

EXHIBIT B
BY-LAWS OF
BACK BAY VILLAGE PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE I

MEMBERS

Section 1.1. Definitions. All defined terms used in these By-Laws shall mean and refer to such terms as defined in the Covenants described in Section 2 below, unless otherwise specifically provided herein.

Section 1.2. Membership in the Association. The Members of the BACK BAY VILLAGE Property Owners Association, Inc. (hereinafter referred to as "Association") shall be every Owner of the property subject to the provisions of the Declaration of Covenants and Restrictions applicable BACK BAY VILLAGE and Provisions for the BACK BAY VILLAGE Property Owners Association, Inc. (hereinafter referred to as the "Covenants" or "Declaration"), as the same may be amended from time to time, all such Covenants having been made by BACK BAY VILLAGE, LLC, a South Carolina Limited Liability Company, (hereinafter referred to as the "Developer"). Every Owner, including the Developer, shall be a member of the Association, provided, however, that in the case of multiple ownership of any Lot, there shall be a maximum of one Member.

Section 1.3. Voting Rights. All Members of the Association, other than the Developer, shall be entitled to one (1) vote for each Lot, whether improved or unimproved, owned by such Member. The Developer shall have one hundred (100) votes for each Lot, whether improved or unimproved, owned by the Developer. When any property entitling the Owner thereof to membership in the Association is owned of record in the name of a corporation, trust, partnership or two (2) or more persons or entities, whether fiduciaries, joint tenants, tenants in common, or in any other manner of joint or common ownership, one (1) officer, trustee, person or entity shall be designated the Voting Member to bind all the others. Written evidence of such designation in a form satisfactory to the Association shall be delivered to the Secretary of the Association prior to the exercise of a vote by the Voting Member.

The Members of the Association shall have the right to vote for the election and removal of Directors and upon such other matters with respect to which a vote of the Members is required under the Covenants or these By-Laws. Members may cast their votes as set forth in the Covenants and these By-Laws.

Section 1.4. Power of Referendum. The Members of the Association shall have the power, by referendum, to approve or reject certain actions proposed to be taken by the Association as more particularly set forth in the Covenants and these By-Laws.

Section 1.5. Proxy. All Members may vote and transact business at any meeting of the Association by proxy authorized in writing, provided, however, that proxies shall not be permitted for any action which is subject to a referendum, in which case the votes of all Members polled shall be made by specially provided ballots mailed or delivered to the Association Members.

ARTICLE II

MEETINGS OF MEMBERS

Section 2.1. Annual Meeting. The annual meeting of the Members shall be held on the first Sunday in December of each year commencing with December 2001, or at such other time as the Board of Directors shall determine. Such annual meetings shall be held for the purpose of electing Directors of the Association and for the transaction of such other business as may be, pursuant to the Covenants and these By-Laws, properly the subject of action by the Members.

Section 2.2. Special Meetings. Special meetings of the Members may be called by the President, a majority of the Board of Directors or, subsequent to the first annual meeting, Members of the Association holding not less than ten percent (10%) of the votes.

Section 2.3. Place of Meeting. The President or the Board of Directors may designate any location within Charleston County, South Carolina, as the place for any annual or special meeting. If no designation is made or if the Members of the Association call a special meeting, the place of meeting shall be the principal office of the Association within Charleston County, South Carolina.

Section 2.4. Notice of Meeting. Unless otherwise provided in the Covenants, written notice stating the place, day, and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be mailed or delivered not less than ten (10) days or more than sixty (60) days before the

date of the meeting, either personally or by mail, by or at the direction of the President or the Secretary or the person calling the meeting, to each Member of the Association at the address as shown on the records of the Association or by posting notices conspicuously at the entry and exit of the Subdivision. Such notice must be posted for at least ten days before removal. If mailed, such notice shall be deemed delivered when deposited with postage prepaid in the U.S. Mail. A Member may, in writing, signed by him, waive notice of any meeting before or after the date of the meeting stated therein. It is the responsibility of the Lot Owner to notify the Association of the address of the Owner. Otherwise the Association will assume that the address is the address of the Property whether or not there is a proper mail receptacle on the property. Attendance of a Member at a meeting, in person or by proxy, shall of itself constitute waiver of notice, except when the Member attends a meeting solely for the purpose of stating his objection, at the beginning of the meeting, to the transaction of any business on the grounds that the meeting is not lawfully called or convened.

Section 2.5. Informal Action by Members. Any action required or permitted by law to be taken at a meeting of the Members of the Association may be taken without a meeting if a consent in writing setting forth the action to be taken shall be signed by the Members of the Association which hold a majority of the votes, which consent shall be filed with the Secretary of the Association as part of the Association's records.

Section 2.6. Quorum. Unless otherwise provided in the Covenants, the quorum required for any action which is subject to a vote of the Members at an open meeting of the Association shall be as follows: The first time a meeting of the Members of the Association is called to vote on a particular action proposed to be taken by the Association, the presence at the meeting of Members or proxies entitled to cast forty (40%) percent of the total vote of the membership shall constitute a quorum. If the required quorum is not forthcoming at any such meeting, a second meeting may be called subject to the giving of proper notice and the required quorum at such meeting shall be the presence of Members or proxies entitled to cast twenty-five (25%) percent of the total vote of the membership of the Association. In the event the required quorum is not forthcoming at the second meeting, a third meeting may be called subject to the giving of proper notice and there shall be no quorum requirement for such third meeting. Unless otherwise provided, any reference herein to "votes cast at a duly called meeting" shall be construed to be subject to the quorum requirements established by this Article and any other requirements for such "duly called meeting" which may be established by the Bylaws of the Association.

Section 2.7. Manner of Acting. Unless otherwise provided herein or the Covenants, a majority of the votes cast at a duly called meeting of the Association shall be the vote required to adopt and make decisions.

Section 2.8. Conduct of Meetings. The Directors may make such regulations as they deem advisable for any meeting of the Members, including proof of membership in the Association, evidence of the right to vote and the appointment and duties of inspectors of votes. Such regulations shall be binding upon the Association and its Members.

The president shall preside over all meetings or his designated alternate Director in his absence. If an alternate has not been selected, those Owners present may select an acting chairman. The order of business at any regular, special, or annual meeting shall follow Roberts Rules of Order including:

- (i) Calling of the roll and certifying proxies
- (ii) Proof of notice of meeting or waiver of notice
- (iii) Reading of minutes
- (iv) Reports of officers
- (v) Reports of committees
- (vi) Unfinished business
- (vii) New business
- (viii) Adjournment

ARTICLE III

DIRECTORS

Section 3.1. General Powers. The Association shall be governed and the business and affairs of the Association shall be managed by a Board of Directors.

Section 3.2. Number and Tenure. The Board of Directors shall consist of three (3) Members. The Directors shall be elected by the Members at the annual meeting of the Association, except for the initial Board of Directors which shall be appointed by the Developer. Except for the initial Board of Directors, which shall serve until the first annual meeting of the membership, the term of office shall be fixed at three (3) years; provided, however, that each Director shall hold office until his successor is elected or until his death or until he shall resign or be removed from office. The terms of the Directors shall be staggered in order to provide continuity and experience as follows: the President shall serve an initial term of three (3) years. The Treasurer shall serve an initial term of two (2) years and the Secretary shall serve an initial term of one (1) year. All subsequent elections or reelections shall be for a period of 3 years.

Section 3.3. Vacancy. Vacancies shall be filled on an interim basis by a majority vote of the Board of Directors. The Director so chosen shall complete the term

of office for the vacated position and shall hold office until his successor is duly elected by the membership of the Association.

Section 3.4. Terms of the Initial Board of Directors. The Developer shall appoint the initial Board of Directors who shall manage the affairs of the Association until the first annual meeting of the Association is held and new Directors are elected.

Section 3.5. Annual Meetings. Annual meetings of the Board of Directors shall be held immediately following the annual meeting of the Association. The Board of Directors may provide by resolution the time and place for the holding of additional regular meetings of the Board.

Section 3.6. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors by giving notice thereof to the Members of the Board as provided herein.

Section 3.7. Notice. When notice of any meeting of the Board of Directors is required, such notice shall be given at least two (2) days previous to such meeting by written notice delivered personally or sent by mail to each Director at his address as shown on the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited postage prepaid in the U.S. Mail in a sealed envelope properly addressed. Any Director may waive notice of any meeting before or after the time of the meeting stated herein, and attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, or the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically provided by law, the Articles of Incorporation, these Bylaws or the Covenants.

Section 3.8. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board.

Section 3.9. Manner of Acting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 3.10. Compensation. Directors shall not receive any salaries for their services, but by resolution of the Board of Directors, any Director may be reimbursed for his actual expenses incurred in the performance of his duties as a Director. Nothing herein contained shall be construed to preclude any Director from serving the Association in any other capacity and receiving compensation therefor.

Section 3.11. Informal Action by Directors. Any action required or permitted by law to be taken at a meeting of Directors may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by a majority of the Directors, which consent shall be filed with the Secretary of the Association as part of the Association's records.

Section 3.12. Removal of Directors. Any Director may be removed from the Board of Directors, with or without cause, by a two-thirds (2/3) vote of the Members of the Association, and a successor may then and there be elected to fill the vacancy thus created or the vacancy may be filled by the Board of Directors.

ARTICLE IV

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 4.1. Powers. The Board of Directors shall manage and direct the affairs of the Association and may exercise all of the powers of the Association subject only to approval by the Owners, as designated and defined in the Declaration, when such is specifically required by these By-Laws. The Board of Directors shall exercise such duties and responsibilities as shall be incumbent upon it by law, the Declaration or these By-Laws, or as it may deem necessary or appropriate in the exercise of its powers and shall include, without limitation the generality of the foregoing, the following:

(a) To prepare and adopt a budget, make, levy and collect assessments against members and members' Lots to defray the cost of the Common Areas and facilities of the Subdivision, and to use the proceeds of said assessments in the exercise of the powers and duties granted unto the Association;

(b) To carry out the maintenance, care, upkeep, repair, replacement, operation, surveillance and the management of the Common Areas, services and facilities of the Subdivision wherever the same is required to be done and accomplished by the Association for the benefit of its members;

(c) To carry out the reconstruction of improvements after casualty and the further improvement of the property, real and personal;

(d) To grant easements on, over or across the Common Properties owned by the Association;

(e) To make and amend regulations governing the use of the property, real and personal, in the Subdivision so long as such regulations or amendments thereto do not conflict with the restrictions and limitations which may be placed upon the use of such property under the terms of the Declaration;

(f) To acquire, operate, lease, manage, mortgage, sell, transfer, and otherwise trade and deal with property, real and personal, including Lots in the Subdivision, as may be necessary or convenient in the operation and management of the Association, except to the extent that the Declaration requires approval from the membership of the Association;

(g) To enforce by legal means the provisions of the Certificate of Incorporation and By-Laws of the Association, the Declaration and the regulations hereinafter promulgated governing use of the property in the Subdivision;

(h) To pay all taxes and assessments which are liens against any part of the Subdivision other than Lots and the appurtenances thereto, and to assess the same against the members and their respective Lots subject to such liens;

(i) To carry insurance for the protection of the Subdivision, the members of the Association, and the Association against casualty, liability and other risks;

(j) To pay all costs of power, water, sewer and other utility services rendered to the Association and not billed to the Owners of the separate Lots; and

(k) To employ personnel for reasonable compensation to perform the services required for proper administration of the purposes of the Association as well as to dismiss said personnel.

(l) To adopt and publish rules and regulations governing the use of the Common Areas and facilities of the Association, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(m) To suspend the voting rights and right to use of the Common Areas and facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(n) To exercise for the Association all powers, duties and authority vested in or delegated to this Association by the Declaration and not reserved to the membership by other provisions of these By-Laws or the Certificate of Incorporation;

(o) To declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(p) To employ a manager, a managing agent, an independent contractor, or such other employees or agents as they deem necessary, and to prescribe their duties.

Section 4.2. Duties. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs, have the same available for inspection at the offices of the Association, and present a statement thereof to the Members the annual meeting of the Members or at any special meeting when such statement is requested in advance in writing by a one-fourth (1/4) majority of the Members who are entitled to vote;
- (b) supervise all officers, agents and employees of the Association, and see that their duties are properly performed;
- (c) perform all duties set forth in the Covenants, including without limitation:
 - (1) fixing the amounts of all assessments as provided in the Covenants;
 - (2) sending written notices of all assessments to every Owner subject thereto;
 - (3) in the discretion of the Board, foreclosing the lien against any Lot for which assessments are not paid within thirty (30) days after the due date or bringing an action at law against the Owner personally obligated to pay the same;
 - (4) issuing, or causing an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive of evidence of such payment;
 - (5) preparing and presenting at the annual meeting an annual budget for the Association, outlining anticipated receipts and expenses for the following fiscal year;

- (6) causing the Common Areas to be maintained, improved or repaired; and
- (7) periodically defining a minimum level of services as set forth in the Covenants.
- (d) procure and maintain adequate liability and hazard insurance on property owned or leased by the Association; and
- (e) cause all officers or employees having fiscal responsibilities to be bonded, as the Board may deem appropriate.

Section 4.3. Indemnity. The Association shall indemnify every Director and every officer, their heirs, executors and administrators, against all loss, damages, costs or expenses of any type reasonably incurred by him in connection with any action, suit, or proceeding to which he is made a party by reason of his being or having been a Director or officer of the Association, except as to such matters wherein he shall be finally adjudged liable of gross negligence or willful misconduct. The Board may obtain for the Association Directors and Officers liability insurance coverage in such amounts as the Board deems necessary and appropriate.

ARTICLE V

MERGER

Section 5.1. To the extent and in the manner provided by law, the Association may participate in mergers and consolidation with other nonprofit associations organized for the same purpose, provided, however, that any such merger or consolidation shall require approval by the vote of two-thirds (2/3) of the Members at two consecutive meetings duly called for such purpose. The second meeting must be at least 30 days after obtaining an affirmative vote at the first meeting.

Section 5.2 Upon merger or consolidation of the Association with another association of associations, its property rights and obligations may, by operation of law, be transferred to another surviving or consolidated association, or in the alternative, the properties, rights and obligations of another association may, by operation of law, be added to the properties of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the Common Areas, together with the covenants and restrictions established upon any other property as one plan. No merger or consolidation shall effect any revocation, change or addition to the Covenants, including, without limitation, the maximum limits on assessments of the Association, or any other matter substantially affecting the interest of Members of the Association.

ARTICLE VI

MORTGAGES

Section 6.1. To the extent provided by law and by the Covenants, the Board of Directors of the Association shall have the power and authority to mortgage the property of the Association and to pledge the revenues of the Association as security for loans made to the Association, which loans shall be used by the Association in performing its authorized functions.

ARTICLE VII

OFFICERS

Section 7.1. Officers. The officers of the Association shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary and Treasurer. The Board of Directors may elect such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and to perform the duties prescribed in these By-laws and prescribed from time to time by the Board of Directors. Any two or more offices may be held by the same person except the offices of President and Secretary. The President, Secretary and Treasurer shall be Directors of the Association. Other officers may be, but need not be, Directors of the Association.

Section 7.2. Election, Term of Office and Vacancies. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the Members. A vacancy in any office arising because of death, resignation, removal or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 7.3. Removal. Any officer may be removed by the Board of Directors whenever in its judgment the best interests of the Association will be served thereby.

Section 7.4. Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board of Directors or these By-Laws.

Section 7.5. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7.6. Interim Officers. The initial Board of Directors appointed by the Developer shall elect interim or acting officers to serve until the first annual meeting of the Board of Directors.

Section 7.7. President. The President shall be the chief executive officer of the Association. He shall execute on behalf of the Association all instruments requiring such execution except to the extent the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent. The President shall preside at all meetings of the Association and the Board of Directors. He shall have all the general powers and duties which are usually vested in the office of President of a property owners association, including the power to appoint committees.

Section 7.8. Vice President. The Vice President shall act under the direction of the President and shall perform such duties as may be imposed by the Board. In the absence or disability of the President, the Vice President shall perform the duties and exercise the powers of the President.

Section 7.9. Secretary. The Secretary shall act under the direction of the President. Subject to the direction of the President, the Secretary shall attend all meetings of the Board of Directors and meetings of the Association and record the proceedings. (S)He shall give, or cause to be given, notice of all meetings of the Association and of the Board of Directors as required by these By-Laws, and shall perform such other duties as may be prescribed by the President or the Board of Directors.

Section 7.10. Treasurer. The Treasurer shall act under the direction of the President and shall keep or be responsible for keeping the accounts of the Association. (S)He shall disburse the funds of the Association as may be ordered by the President or the Board of Directors and shall render on request or at the regular meetings of the Board of Directors an account of all his transactions as Treasurer and of the financial condition of the Association. The Treasurer shall be responsible for mailing all assessment notices to Members of the Association.

ARTICLE VIII

COMMITTEES

Section 8.1. Committees of Directors. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate one or more committees, each of which shall consist of one or more Directors, which committees, to the extent provided in the resolution, shall have and exercise the authority of the Board of Directors in the management of the affairs of the Association; provided, however, that no such committee shall have the authority of the Board of Directors as to the following matters: (a) the dissolution, merger or consolidation of the Association; (b) the amendment of the Articles of Incorporation of the Association; (c) the sale, lease or exchange of all or substantially all of the property of the Association; (d) the designation of any such committee or the filling of vacancies in the Board of Directors or in any such committee; (e) the amendment or repeal of these By-Laws or the adoption of new By-Laws; (f) the amendment or repeal of any resolution of the Board of Directors which by its term shall not be so amendable or repealable; and (g) the declaration of dividends or other corporate distributions or issuance of stock.

Section 8.2. Other Committees. Other committees not having and exercising the authority of the Board of Directors in the management of the affairs of the Association may be designated by a resolution adopted by the Board of Directors. Such committees may include or be entirely composed of Members or other persons who are not Directors and shall perform such duties and have such powers as may be provided in the resolution.

Section 8.3. Rules. Each committee may adopt rules for its own government not inconsistent with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

ARTICLE IX
INSPECTION

Section 9.1. The books and records of the Association shall at all times be subject to inspection by any Member during reasonable business hours. The Covenants, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association.

ARTICLE X
PROXIES

Section 10.1. Proxy Allowed. Each Member entitled to vote may vote in person or by proxy at any meeting of the Association.

Section 10.2. Form and Effect. Each proxy shall be executed in writing by the Member or by his duly authorized attorney-in-fact, shall state the meeting for which such proxy is given and shall be filed with the Secretary; provided, however, that proxies shall not be permitted for any action which is subject to a referendum. No proxy shall extend beyond the date of the meeting for which it is given unless such meeting is adjourned to a subsequent date.

ARTICLE XI

CONSTRUCTION

Section 11.1. The Covenants, By-Laws and Articles of Incorporation shall be read and construed together. In the event of a conflict between the Covenants and the Articles of Incorporation or the By-Laws, the Covenants shall control; and in the case of any conflict between the Articles of Incorporation and the By-Laws that the Covenants do not resolve, the Articles of Incorporation shall control.

ARTICLE XII
ASSESSMENTS

Section 12.1. As more fully provided in the Covenants, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the Lot against which such assessments are made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date a penalty in an amount to be determined annually by the Board of Directors and consistently applied shall be added to such assessment, and such assessment shall, unless waived by the Board of Directors, bear interest from the due date at the rate provided in Section 6.8 of the Covenants. The Association may further bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by suspension from or nonuse of the Common Areas or abandonment of the property owned by him.

ARTICLE XIII

CORPORATE SEAL

Section 13.1. The Association shall have a seal in circular form having within its circumference the words: Back Bay Village Property Owners Association, Inc., State of South Carolina.

ARTICLE XIV

PARLIAMENTARY RULES

Section 14.1. Roberts Rules of Order (Latest Edition) shall govern the conduct of the Association meetings when not in conflict with these By-Laws, the Articles of Incorporation, the Declaration or the statutes of the State of South Carolina.

ARTICLE XV

AMENDMENTS

Section 15.1. These By-Laws may be altered, amended, or repealed by, and new By-Laws may be adopted by a majority vote of the Association.



Handwritten signature of Elizabeth A. Redberg, Managing Member, written over a horizontal line.

Managing Member

BACK BAY VILLAGE, LLC
A South Carolina Limited Liability Company