

OPERATING AGREEMENT
OF
SANCTUARY PROPERTY DEVELOPMENT, LLC

THIS OPERATING AGREEMENT (this "Agreement") is entered into effective as of **February 8, 2013** by, between and among the undersigned and each other person who becomes a Member in accordance with the terms of this Agreement.

WHEREAS, pursuant to the State of South Carolina Limited Liability Company Act (the "Act"), the Company (as defined below) was formed pursuant to a Articles of Organization filed with the South Carolina Secretary of State on **February 8, 2013** ("**Articles**");

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby continues the Company and agrees as follows:

1. Name. The name of the Company is:

SANCTUARY PROPERTY DEVELOPMENT, LLC (the "Company").

2. Purpose. The purpose of the Company is to acquire, own, construct and operate real estate investments (the "Development") and any lawful business in connection therewith as determined by the Company. The Company and Borrower are expressly authorized to:

- (a) Undertake development, construction, lease and operate developments and to execute all necessary contracts in connection therewith.
- (b) Borrow loan funds for any development.
- (c) Borrow money on the general credit of the Company for use in the Company business.
- (d) Purchase developments and finance such purchases, on whole or in part, by giving the seller or any other person a security interest in the property purchased, if necessary.

3. Place of Business and Registered Agent.

- (a) The principal office of the Company is **1121 Park West Blvd Ste B 136 Mount Pleasant, SC 29466**. The Member(s) by amendment to this Agreement may at any time change the principal office of the Company.
- (b) The registered agent for service of process is **Jennifer H. Wilkinson, 1121 Park West Blvd Ste B 136 Mount Pleasant, SC 29466**.

4. Name, Address and Membership Interest of Members. The name and business address and membership interest of the Members of the Company (the "Members") are as follows:

Name and Address

Membership Interest

**JENNIFER H. WILKINSON (“MEMBER”)
1121 Park West Blvd., Ste B136
Mt. Pleasant, SC 29466**

100%

All items of Company income, gain, loss, deduction and credit for any fiscal year shall be allocated among the Members for federal and state income tax purposes in such manner as the Manager determines in its sole but reasonable judgment (in consultation with the Company’s accountants) to be in accordance with the Members’ interest in the Company within the meaning of Section 1.704-1(b)(3) of the Treasury Regulations.

5. Management.

- (a) The Company shall be member-managed. Member shall have the right to manage the business or affairs of the Company. Member shall have the authority to (i) exercise all the powers and privileges granted by the Act or any other law or this Agreement, together with any powers incidental thereto, so far as such powers are necessary or convenient to the conduct, promotion or attainment of the business, trade, purpose or activities of the Company, (ii) buy and sell, upon its sole discretion, any real or personal property, (iii) bring, defend or settle any claims on behalf of the Company and (iv) to take any other action not prohibited under the Act or other applicable law.
- (b) Without limiting the generality of the foregoing and in addition to the other rights and powers granted to it herein, Member, shall have the authority to:
 - i. Submit and sign such all necessary or convenient documents in connection with daily business.
 - ii. Cause the Member to undertake development, construction, leasing and operation of developments and to execute all necessary or convenient contracts in connection therewith.
 - iii. Cause the Member to borrow loan funds for developments.
 - iv. Cause the Member to borrow money on the general credit of the Company for use in the Members business.
 - v. Cause the Member to purchase development and finance such purchases, on whole or in part, by giving the seller or any other person a security interest in the property purchased, if necessary.
 - vi. Execute all agreements, commitments, assignment, pledges, indemnities, certificates, statements, applications, notices, affidavits and/or other

instruments as may be required by any investors or lenders in connection with developments and any tax credits.

vii. Execute such other instruments, agreements, or certificates of any kind or nature whatsoever, as may be required to accomplish the foregoing.

(c) Until the earlier resignation or removal of the Member, with or without cause, the following individual shall serve as Manager:

i. **Jennifer H. Wilkinson**

6. Capital Contributions; Liability of the Members.

(a) The Members have contributed or agreed to contribute as their capital contribution ("Capital Contribution") to the Company cash in the amount of \$100.00.

(b) The debts, obligations, losses and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and neither the Members nor Managers shall be obligated personally for any such debt, obligation, loss or liability of the Company solely by reason of being a Member or Manager of the Company.

7. Additional Contributions. No Member shall be required to make additional contributions.

8. Rights of Member. Member has the right to substitute an assignee as a substitute Member in its place.

9. Withdrawals. No time has been agreed upon for the withdrawal or termination of the interest of any Member in the Company.

10. Distributions. Distributions of cash or other assets of the Company shall be made at such times and in such amounts as determined by the Manager. Distributions shall be paid 100% to the Company.

11. Term and Dissolution. The duration of the Company shall be perpetual. The Company shall continue into force and effect until:

(a) the sale or other disposition of all or substantially all of the assets of the Company;

(b) the election to dissolve the Company made by the Member; or

(c) the entry of a final decree of dissolution of the Company by a court of competent jurisdiction.

Upon the dissolution of the Company, the Manager of (or, for purposes of this paragraph, its trustees, receivers or successors), shall cause the cancellation of the Company's Articles, liquidate the Company assets and apply and distribute the proceeds thereof first to the Company's creditors and then to the Member.

12. Power of Attorney. The Company may act through one or more persons to whom a majority of the Managers of the Company has granted a Power of Attorney, duly executed and notarized. At this time, Manager has that right.
13. Books and Records.
 - (a) All of the records and books of account of the Company, together with an executed copy of this Agreement and any amendments thereto, shall at all times be maintained at the principal office of the Company and shall be open to the inspection and examination of the Members or their representatives, which may include delivery of copies of such records and books by electronic transmission or mail upon request of a Member. Any Member may, at any time and from time to time, at its own expense, cause an audit of the books of the Company to be made by a certified public accountant or other person designated by such Member.
 - (b) To the extent not otherwise directly available to the other Members, each Member shall provide all other Members with copies of all documentation, correspondence, and other information relating to development, construction, and operation of any development, including but not limited to construction draws, plans and specifications, compliance audits and reports, development and operational budgets, rent rolls, leases, tenant income certifications, correspondence with agencies, and any other information requested by that Member.
 - (c) The Member is designated as the "Tax Matters Partner" of the Company within the meaning of Section 6231(a)(7) of the Internal Revenue Code and shall have the power to manage and control, on behalf of the Company, any administrative proceeding at the Company level with the Internal Revenue Service relating to the determination of any item of Company income, gain, loss, deduction, or credit for federal income-tax purposes. The Tax Matters Partner shall comply with all statutory provisions of the Internal Revenue Code applicable to a "tax matters partner".
14. Applicable Law. This Agreement and the rights and obligations of the parties hereunder shall be governed by and interpreted, construed and enforced in accordance with the laws of the State of South Carolina.
15. Word Meanings. The words, majority interest means ownership of more than 50% of the membership interest in the Company. The words such as "herein," "hereinafter," "hereof," and "hereunder" refer to this Agreement as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires. The singular shall include the plural and the masculine gender shall include the feminine and neuter, and vice versa, unless the context otherwise requires. Any references to

“Sections” are to Sections of this Agreement, unless reference is expressly made to a different document.

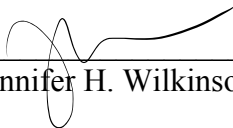
16. Binding Provisions. The covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the heirs, legal representatives, successors and assignees of the respective parties hereto, except in each case as expressly provided to the contrary in this Agreement.
17. Counterparts. This Agreement may be executed in several counterparts and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties have not signed the original or the same counterpart.
18. Paragraph Titles. Paragraph titles and any table of contents herein are for descriptive purposes only, and shall not control or alter the meaning of this Agreement as set forth in the text.
19. Amendment. This Agreement may be amended in whole or in part by the Managing Member.
20. Entire Agreement. This Agreement contains the entire, full and complete agreement of the parties hereto with respect to the subject matter hereof, and supersedes all prior or written agreements, commitments, or understandings with respect to the matters provided for herein and therein.

IN WITNESS WHEREOF, the undersigned Members have entered into this Agreement effective the day and year first above stated.

MEMBER:

**SANCTUARY PROPERTY DEVELOPMENT,
LLC**
a South Carolina limited liability company

By:



Jennifer H. Wilkinson, Member/Manager