

VI.

EASEMENT FOR UNINTENTIONAL AND NON-NEGLIGENT ENCROACHMENTS

The Co-owners of the respective Townhomes agree that if any portion of a Townhome or General Common Element or Limited Common Element encroaches upon another, a valid easement for the encroachment and maintenance of same, so long as it stands, shall and does exist. In the event the buildings are partially or totally destroyed, and then rebuilt, the Co-owners of the Townhomes agree that the encroachments on parts of the General Common Elements or on the Townhomes themselves, as aforescribed, due to construction, shall be permitted, and that a valid easement for such encroachments and the maintenance thereof shall exist.

VII.

ADMINISTRATIONSection 1.

Association. The McDaniel Green North Association shall be a non-profit organization owned and operated by the Co-owners of Townhomes. Said organization shall be an association unless and until either the Developer or the Association itself decides to incorporate as a non-profit corporation under the laws of South Carolina. Except as otherwise expressly provided herein, the administration of the McDaniel Green North Horizontal Property Regime, the maintenance, repair replacement and operation of the General Common Elements and those acts required of the Association by this Master Deed and by applicable portions of the Horizontal Property Act of South Carolina (in which such entity is identified as the "Counsel of Co-owners") shall be the responsibility of the Association. The Association shall be governed by and shall operate according to this Master Deed, the applicable statutes described above, and by the By-Laws of the Association, a copy of which is attached hereto as Exhibit D and by this reference made a part hereof.

Each Townhome Co-owner shall automatically become and be a member of the association as long as he continues to be a Townhome Co-owner. Upon the termination of the interest of a Townhome Co-owner, his membership shall thereupon automatically terminate and transfer and