohibited by applicable law, the Association shall indemnify any Person who was or is a party to, or is threatened to be made a party to, any threatened, pending, or completed action, suit, or proceeding (including a proceeding brought by the Association) whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was a Director, officer, employee, or Management Agent of the Association, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement in connection with such action, suit, or proceeding, if the indemnified Person (a) acted in good faith, without fraudulent intent or gross negligence (or, if the action is brought by the Association, without negligence or breach of any contractual or fiduciary obligation to the Association), and in a manner the Person reasonably believed to be in or not opposed to the best interest of the Association, and (b) with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by an adverse judgment, order, or settlement, or plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the Person did not act in good faith and in a manner which he

reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

7.2. Determination.

If a Director, officer, employee, or Management Agent of the Association is successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Section 7.1, or in defense of any claim, issue, or matter therein, he or it shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by him in connection therewith. Any other indemnification under Section 7.1 hereof shall be made by the Association only upon a determination that indemnification of the Director, officer, employee, or Management Agent is proper in the circumstances because he or it has met the applicable standard of conduct set forth respectively in Section 7.1 hereof. Such determination shall be made by the Board by a majority vote of Directors (excluding any Director whose indemnification is being considered).

7.3. Advances.

Expenses incurred in defending a civil or criminal action, suit, or proceeding as contemplated in this Article may be paid by the Association in advance of the final disposition of such action, suit, or proceeding upon a majority vote of a Directors (excluding any Director whose indemnification is being considered) and upon receipt of an undertaking by or on behalf of the Director, officer, employee, or Management Agent to repay such amount or amounts unless it ultimately be determined that he is entitled to be indemnified by the Association as authorized by this Article.

7.4. Scope of Indemnification.

The indemnification provided for by this Article shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any provision in the Master Deed, Articles of Incorporation, Bylaws, agreements, vote of disinterested Members of Directors, or applicable law. The indemnification authorized hereby shall apply to all present and future Directors, officers, employees, and Management Agents of the Association and shall continue as to such Persons who cease to be Directors, officers, employees, or Management Agents of the Association and shall inure to the benefit of the heirs and legal representatives of all such Persons.

7.5. Insurance.

The Association may purchase and maintain insurance on behalf of any Person who was or is a Director, officer, employee, or agent of the Association against any liability asserted against him or incurred by him in any such capacity or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the Bylaws or the laws of the State of South Carolina, as the same may hereafter be amended or modified.

7.6. Payments and Premiums.

All indemnification payments made, and all insurance premiums for insurance maintained, pursuant to this Article shall constitute Common Expenses of the Association and shall be paid with funds of the Association.

8. FISCAL YEAR AND SEAL

8.1. Fiscal Year.

The fiscal year of the Association shall begin on the 1st day of January each year and shall end on the 31st day of December next following, except that the first fiscal year shall begin on the date of incorporation.

8.2. Seal.

The Board may by resolution provide a corporate seal that shall be circular in form and shall have inscribed thereon the name of the Association, the state of

incorporation, and the words "Seal" or "Corporate Seal."

9. RULES AND REGULATIONS

9.1. Rules and Regulations.

The Board may from time to time adopt, amend, repeal, and enforce reasonable Rules and Regulations governing the use and operation of the Property, to the extent that such Rules and Regulations are not inconsistent with the rights and duties set forth in the Articles of Incorporation, the Master Deed, or law. Without limitation, such Rules and Regulations may include establishment of reasonable fees for guests or for special use of facilities in the Common Element, definition of the times and conditions of use of facilities in the Common Element, and reasonable charges for failure to observe the terms of this Master Deed or the Rules and Regulations. Upon request of any Owner, such Owner shall be provided a copy of the Rules and Regulations or the Master Deed, provided that the Board may charge a reasonable fee to cover any reproduction, mailing or administrative costs involved.

10. NOTICES

10.1. Notices.

Whenever notice is required or permitted under the terms of these Bylaws, it shall be in writing and (a) personally delivered or (b) sent postage or delivery charges prepaid either (i) by United States mail, certified, return receipt requested, in which case notice shall be deemed to occur on the certified date of delivery or rejection of delivery or (ii) if within the United States, by First Class or Priority United States mail, in which case notice shall be deemed to occur four (4) calendar days after date of postmark, or (iii) by any dependable delivery service that provides evidence of delivery, in which case notice shall be deemed to occur on the certified date of delivery. Notices by other methods, such as facsimile or e-mail transmission, shall be valid if the recipient thereof acknowledges receipt in writing or electronic confirmation of receipt is received by the sender.

10.2. Addresses.

All notices to Owners shall be sent to such address as has been provided from time to time by the Owner, in writing, to the Association, or if no address has been so provided to the Association or no current address is known, then at the address of such Owner's respective Unit or the address then shown as that of the Owner on the property tax records of Charleston County, South Carolina, or to any other address that would constitute a valid address for service of process.

All notices to Declarant shall be sent to:

Suncoast Properties of South Carolina, LLC
Attn: Managing Member
3 Craigmillar Place
Greer, SC 19650

or to such other address as has been provided, in writing, from time to time, by the Declarant to the Association.

All notices to the Association shall be sent to:

Elliott House Inn Owners Association, Inc.
c/o Elliott House Inn Management Agent
78 Queen Street
Charleston, SC 29401

or to such other address as the Association may from time to time give notice in writing.

All notices to mortgagees shall be delivered or sent to such addresses as such mortgagees specify in writing to the Association in accordance with the procedure set forth in Section 10.2 of the Master Deed, or to any other address that would constitute a

valid address for service of process.

11. OTHER STATUTORY PROVISIONS

In compliance with Section 27-31-160 of the South Carolina Horizontal Property Act, the provisions governing the care, upkeep and surveillance of the property of the Association and its general or limited common elements and services; the manner of collecting from Owners for payment of common expenses of the Association; the hiring and dismissal of the personnel necessary for the works, and the general or limited common services for the property of the Association; and the procedure for modifying the system of administration of the Association created by the Master Deed, are set forth in the Master Deed of the Association. By reference, such provisions are incorporated herein.

12. AMENDMENT OF BYLAWS

12.1. Amendment by Association.

The Bylaws may be amended by either (a) approval of the proposed amendment by at least fifty-one percent (51%) of the Percentage Interests, or (b) approval of the proposed amendment by vote of two thirds of the then-existing Board of Directors. If approval is sought in the manner set forth in (a), then notice of the proposed amendment shall be given to the Members in writing by a Member or Director proposing the amendment and the notice shall contain a general description of the proposed amendment and the purpose of the proposed amendment. If approval is sought in the manner set forth in (b), then notice of the proposed amendment shall be given to the Board in writing by a Director proposing the amendment and the notice shall contain a general description of the proposed amendment and the purpose of the proposed amendment. No amendment to the Bylaws that imposes or reasonably could be construed to impose a greater economic or legal burden on Declarant than exists under the then current provisions of these Bylaws shall be valid unless it is approved, in writing, by Declarant, and no amendment of the Bylaws that is contrary to this statement shall be valid.

12.2. Amendment by Declarant.

The Declarant may amend the Bylaws without the consent of the Association, any Owner or any mortgagee if, in Declarant's reasonable opinion, such amendment is not inconsistent with applicable law and is necessary to (i) correct any scrivener's error or bring any provision of the Bylaws into compliance or conformity with the provisions of the Master Deed or any applicable governmental statute, rule or regulation or any judicial determination that is in conflict with the Bylaws; (ii) enable any title insurance company to issue title insurance coverage with respect to any Units subject to the Master Deed; (iii) enable any mortgagee to make mortgage loans on any Unit or other improvements subject to the Master Deed; (iv) enable any governmental agency or private mortgage insurance company to insure mortgages on the Units subject to the Master Deed; (v) enable any insurer to provide insurance required by the Master Deed; (vi) clarify any provision of the Bylaws or the Master Deed or eliminate any conflict between provisions of the Bylaws and/or the Master Deed; or (vii) comply with advice of legal counsel.

