

DO NOT REMOVE  
PERMANENT COPY

BK M108 PG240

*connection to Master Deed. Book R105, Page 170  
attached.*

STATE OF SOUTH CAROLINA            )  
  )  
COUNTY OF CHARLESTON            )     MASTER DEED ESTABLISHING  
  )     HIGH HAMMOCK VILLAS  
  )     HORIZONTAL PROPERTY REGIME

WHEREAS, SEABROOK-RUSSELL VENTURE, a South Carolina Partnership, is the sole owner of the fee simple title to property located in the County and State aforesaid and desires to submit such of that property as specifically described herein to a Horizontal Property Regime according to the laws of the State aforesaid and subject to the conditions and restrictions contained herein;

NOW, THEREFORE, in consideration of the premise and the benefit expected to flow to it as a result of the submission of the property to a Horizontal Property Regime:

KNOW ALL MEN BY THESE PRESENTS that Seabrook-Russell Venture, for itself, its successors and assigns, hereby submits the property described in Exhibit A, attached hereto and, by reference, incorporated herein, to a Horizontal Property Regime according and subject to the terms and provisions of the S. C. Code Ann., §§57-471 - 57-523 (1962), Horizontal Property Act (Act) as it is now constituted and as it may from time to time be amended; provided, however, that such submission shall be and is further subject to the conditions, provisions, and restrictions contained herein, all of which shall run with the land.

1. NAME: The Property shall hereafter be named High Hammock Villas Horizontal Property Regime (Regime).

2. DESCRIPTION OF PROPERTY AND BUILDING: The Property is described in Exhibit A. The Buildings are described in the plans attached hereto as Exhibit B. The Buildings are multi-unit structures and contain approximately 100,000 total square feet divided into a combination of 100 apartments and general and limited common elements.

3. DESCRIPTION OF GENERAL COMMON ELEMENTS: In addition to those defined in the Act, the following shall be general common elements:

(a) All common storage areas, roads, driveways, parking areas, observation decks, exterior stair towers, finishes on exterior railing surfaces and decks (except for those portions of the decks hereinafter declared to be limited common elements);

(b) Compartments for, and installations of, common telephone, television, storm drainage, sewer and/or irrigation lines and equipment and/or air conditioning, heating and trash disposal facilities.

4. DESCRIPTION OF LIMITED COMMON ELEMENTS: The limited common elements appurtenant to each apartment are as follows:

(a) The surface areas and railings of all decks accessible by normal means solely from the apartment, and all grade-level patios immediately adjacent to the apartment;

(b) All non-load bearing walls located entirely within the apartment.

(c) All material, including, but not limited to, sheetrock, plywood, carpet, paint, panelling, tile, vinyl or brick, attached to, or on, the inside surface of the studs and/or joists of the perimeter walls, floors and ceilings of the apartment;

(d) All doors, windows, screens, ventilation fans and vents located entirely within the apartment, or in the perimeter walls, floors or ceilings thereof;

(e) All air handling units and all water, power, telephone, electricity, plumbing, gas and sewage lines located in the apartment; provided, however, that the portion of said lines located in a common compartment for, or installation of, such lines shall be general common elements as described above.

5. DESCRIPTION OF APARTMENTS: An apartment is generally described and each type of apartment is specifically described in Exhibit C, attached hereto and, by reference, incorporated herein. The graphic description and area of each apartment is shown on Pages A-5 and A-6 of Exhibit B. The location within a Building and number of each apartment are shown on the first page of Exhibit B, attached hereto and, by reference, incorporated herein.

6. PLOT PLAN AND FLOOR PLANS: The plot plan showing the location of the Buildings and other improvements is attached as the first page of Exhibit B. The floor plans showing the dimensions and area of each type of apartment are attached hereto as Pages A-5 and A-6 of Exhibit B; the area of each type of apartment is mentioned in Exhibit C. The plans showing the dimensions, area and locations of general common elements affording access to each apartment are attached hereto as Pages 1 and A-10 of Exhibit B.

7. PERCENTAGE OF OWNERSHIP: The value of each apartment, the value of all apartments, and the percentage of ownership for purposes of liability for common expenses, insurance, assessments and voting are equal.

8. COUNCIL OF CO-OWNERS; LIEN FOR UNPAID ASSESSMENTS: The Regime shall be administered by a Council of Co-Owners (Council) which shall be constituted as an eleemosynary corporation formed under the laws of South Carolina under the name of High Hammock Villas Co-Owners Council, Inc. The By-Laws of that Corporation are attached hereto as Exhibit D and, by reference, incorporated herein.

If a lien for unpaid assessments is enforced by the Council, either by suit for damages or foreclosure, the Council shall be entitled to collect all costs of that action, including attorneys' fees.

9. INSURANCE: The Council shall insure the general common elements against fire, liability, windstorm and all other risks normally insured against in connection therewith.

10. ASSESSMENTS FOR INSURANCE PREMIUMS: The monthly contribution of Co-Owners toward the expenses of administration and of maintenance and repair of the general common elements shall include one-twelfth of such co-owners contribution for the premium for blanket fire and extended coverage insurance, the valuation therefor being computed in accordance with Paragraph 7 hereof, and all other insurance premiums. This amount shall be set aside and accumulated for the specific purpose, and no other, of paying the premium on such insurance as it becomes due.

11. DISBURSEMENTS OF CASUALTY INSURANCE PROCEEDS: In the event it should be proper under the Act to repair or reconstruct the damaged portion of the general common elements, the proceeds of insurance, together with funds of the Co-Owners sufficient to defray all expenses of repair or reconstruction above the insurance proceeds shall be placed in a separate bank account and disbursed by the Treasurer of the Council. Such disbursements shall be made only upon receipt of AIA Requests and AIA Certificates for Payment signed by the architect supervising said repair or reconstruction and general contractor, in the case of hard construction costs, or invoices approved for payment by the President and Secretary of the Council in the case of non-construction invoices. If no supervisory architect is employed, all funds shall be disbursed by the Treasurer only upon receipt by him of written approval of the President and Secretary. Should it not be proper to proceed with repair or reconstruction of the general common elements, the insurance

proceeds shall be disbursed to the Co-Owners on a pro-rata basis according to their percentage of ownership.

12. EASEMENTS WITHIN REGIME: Each apartment and all general and limited common elements are hereby subjected to an easement for the repair, maintenance, expansion, reduction, inspection, removal, relocation or other service of or to all gas, electricity, television, telephone, water, plumbing, sewer, or other lines or other general common elements, whether or not the cause of any or all of those activities originates in the apartment in which the work must be performed.

Each apartment owner shall have an easement in common with the other owners of all other apartments to use all pipes, wires, ducts, cables, conduits, public utility lines and other common facilities located in any of the other apartments and serving his apartment. Each apartment shall be subject to an easement in favor of the owners of all other apartments to use the pipes, ducts, cables, wires, conduits, public utility lines and other common facilities serving such other apartments and located in such apartment.

The Board may hereafter grant easements for utility purposes for the benefit of the Property, including the right to install, lay, maintain, repair and replace water lines, pipes, sewer lines, storm drainage lines, gas mains, telephone and television wires and equipment and electrical conduits, and wires over, under, along and on any portion of the apartments and/or general and limited common elements; and each apartment owner hereby grants to the Board, or its designee, an irrevocable power of attorney to execute, acknowledge and record for and in the name of each apartment owner such instruments as may be necessary to effectuate the foregoing.

In the event any portion of the general common elements encroaches upon any apartment, a valid easement for the encroach-

ment and maintenance of same is hereby created.

13. MAINTENANCE AND INSURANCE OF LIMITED COMMON ELEMENTS: The owner of an apartment shall be solely responsible for the prompt maintenance, repair and replacement with comparable material of equal quality all limited common elements appurtenant to his apartment. The owner of an apartment may insure those limited common elements for his own interest.

14. STRUCTURAL ALTERATIONS: Upon two-thirds vote of the Co-Owners, after submission to them of detailed plans and specifications, and a fixed price contract for the proposed work at a duly called meeting of the Council, the Board may be authorized to make or have structural alterations made in the general common elements and/or limited common elements; provided, however, that any structural alteration of all or part of the limited common elements shall be uniform. No Co-Owner may make any alteration in the general common elements or structural alteration of his apartment and/or the limited common elements appurtenant thereto without first having the plans and specifications therefor approved by the Board and depositing with said Board an amount of money sufficient, in the sole discretion of the Board, to defray all costs of modifying this Master Deed and recording said modification, including attorney fees.

15. TRANSFER OF UNITS:

A. Right of First Refusal. Subject to Paragraph 33 of the Protective Covenants for Multi-Family Residential Areas of Seabrook Island, any Co-Owner desiring to sell or transfer his apartment, shall first offer said apartment for sale to the Council at the same net price and on the same terms at which the highest bona fide offer has been made for the apartment. The Co-Owner shall, by certified or registered mail, return receipt requested, give the Board written notice of his desire to sell, and the name and address of the person, firm or corporation making

the highest bona fide offer, and the amount and terms of such offer. Within thirty (30) days after receipt of said notice, the Board may, at its option, after notice to the Co-Owner, purchase the apartment on behalf of all Co-Owners for the same price and on the same terms. Should the Board fail or refuse within thirty (30) days after receipt of the written notice to exercise its option, the apartment may then be sold for terms not less beneficial and at a price not less than that for which it is offered to the Board for a period of one hundred twenty (120) days to the person making said offer. The failure of the Co-Owner to sell within one hundred twenty (120) days shall require the owner to repeat the procedure if he wishes to sell his apartment. Any sale of any apartment by the owner to the person, firm or corporation making such offer shall be subject to all of the terms, covenants, limitations and provisions of this Master Deed and all related documents.

B. Mortgaging. No apartment owner may mortgage his apartment or any interest therein without the approval of the Board, except as to a first mortgage lien made to a bank, life insurance company, savings and loan association or other federally or state licensed lending institution, in which event notice shall be given to the Board as to the name and address of such mortgagee. Upon request by the Board, owner shall provide to the Board a copy of all mortgage documents relating to the apartment.

C. Transfer Voidable. Any sale, voluntary transfer, conveyance, or lease for a period exceeding three (3) months or mortgage which is not authorized by the terms of this Master Deed or for which authorization has not been obtained pursuant to the terms hereof is voidable and may be voided by the Board at its election by notice to the grantee or mortgagee within sixty (60) days of the date on which the Board learns of the transfer or mortgage.

D. Inter-Family Transfer. An owner may, without restriction, give, devise, lease, sell, mortgage or bequeath his interest in any apartment to his spouse, his parents or to any lineal descendants, including adopted children; or to a corporation or partnership (not created primarily for the purpose of avoiding Paragraph 16-A hereof), of which all classes of stock or partnership interests are more than eighty (80%) percent owned by such apartment owner, his spouse and his lineal descendants, without the prior written consent of the Board of Directors.

E. Rights of Subsequent Purchasers. Subsequent purchasers of apartments shall be entitled to receive, upon written request therefor, a certification from the Board of Directors of High Hammock Villas Co-Owners Council, Inc. (Board) that all prior conveyances of the apartment have been approved by the Board or, in the alternative, that there have been no prior conveyances of the apartment requiring approval by the Board.

16. MANAGEMENT AGENT:

A. Interim Management Agent and Assessments:

From the date of the first conveyance of title by the grantor to an owner until the date of the first Council meeting, the grantor or its designee shall serve as the Interim Management Agent with responsibility for coordinating all normal management services of the Council. During such period, the Interim Management Agent or its designee shall receive a monthly management fee from each owner of \$10.00, plus his monthly, pro-rata share of the total operating expenses shown in Exhibit E, attached hereto, and, by reference, incorporated herein.

B. Regular Management and Assessments. Upon selection by the Council of a Regular Management Agent and the adoption of the annual Council budget by the Board, any excess of interim assessments over total, actual operating expenses



shall be deposited by grantor to the account of the Council. The Interim Management Agent shall provide to the Regular Management Agent an accounting of operating revenues and expenses. After adoption of the annual budget, the grantor shall be subject to regular assessments for any apartments still owned by it.

C. Time of Payment. Each owner's pro-rata share of the operating expenses for the first month shall be payable at the time of conveyance of title to the owner by the grantor. Subsequent payments shall be due on the first day of each month. Payments not received when due shall bear interest at the maximum legal rate.

17. REGIME WORKING CAPITAL: At or before the time title is conveyed to an owner, each owner shall contribute to the working capital reserve established by the Interim Management Agent the sum of One Hundred Thirty Five Dollars (\$135.00). Such funds shall be used solely for initial operating and capital expenses of the Property. At the time of selection of the Regular Management Agent, the Interim Management Agent shall pay to the account of the Council all unused funds and shall provide an accounting of all revenues and expenditures.

18. REGULATORY DOCUMENTS: The Regime shall be administered in accordance with the Master Deed, By-Laws of the Council and such other regulations as may from time to time be promulgated by the Council and/or Board, and by the provisions of the Protective Covenants for Multi-Family Residential Areas of Seabrook Island as well as the By-Laws of Seabrook Island Property Owners Association.

19. RIGHT OF ACCESS: Each Co-Owner hereby grants the Council, Board and/or its or their designee the right to enter his apartment in case of any emergency originating in or threatening his apartment.

## 20. RESTRICTION OF USE OF PROPERTY: No Co-Owner

shall:

(a) Use his apartment for purposes other than residential;

(b) Post any advertisements, posters or signs of any kind in or on the Property, except as authorized by the Council;

(c) Hang garments, towels, rugs or similar objects from the windows, terraces or from any of the facades of the Property; or on any general or limited common element or elements of the Property;

(d) Hang dust rags, mops or similar objects from the windows or decks or clean rugs or similar objects on the Property by beating;

(e) Place garbage or trash outside the areas provided for such purposes;

(f) Act so as to interfere unreasonably with the peace and enjoyment of the residents of the other apartments in the Property;

(g) Maintain any pets which cause distress to residents through barking, biting, scratching or damaging of Property. An owner shall be responsible for all damage caused by his pet or pets;

(h) Erect or alter any building, wall, fence or other structure; cut any plants or trees; or do any landscaping until the plans and specifications therefor shall have been submitted to and approved in writing by the Board and the agent of any entity which has a prior right of approval under any covenant or agreement;

(i) Use musical instruments, radios, televisions or amplifiers in such a way as

to disturb other residents;

(j) Install wiring for electrical or telephone installments, televisions and radio antennae, machines or air conditioning units or similar objects outside his apartment or which protrude through the walls or the roof of his apartment, except as authorized by the Board.

21. AGREEMENTS BINDING UPON PROPERTY: All agreements and determinations lawfully made by the Council in accordance with the voting percentages established in this Master Deed shall be deemed to be binding on all owners of apartments, their successors and assigns.

22. UNITS SUBJECT TO MASTER DEED AND RELATED DOCUMENTS: All present and future owners, tenants and occupants of apartments and their guests or invitees, shall be subject to, and shall comply with, the provisions of the Master Deed and related documents as amended from time to time. The acceptance of a deed of conveyance or the entering into of a lease or the entering into occupancy of any apartment shall constitute an agreement that the provisions of the Master Deed and related documents are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the lands and shall bind any person having at any time any interest or estate in such apartment as though such provisions were made a part of each and every deed of conveyance or lease. Failure to comply with the provisions of those documents shall entitle the Council or any owner to seek legal and/or equitable relief.

23. AMENDMENT OF MASTER DEED: This Master Deed may be amended by the vote of sixty-six and two-thirds (66 2/3%) percent of the Co-Owners, cast at a meeting duly held in accordance with the provisions of the By-Laws. No such amendment shall be effective until recorded in the Office of the Registrar of Deeds

for the County wherein the Property is located. In no event may the Master Deed be amended so as to deprive the grantor of any rights granted herein. Grantor reserves the right to make corrective changes in this Master Deed by recording an appropriate document.

24. INVALIDITY: The invalidity of any provisions of this Master Deed shall not impair or affect the validity and enforceability of the remainder of this Master Deed, and in such event, all of the other provisions of this Master Deed shall continue in full force and effect as if such invalid provision had never been included.

25. WAIVER: No provisions contained in this Master Deed shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

26. LAW CONTROLLING: This Master Deed and the By-Laws attached hereto shall be construed under and controlled by the laws of the State of South Carolina.

27. WARRANTIES: Grantor acknowledges that all contractual warranties in its favor set forth in the Buildings' construction contract, for material and equipment in the apartment, shall accrue to the benefit of the owner of such apartment, along with all warranties, if any, provided by the manufacturer or supplier of appliances, air conditioning, heating and utility systems in the apartment. THE CLOSING OF TITLE OR OCCUPANCY OF THE APARTMENT SHALL CONSTITUTE AN ACKNOWLEDGMENT BY THE APARTMENT OWNER THAT GRANTOR MAKES NO OTHER IMPLIED OR EXPRESS WARRANTIES RELATING TO THE APARTMENT OR THE COMMON AREAS AND FACILITIES, EXCEPT FOR SUCH WARRANTIES AS ARE SET FORTH IN THE GENERAL WARRANTY DEED TO THE APARTMENT.

IN WITNESS WHEREOF, Seabrook-Russell Venture has hereunto

set its hand and seal this 16th day of OCTOBER, 1974.

IN THE PRESENCE OF:

SEABROOK-RUSSELL VENTURE, A South Carolina Partnership

Evelyn D. Edwards BY: Robert B. Russell (SEAL)  
Robert B. Russell

AND

SEABROOK ISLAND COMPANY, A South Carolina Limited Partnership

BY: LAND LOGISTICS CORPORATION

BY: H. R. Gonzalez  
H. R. Gonzalez  
Its: President

General Partner

(CORPORATE SEAL)

STATE OF SOUTH CAROLINA )  
COUNTY OF CHARLESTON )

PERSONALLY appeared before me EVELYN D. EDWARDS

who, being duly sworn, deposes and says that he/she saw the within named SEABROOK-RUSSELL VENTURE by Seabrook Island Company, A South Carolina Limited Partnership, by Land Logistics Corporation by ~~H. R.~~ R. Gonzalez, its President, as General Partner, and Robert B. Russell, sign, seal and as its act and deed, deliver the within Mortgage, and that he/she with LEONARD KRAWCHECK witnessed the execution and delivery thereof.

SWORN to before me this 16th day of OCTOBER, 1974.

Leonard Krawcheck (L.S.)  
Notary Public for South Carolina

Evelyn D. Edwards

My Commission expires: 12/15/79.

EXHIBIT A TO  
HIGH HAMMOCK VILLAS  
HORIZONTAL PROPERTY REGIME

ALL that certain piece, parcel or tract of land, situate, lying and being on Seabrook Island, County of Charleston, State of South Carolina containing 9.932 acres and being more particularly shown and delineated and having the shape, courses, metes and bounds shown on that certain plat dated July 11, 1973, prepared by E. M. Seabrook, Jr., Inc., Engineers-Surveyors-Planners, for Seabrook Island Company, recorded in the Office of the Clerk of Court for Charleston County in Plat Book AC at Page 90, which plat is, by reference, incorporated herein.

BK 1105 PC240

EXHIBIT B TO  
HIGH HAMMOCK VILLAS  
HORIZONTAL PROPERTY REGIME

The first page (page 1) of EXHIBIT B is the plot plan or plat approved by the Charleston County Planning Board and recorded in the R. M. C. Office for Charleston County in Plat Book AD, Page 134. Please note that the other plans comprising Exhibit B are attached hereto and shown hereafter.

EXHIBIT CGENERAL DESCRIPTION OF APARTMENTS:

There are sixteen (16) separate buildings. These sixteen (16) buildings contain one hundred (100) Villas or Apartments comprised of Flats and Townhouses. There are forty-three (43) ground floor Flats, twenty-nine (29) second-floor Flats, and twenty-eight (28) Townhouses. Townhouses are two-story Apartments located on the second and third floors of some of the buildings. There are no Townhouses utilizing the first floor.

Flats located on the ground floor are designated and described by the Letter "A." Flats located on the second floor are designated and described by the Letter "B."

Townhouses are designated and described by the Letters "B" and "C." In order to determine a "B" or "C" Townhouse, it is necessary to refer to Sheet C of Exhibit B. Townhouses are in pairs and when a viewer stands on the sidewalk directly in front of and in the center of each pair of Townhouses, Townhouse "B" is that which will lie to the viewer's right; Townhouse "C" is that which lies to the viewer's left. All Townhouses are located above ground floor Flats, i.e. Flat A's, as above.

The Apartments include 1) the space enclosed by the unfinished surfaces of perimeter and interior walls, ceilings and floors thereof, including vents, doors, windows and such other structural elements that ordinarily are regarded as enclosures of space; 2) all interior dividing walls and partitions (including the space occupied by such walls or partitions); and 3) the decorated inner surfaces of said perimeter and interior walls (including the decorated inner surfaces of all interior



load-bearing walls) and floors, ceilings, consisting (as the case may be) of wallpaper, paint, plaster, carpeting, tiles and other furnishing materials and fixtures affixed or installed and for the sole and exclusive use of any dwelling space, commencing at the point of disconnection from the structural body of the building and from utility lines, pipes or systems serving the dwelling space. No pipes, wires, conduits or other public utility lines or installations constituting a part of the overall systems designed for the service of any particular dwelling space of a building, nor any property of any kind, including fixtures and appliances within any apartment, which are not removable without jeopardizing the soundness, safety or usefulness of the remainder of the building, shall be deemed to be a part of any Apartment.

SPECIFIC DESCRIPTION OF APARTMENTS

FLATS DESIGNATED BY THE LETTER "A"

"A" type Flats consist of Apartment Nos. 1A through 43A.

The Apartments consist of two (2) halves, one-half (1/2) containing a livingroom, diningroom, kitchen, bathroom, bar and entry way; the other half contains the bedroom, bathroom, utility room and entry way. Both halves have access through doors to the patio located outside of the Apartment, opposite the entry ways. There is an interconnecting door between the two (2) halves of the Apartment. Each Apartment contains a total of 1,230 square feet, of which 1,026 square feet is enclosed space and 204 square feet is patio.

Entering the Apartment through the door on the living-room side of the Apartment, one goes into the entry way which contains 35 square feet. Off the entry way through a door is a bathroom with stall shower, the bathroom containing 32 square feet. Leaving the entry way, one enters an L-shaped living/dining area of 320 square feet. Through the livingroom directly opposite the entry way is a sliding door giving access to the patio. A closet containing 8 square feet is located off the livingroom area. A bar containing 9 square feet is also located off the livingroom area. The kitchen containing 80 square feet lies off the dining area. The kitchen contains a range with oven, dishwasher and refrigerator with ice maker.

Entering the Apartment through the door on the bedroom side of the Apartment, one enters the entry way containing 35 square feet. This entry way is connected to the entry way on the living/diningroom side by a connecting door. The utility room containing 44 square feet lies off the entry way. The utility room includes a closet and utility connections for a stacked washer-dryer. The heating and air conditioning units as well as the hot water heater are located in the utility room. The entry way leads into a L-shaped bedroom; this bedroom contains 291 square feet. Directly opposite the entry way is a sliding door giving access to the patio. A clothes closet, linen closet and storage closet are all located off the bedroom. The linen closet contains 5 square feet. The clothes closet contains 14 square feet. The storage closet contains 5.5 square feet. Off from a corner of the bedroom is a bathroom containing 81 square feet. This bathroom contains a tub and shower.

FLATS DESIGNATED BY THE LETTER "B"

Type "B" Flats consist of Apartments 1B, 3B, 5B, 6B, 7B, 8B, 9B, 10B, 12B, 14B, 15B, 16B, 18B, 19B, 21B, 22B, 24B, 25B, 28B, 29B, 30B, 32B, 34B, 35B, 37B, 38B, 40B, 41B and 42B.

The description aforesaid for "A" type Flats with the square footage attributable to these Apartments and to the various rooms located within the Apartments is exactly the same as for "B" type Flats, except that the two (2) entry ways are larger with the livingroom side entry way containing 43 square feet and the bedroom side entry way containing 43 square feet. Because of this, the enclosed space for this type of Apartment contains 1,042 square feet.

On the side of the Apartment opposite the entrance, the sliding doors lead to a deck and not to a ground floor patio. The deck is in the nature of a balcony. Access to these Apartments is gained by an outside staircase.

TOWNHOUSES DESIGNATED BY THE LETTER "C"

"C" type Townhouses consist of Apartment Nos. 2C, 4C, 11C, 13C, 17C, 20C, 23C, 26C, 27C, 31C, 33C, 36C, 39C and 43C. Access to these Apartments is gained by an outside staircase. The total square footage for these Apartments is 876 square feet with 510 square feet downstairs and 366 square feet upstairs. There is one (1) entry way to this two-story Apartment. Entering the Apartment on the second story of the building, one enters an entry way having 44 square feet. Off from the entry way there is a closet containing 14 square feet and a powder room containing 21 square feet. Through the entry

way, one enters an L-shaped living/dining area containing 305 square feet. Directly across from the entry way are sliding doors that lead to a deck. The deck is in the nature of a balcony. A bar containing 6 square feet lies off from the living/diningroom area. The kitchen containing 60 square feet is located off from the diningroom area. The kitchen contains a range with oven, dishwasher, and refrigerator with ice maker. Between the bar and the kitchen is the stairway leading to the third floor of the building which is the second floor of the Apartment. The stairway is contained in a passageway containing 60 square feet. At the top of the stairs there is a hallway containing 20 square feet. Off from the hallway is a utility room with a storage closet. The utility room has utility connections for a stacked washer-dryer. The heating and air conditioning units and the hot water heater are located in the utility room. The utility room contains 62 square feet. Through the hallway is the bedroom containing 204 square feet. On the side of the bedroom opposite the door leading from the hallway is a handrail overlooking the livingroom downstairs. Off from the bedroom is a clothes closet containing 14 square feet, a storage closet containing 6 square feet and a bathroom with tub and shower, the bathroom containing 56 square feet. A linen closet containing 4 square feet is located in the bathroom.

TOWNHOUSES DESIGNATED BY THE LETTER "B"

"B" type Townhouses consist of Apartment Nos. 2B, 4B, 11B, 13B, 17B, 20B, 23B, 26B, 27B, 31B, 33B, 36B, 39B and 43B.

The configuration, access and square footage of this Apartment is exactly the same as that described for Townhouse "C" above, except that the configuration of this type of Apartment is the mirror image of Townhouse "C" above.

ARTICLE IX - RULES AND REGULATIONS ..... 17

ARTICLE X - INDEMNIFICATION ..... 17

ARTICLE XI - AMENDMENT ..... 18

ARTICLE XII - CONSTRUCTION ..... 18

ARTICLE XIII - RATIFICATION ..... 18

ORIGINAL  
DO NOT REMOVE

EXHIBIT D TO  
HIGH HAMMOCK VILLAS

BK M105 PG240

HORIZONTAL PROPERTY REGIME

INDEX

BY-LAWS

ARTICLE I - GENERAL

Section 1 - The Name .....	1
Section 2 - The Principal Office .....	1
Section 3 - Definition .....	1

ARTICLE II - MEMBERSHIP

Section 1 - Definition .....	1
Section 2 - Transfer of Membership and Ownership .....	1

ARTICLE III - MEETINGS OF MEMBERSHIP

Section 1 - Place .....	1
Section 2 - Annual Meeting .....	2
Section 3 - Membership List .....	2
Section 4 - Special Meetings .....	3
Section 5 - Quorum .....	3
Section 6 - Vote Required to Transact Business .....	4
Section 7 - Right to Vote .....	4
Section 8 - Waiver and Consent .....	4
Section 9 - Order of Business .....	4

ARTICLE IV - BOARD OF DIRECTORS

Section 1 - Number and Term .....	5
Section 2 - Vacancy and Replacement .....	5
Section 3 - Removal .....	5
Section 4 - First Board of Directors .....	5
Section 5 - Powers .....	6
Section 6 - Liability .....	8
Section 7 - Compensation .....	8

Section 8 - Meetings .....	8
Section 9 - Order of Business .....	9
Section 10 - Annual Statement .....	9

#### ARTICLE V - OFFICERS

Section 1 - Executive Officers .....	9
Section 2 - Subordinate Officers .....	9
Section 3 - Tenure of Officers: Removal .....	10
Section 4 - The President .....	10
Section 5 - The Secretary .....	10
Section 6 - The Vice President-Treasurer .....	11
Section 7 - Vacancies .....	12
Section 8 - Resignations .....	12

#### ARTICLE VI - NOTICES

Section 1 - Definition .....	13
Section 2 - Service of Notice - Waiver .....	13
Section 3 - Address .....	13

#### ARTICLE VII - FINANCES

Section 1 - Fiscal Year .....	13
Section 2 - Checks .....	13
Section 3 - Determination of Assessments .....	14
Section 4 - Non-Profit Corporation .....	15

#### ARTICLE VIII - DEFAULT

Section 1 - Enforcement of Lien for Assessments .....	15
Section 2 - Governmental Liens and Assessments .....	16
Section 3 - Legal Costs .....	16
Section 4 - Foreclosure .....	16
Section 5 - Other Remedies .....	16
Section 6 - Intent .....	17



BY-LAWS

OF

HIGH HAMMOCK VILLAS CO-OWNERS COUNCIL, INC.

A Non-Profit South Carolina Corporation

ARTICLE I

GENERAL

Section 1. The Name: The name of the corporation shall be High Hammock Villas Co-Owners Council, Inc.

Section 2. The Principal Office: The principal office of the corporation shall be High Hammock Villas, Seabrook Island, South Carolina, or at such other place as may be subsequently designated by the Board of Directors.

Section 3. Definition: As used herein, the term "corporation" shall be the equivalent of "Co-Owners Council" as used in the Master Deed.

ARTICLE II

MEMBERSHIP

Section 1. Definition: Each owner shall be a member of the corporation, and membership in the corporation shall be limited to owners of condominium apartments.

Section 2. Transfer of Membership and Ownership: Membership in the corporation may be transferred only as an incident to the transfer of the transferor's condominium apartment and his undivided interest in the common areas and facilities of the condominium, and such transfer shall be subject to the procedures set forth in the Master Deed.

ARTICLE III

MEETINGS OF MEMBERSHIP

Section 1. Place: All meetings of the corporate member-

ship shall be held at the office of the corporation or such other place as may be stated in the notice.

Section 2. Annual Meeting:

*See Amendment In Back*

A. The annual meeting of members shall be held at Seabrook Island, South Carolina in each year commencing in 1974; provided, however, that the first such meeting will not be held until the earlier of 1) the sale by Grantor, as defined in the Master Deed, of all apartments in this condominium, 2) notice by the Grantor, or 3) two years from the date hereof.

*Change*

B. Regular annual meetings subsequent to the first such meeting shall be held on the 1st of April in each year, if not a legal holiday, and if a legal holiday, then on the next business day following unless otherwise determined by the Board.

C. All annual meetings shall be held at such hour as is determined by the Board.

D. At the annual meeting, the members shall elect the new members of the Board of Directors and transact such other business as may properly come before the meeting.

E. Written notice of the annual meeting shall be served upon or mailed to each member entitled to vote thereat at such address as appears on the books of the corporation, at least ten (10) but not more than fifty (50) days prior to the meeting. Each member shall notify the Secretary of any address change, and the giving of said notice shall be in all respects sufficient if sent to the address of the member which is then on file with the Secretary.

Section 3. Membership List: At least ten (10) but not more than fifty (50) days before every election of Directors, a complete list of members entitled to vote at said election, arranged numerically by apartment units, with residence of each shall be

prepared by the Secretary. Such list shall be produced and kept for ten (10) days prior to and throughout the election at the office of the corporation, and shall be open to examination by any member throughout such time.

Section 4. Special Meetings:

A. Special Meetings of the members, for any purpose or purposes, may be called in accordance with the provisions of Article IV, Section 8, Paragraph B hereof. Such request shall state the purpose or purposes of the proposed meeting.

B. Written notice of a Special Meeting of members, stating the time, place and object thereof, shall be served upon or mailed to each member entitled to vote thereat, at such address as appears on the books of the corporation, at least ten (10) days before such meeting.

C. Business transacted at all special meetings shall be confined to the objects stated in the notice thereof.

Section 5. Quorum: Over fifty percent (50%) of the total number of members of the corporation, present in person or represented by written proxy, shall be requisite to and shall constitute a quorum at all meetings of the members for the transaction of business, except as otherwise provided by statute, by the Certificate of Incorporation or by these By-Laws. If, however, such quorum shall not be present or represented at any meeting of the members, the members entitled to vote thereat, present in person or represented by written proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting originally called. If adjournment extends past 30 days, notice of the date on which the adjourned meeting is to be re-convened shall be given as here provided for regular meetings.

Section 6. Vote Required to Transact Business: When a quorum is present at any meeting, a majority of the votes cast, in person or represented by written proxy filed with the Secretary in advance of the meeting, shall decide any question brought before the meeting, unless the question is one upon which, by express provision of the statutes, the Master Deed or these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 7. Right to Vote: Each owner shall be entitled to one vote for each apartment owned by such owner. At any meeting of the members, every member having the right to vote shall be entitled to vote in person or by proxy. Such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof. If more than one (1) person or entity own an apartment, the vote shall be divided among them according to their ownership of the apartment.

Section 8. Waiver and Consent: Whenever the vote of members at a meeting is required or permitted by any provision of the statutes, the Master Deed, or these By-Laws to be taken in connection with any action of the corporation, the meeting and vote of members may be dispensed with if all members who would have been entitled to vote upon the action of such meeting, if such meeting were held, shall consent in writing to such action being taken.

Section 9. Order of Business: The order of business at annual members' meetings and as far as practical at other members' meetings, will be:

1. Roll call and certifying of proxies;
2. Proof of notice of meeting or waiver of notice;
3. Reading of minutes of prior meeting;
4. Officers' reports;
5. Committee reports;
6. Appointment by Chairman of Inspectors of Election;
7. Approval of budget;

8. Elections of Directors and Officers;
9. Unfinished business;
10. New business;
11. Adjournment.

ARTICLE IV

BOARD OF DIRECTORS

11/10  
Section 1. Number and Term: The number of directors which shall constitute the whole Board of Directors (the "Board") shall be five (5). Until succeeded by directors elected at the first annual meeting of members, directors need not be members; thereafter, at least four (4) directors shall be members. The number of directors may be changed by the members at the annual meeting, but in all events sixty percent (60%) of the directors shall be members. The directors shall initially be elected to serve staggered terms, two (2) for three (3) years, two (2) for two (2) years, one (1) for one (1) year, and they shall serve until their successors shall be elected and shall qualify. Thereafter, each director shall be elected for a term of two (2) years.

Section 2. Vacancy and Replacement: If the office of any director becomes vacant by reason of transfer of ownership, death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining directors, though less than a quorum, at a special meeting of directors duly called for this purpose, shall choose a successor or successors, who shall hold office for the unexpired term in respect to which such vacancy occurred.

Section 3. Removal: Directors may be removed by an affirmative vote of a majority of the total membership.

Section 4. First Board of Directors: The First Board shall consist of W. Russell Campbell, Leonard Krawcheck, Harry R. Gonzalez, Robert B. Russell and Hubert B. Vaughn, who shall hold office and exercise all powers of the Board until the first membership meeting,

anything herein to the contrary notwithstanding; provided, any or all of said directors shall be subject to replacement in the event of resignation or death as above provided.

Section 5. Powers: The property and business of the corporation shall be managed by the Board, which may exercise all corporate powers not specifically prohibited by statute, the Certificate of Incorporation, or the Master Deed to which these By-Laws are attached. The powers of the Board shall specifically include, but not be limited to, the following:

- A. To make and collect regular and special assessments and establish the time within which payment of same are due.
- B. To use and expend the assessments collected to maintain, care for and preserve the units and condominium property, except those portions thereof which are required to be maintained, cared for and preserved by the owners.
- C. To purchase the necessary equipment and tools required in the maintenance, care and preservation referred to above.
- D. To enter into and upon the apartments when necessary and at as little inconvenience to the owner as possible in connection with such maintenance, care and preservation.
- E. To insure and keep insured said Property in the manner set forth in the Master Deed against loss from fire and/or other casualty, and the apartment owners against public liability and to purchase such other insurance as the Board may deem advisable, including insurance against director's liability.
- F. To collect delinquent assessments by suit or otherwise, abate nuisances and enjoin or seek damages from owners for violations of these By-Laws and the terms and conditions of the Master Deed.

G. To employ and compensate such personnel as may be required for the maintenance and preservation of the property.

H. To make appropriate changes in the Rules and Regulations for the occupancy of the condominium apartments as may be deemed necessary. Any such changes shall be approved at the next meeting of the membership by a majority of the votes cast.

I. To acquire and/or sell, rent and/or lease a condominium apartment in the name of the corporation or a designee.

J. To contract for management of the condominium and to delegate to such other party all powers and duties of the Corporation except those specifically required by the Master Deed to have specific approval of the Board or membership.

K. To carry out the obligations of the Corporation under any restrictions and/or covenants running with any land submitted to the Condominium ownership of this Corporation or its members.

L. To designate, as the Board deems appropriate, assigned parking spaces for each apartment, visitors, service vehicles, and other vehicles.

M. To adopt Rules and Regulations pursuant to Article VIII of the By-Laws.

N. To impose a special assessment (against any owner), not to exceed \$50 for each occurrence, for the violation by the owner or his guests of any rule or regulation adopted by the Board or the breach of any By-Laws contained herein, or the breach of any provision of the Master Deed.

O. To terminate any lease or rentals whether by written or oral agreement; and to remove from an apartment, any

lessee, renter or guest who fails to comply with the terms of the Master Deed.

P. To propose and adopt an annual budget for the property.

Section 6. Liability: The Directors shall not be liable to the owners for any mistake of judgment, or otherwise except for their own individual negligent willful misconduct, bad faith, or gross negligence.

Section 7. Compensation: Neither Directors nor officers shall receive compensation for their services as such.

Section 8. Meetings:

A. The first meeting of each Board newly elected by the members shall be held immediately upon adjournment of the meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board shall be held at the same place as the general members' meeting, and immediately before or after the adjournment of same.

B. Special meetings shall be held whenever called by the direction of the President or a majority of the Board. The Secretary shall give notice of each special meeting either personally, by mail or telegram, at least three (3) days before the date of such meeting, but the directors may, in writing, waive notice of the calling of the meeting, before or after such meeting.

C. A majority of the Board shall be necessary and sufficient at all meetings to constitute a quorum for the transaction of business, and the act of a majority present at any meeting at which there is a quorum shall be the act of the Board. If a quorum shall not be present at the meeting, the Directors then present may adjourn the meeting without notice other than announcement at the meeting until a quorum shall be present.



Section 9. Order of Business: Unless otherwise determined by the Board the order of business at all meetings of the Board shall be as follows:

- A. Roll Call;
- B. Proof of notice of meeting or waiver of notice;
- C. Reading of Minutes of last meeting;
- D. Consideration of communications;
- E. Elections of necessary Directors and officers;
- F. Reports of officers and employees;
- G. Reports of committees;
- H. Unfinished business;
- I. Original resolutions and new business;
- J. Adjournment.

Section 10. Annual Statement: The Board shall present, no less often than at the annual meeting, a full and clear statement and accounting of the business and condition of the corporation, including a report of the operating expenses of the corporation and the assessments paid by each member.

## ARTICLE V

### OFFICERS

Section 1. Executive Officers: The executive officers of the corporation shall be a President; Secretary; and Vice President-Treasurer, all of whom shall be elected annually by and from the Board. No two offices may be united in one person. If the Board so determines, there may be more than one Vice President.

Section 2. Subordinate Officers: The Board may appoint such other officers and agents as they may deem necessary, who shall have such authority and perform such duties as from time to time may be prescribed by said Board. In the event officers are so appointed they must be members of the property regime.

Section 3. Tenure of Officers: Removal: All officers shall be subject to removal, with or without cause, at any time by action of the Board. The Board may delegate powers of removal or subordinate officers and agents to any officer.

Section 4. The President:

A. The President shall preside at all meetings of the members and directors; he shall have general and active management of the business of the corporation; he shall see that all orders and resolutions of the Board are carried into effect; he shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the corporation.

B. He shall have general supervision and direction of all the other officers of the corporation, and shall see that their duties are performed properly.

C. He shall submit a report of the operations of the corporation for the fiscal year to the Directors whenever called for by them, and to the members at the annual meeting, and from time to time shall report to the Board all matters within his knowledge which the interest of the corporation may require to be brought to their notice.

D. He shall be an ex-officio member of all committees, and shall have the general powers and duties of supervision and management usually vested in the office of the President of a corporation.

Section 5. The Secretary:

A. The Secretary shall keep the minutes of the members' and of the Board's meetings in one or more books provided for that purpose.

B. He shall see that all notices are fully given in accordance with the provisions of these By-Laws or as required by law.

C. He shall be custodian of the corporate records and of the seal of the corporation and shall see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these By-Laws.

D. He shall keep a register of the post office address of each member, which shall be furnished to the Secretary by such member.

E. In general, he shall perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 6. The Vice President-Treasurer:

A. The Vice President-Treasurer shall be vested with all the powers and required to perform all the duties of the President in his absence, and such other duties as may be prescribed by the Board.

B. He shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation, and shall deposit all monies and other valuable effects in the name and to the credit of the corporation, in such depositories as may be designated by the Board.

C. He shall disburse the funds of the corporation as ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the corporation. Such records shall be open to inspection by members at reasonable times.

D. He may be required to give the corporation at the

corporation's cost, a bond in a sum and with one or more sureties satisfactory to the Board, for the faithful performance of the duties of his office, and the restoration to the corporation, in case of his death, resignation or removal from office, of all books, papers, vouchers, money or other property of whatever kind in his possession belonging to the corporation.

E. He shall maintain a register for the names of any mortgage holders or lien holders on units who have requested in writing that they be registered and to whom the corporation will give notice of default in case of non-payment of assessments. No responsibility by the corporation is assumed with respect to said register except that it will give notice of default to any registered mortgagee or lienor therein, if so requested by said mortgagee or lienor.

F. With the approval of the Board, he shall be authorized to delegate all or part of his responsibilities to competent accounting, collection or management personnel, pursuant to written definition of the responsibilities delegated, but, in such event, the Treasurer shall retain supervisory responsibilities.

Section 7. Vacancies: If any office becomes vacant by reason of death, resignation, disqualification or otherwise, the remaining Directors, by a majority vote of the remaining Directors provided for in these By-Laws, may choose a successor or successors who shall hold office for the unexpired term. If the number of Directors falls below three, a special members' meeting shall be called for the purpose of filling such vacancies in the Board of Directors.

Section 8. Resignations: Any Director or officer may resign his office at any time, such resignation to be made in writing, and to take effect from the time of its receipt by the Board of Directors, unless some time be fixed in the resignation,

and then from that date. The acceptance of a resignation by the Board shall not be required to make it effective.

## ARTICLE VI

### NOTICES

Section 1. Definition: Whenever under the provisions of the statutes, the Master Deed, the Certificate of Incorporation, or these By-Laws, notice is required to be given to any Director or member, it shall not be construed to mean personal notice; but such notice may be given in writing by mail, by depositing the same in a post office or letter box in a postpaid, sealed envelope, addressed as appears on the books of the corporation.

Section 2. Service of Notice - Waiver: Whenever any notice is required to be given under the provisions of the statutes, the Master Deed, the Certificate of Incorporation, or these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

Section 3. Address: The address for notice of the corporation shall be that of the Registered Agent for Service of Process of the corporation.

## ARTICLE VII

### FINANCES

*SEE AMENDMENT*  
Section 1. Fiscal Year: The fiscal year shall be the calendar year.

Section 2. Checks: All checks or demands for money and notes of the corporation shall be signed by any one of the following officers: President, Secretary, or Vice President-Treasurer, or by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 3. Determination of Assessments:

BK MIF

- A. The Board shall determine from time to time or sums necessary and adequate for the common expense of the condominium property. As approved by the Board, the budget shall constitute the basis for all Regular Assessments for common expenses against apartment owners, which assessments shall be due and payable periodically as determined by the Board. Common expenses shall include expenses for the operation, maintenance, repair or replacement of the common areas and facilities; costs of carrying out the powers and duties of the corporation, all insurance premiums and expenses relating thereto, and any other expenses designated as common expense from time to time by the Board of Directors of the corporation.
- B. The Board is specifically empowered on behalf of the corporation to make and collect assessments and to maintain, repair and replace the common areas and facilities of the condominium. Funds for the payment of common expenses shall be assessed against the apartment owners in the proportions or percentages of sharing common expenses provided in the Master Deed. Assessments shall be payable periodically as determined by the Board.
- C. Special assessments for common expenses not adequately funded through the Regular Assessments may be required by the Board and shall be levied and paid in the same manner as hereinbefore provided for Regular Assessments. Notwithstanding anything in these By-Laws or the Master Deed which authorize assessments and expenditures, no special assessment exceeding \$40 per apartment or expenditure for the improvement of the common elements exceeding \$5,000 per annum shall be made without the approval of a majority of vote of the membership, except for the repair of the condominium property due

to damage and destruction, which shall occur as provided in the Master Deed.

D. When the Board has determined the amount of any assessment, the Vice President-Treasurer of the corporation shall mail or present a statement of the assessment to each of the assessed owners. All assessments shall be payable to the corporation, and upon request, the Vice President-Treasurer or his designated agent shall give a receipt for each payment made.

E. The Board may enter into a management contract with third parties to whom the Board may delegate the power to levy and collect assessments approved by the Board as required by the Master Deed.

F. All assessments not paid when due shall bear interest at the highest legal rate of interest. *8 1/2 - 9%*

Section 4. Non-Profit Corporation: The seal of the corporation shall have inscribed thereon the name of the corporation, the year of its organization, and words "Non-Profit." Said seal may be used by causing it or a facsimile thereof to be impressed, affixed, reproduced, or otherwise.

#### ARTICLE VIII

##### DEFAULT

Section 1. Enforcement of Lien for Assessments: In the event an owner does not pay any sums, charges, or assessments required to be paid to the corporation by the due date, the corporation, acting on its own behalf or through its Board, may enforce its lien for assessments, or take such other action to recover the sums, charges or assessments to which it is entitled, in accordance with the Master Deed and the Act and provided or both.

Section 2. Governmental Liens and Assessments: In the event that an owner fails to pay any tax or assessment lawfully assessed by any governmental subdivision within which the property is situated, by the date such tax or assessment is due, the Board may pay the same from the funds of the corporation and assess such owner for the amount paid, plus interest thereon.

Section 3. Legal Costs: In the event such legal action is brought against an owner and results in a judgment for the corporation, the owner shall pay the corporation's reasonable attorney's fees, costs of collection, and court costs.

Section 4. Foreclosure: If the corporation becomes the owner of an apartment by reason of foreclosure, it shall offer said apartment for sale and at such time as a sale is consummated, it shall deduct from the proceeds of said sale all sums of money due it for assessments and charges, all costs incurred in the bringing of the foreclosure suit, including reasonable attorney's fees, and any and all expenses incurred in the resale of the apartment, which shall include but not be limited to advertising expenses, real estate brokerage fees and expenses necessary for the repairing and refurnishing of the apartment in question. All monies remaining after deducting the foregoing items of expenses shall be returned to the former owner of subject apartment.

Section 5. Other Remedies: In the event of violation of the provisions of the Master Deed as the same are defined in the Master Deed, for thirty (30) days after notice from the Association to the apartment owners to correct said violation, the corporation, on its own behalf or by and through its Board of Directors, may bring appropriate action to enjoin such violation or may enforce the provisions of said Master Deed, or may sue for damages, or take such other courses of action, or other legal remedy as it or they may deem appropriate.



Section 6. Intent: Each owner, for himself, his heirs, successors and assigns, agrees to the foregoing provisions relating to default and abatement of nuisance, regardless of the harshness of the remedy available to the corporation and regardless of the availability of the other equally adequate legal procedures. It is the intent of all owners of family apartments to give to the corporation a method and procedure which will enable it at all times to operate on a business-like basis, to collect those monies due and owing it from the owners of apartments, and to preserve each apartment owner's right to enjoy his apartment, free from unreasonable restraint and nuisance.

#### ARTICLE IX

#### RULES AND REGULATIONS

In addition to the other provisions of these By-Laws, any Rules and Regulations (adopted by the Board) together with any subsequent changes, shall govern the use of the apartments located in the property and the conduct of all residents and guests.

#### ARTICLE X

#### INDEMNIFICATION

The corporation may indemnify any person made a party to an action by or in the right of the corporation to procure a judgment in its favor by reason of his being or having been a director or officer of the corporation, against the reasonable expenses including attorney's fees actually and necessarily incurred by him in connection with the defense or settlement of such action, or in connection with an appeal therein, except in relation to such matters as to which such director or officer is adjudged to have been guilty of gross negligence or misconduct in the performance of his duty to the corporation.

ARTICLE XIAMENDMENT

These By-Laws may only be altered, amended or added to at any duly called meeting of the members; provided 1) that the notice of the meeting shall contain a full statement of the proposed amendment; and 2) that the quorum requirement for such purposes shall be a majority of all the then members, in person or by proxy. In addition, it shall be necessary that there be an affirmative vote of owners holding two-thirds (2/3) of the qualified votes of members represented at such quorum, as well as an affirmative vote of the Board of Directors, in order to amend the By-Laws. No amendment to these By-Laws shall be passed which would operate to impair or prejudice the rights and/or liabilities of any mortgagee.

ARTICLE XIICONSTRUCTION

Wherever the masculine singular form of the pronoun is used in these By-Laws, it shall be constructed to mean the masculine, feminine or neuter, singular or plural, wherever the context so requires.

Should any of the covenants herein imposed be void or be or become unenforceable at law or in equity, the remaining provisions of this instrument shall nevertheless be and remain in full force and effect.

ARTICLE XIIIRATIFICATION

These By-Laws are subject to Ratification at the first Regime meeting. Upon such Ratification the Board of Directors shall cause to be filed a Certificate of Ratification in the following form:

BY 12105 11210

EXHIBIT E TO  
HIGH HAMMOCK VILLAS  
HORIZONTAL PROPERTY REGIME

NOTE: The projected Budget below is only an estimate by the Grantor based on assumptions regarding the manner in which the Regime will wish to operate. The Regime will be able to modify the Budget.

It is estimated that the annual total operating expenses, including interim management fees will be \$113,340.00.

The monthly pro-rata share of the total operating expenses for each apartment is as follows:

Regime Management Expenses	\$	5.00
Insurance - General Common Elements		25.85
Grounds Care and Maintenance of General Common Elements		30.00
Water and Sewer		15.00
Pest Control		3.00
Parking Lot Lights		.60
Major Maintenance Reserve		5.00
Interim Regime Management Fee		<u>10.00</u>
TOTAL	\$	94.45

STATE OF SOUTH CAROLINA )  
 ) CORRECTION TO MASTER DEED  
 COUNTY OF CHARLESTON )

WHEREAS, High Hammock Villas Horizontal Property Regime w established by Master Deed dated October 16, 1974, and recorde in the RMC Office for Charleston County in Deed Book M-105, at Page 240 on October 21, 1974; and

WHEREAS, the Grantor therein reserved the right to make corrections to said Master Deed by executing and recording an appropriate document; and

WHEREAS, there have arisen questions regarding the clarit of certain language contained in the Master Deed, the sufficie of certain language and graphic descriptions contained in the deed, and the necessity of certain duplicated language; and

WHEREAS, the Grantor, for the purpose of clarifying and correcting the Master Deed, desires to make certain correctio: to language contained therein.

NOW, THEREFORE, in consideration of the premise, the Mast Deed is hereby corrected as set out below with said correctio: being effective as of October 21, 1974;

1. To correct a possible inadequacy in the numbering an location of apartments, the following language is added at th end of the first paragraph of Exhibit C to the Master Deed:

"Each building is divided into numbered sections, and each ap ment is and shall be designated and described for all purpose by reference to such section number and by a letter designati indicating its location within that numbered section, the var ous building section numbers are shown and indicated on page of Exhibit B and the various locations within a section are shown by the legend on page one of Exhibit B. For

example, Apartment 21-A is located on the first floor of building section number twenty-one."

2. To correct an omission of page and sheet designations on certain sheets and pages of Exhibit B to the Master Deed caused by the numbers appearing thereon failing to be reproduced when Exhibit B was recorded, the following sheets and pages of Exhibit B shall be considered numbered and/or lettered as follows:

<u>Title of Sheet:</u>	<u>Number/Letter Designations:</u>
Site Plan	Sheet C
Framing Plans and Truss Details	Page A-4
Flat Floor Plans	Page A-5
Townhouse Floor Plans	Page A-6
Sections and Elevations	Page A-8
Stair Section and Window Details	Page A-10
Sanitary Sewer and Water Distribution Plan	Sheet S-3

3. To correct a possible inadequacy in the description of the buildings and the respective areas of the land and buildings, the following language is added at the end of the last paragraph of Exhibit A to the Master Deed: "There are sixteen, noncontiguous, residential buildings located on the property, the location of which are shown on the first page of Exhibit B. Each building contains several apartments separated from one another by common walls, floors and ceilings. Each building is multi-storied, generally irregular in shape, and contains either two, three or five sections of apartments. All buildings are uniformly constructed of block and mortar foundations and firewalls with normal stud walls and joist floors and ceilings and shingle roofs. The exterior of each building is plywood panelling. The land consists of 9.932 acres of which the buildings occupy an aggregate of 1.372 acres."

4. To correct the inclusion of language in the Master Deed rendered nugatory and unnecessary by the manner in which the apartments and buildings were constructed, paragraph 4(b) is deleted, there being no non-load bearing walls located entirely within an apartment; paragraph 4(c) is corrected to read as follows: "All material attached to or on the inside surface of the studs and/or joists of the perimeter walls, floors and ceilings of the apartment including but not limited to sheetrock and plywood, but specifically excluding carpet, paint, panelling, tile, vinyl or brick (which excluded items are a part of the apartments)", there being no carpet, paint, panelling, tile, vinyl or brick attached to or on the inside surface of any stud or joist; and the words "entirely within the apartment or" are deleted from paragraph 4(d), such words having mistakenly been inserted therein.

5. To correct a possible deficiency in the description of the value of the property and of each apartment and, according to those basic values, the percentage appertaining to the co-owners in the expenses of, and rights in, the elements held in common paragraph seven of the Master Deed shall read as follows: "Percentage of Ownership: The value of each apartment shall be \$40,000.00; the value of the property shall be \$4,000,000.00; and the percentage of ownership for purposes of liability for expenses of, and rights in, the elements held in common and for purposes of voting are equal, i.e. 1% for each apartment."

6. To correct a possibility that all exhibits are not incorporated by reference into the Master Deed, it is hereby declared that all exhibits and all pages thereof, the certificate of Geiger, McElveen and Kennedy recorded in the RMC Office for



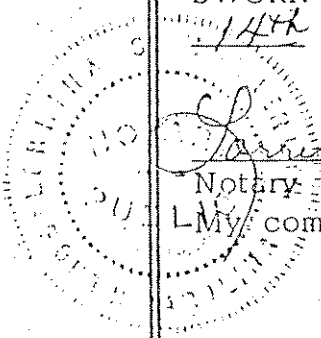
STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF CHARLESTON )

PROBATE

PERSONALLY APPEARED before me Virginia A. Jameson  
who, being duly sworn, says that <sup>partner</sup> she saw the within-named Robert B.  
Russell sign, seal and as his act and deed, deliver the within Correction  
of Master Deed, and that she with Virginia A. Jameson  
witnessed the execution thereof.

Virginia A. Jameson

SWORN TO before me this  
14th day of November, 1974



Virginia A. Jameson (LS)  
Notary Public for South Carolina  
My commission expires 2 Nov. 80.