

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

MASTER DEED of RACQUET CLUB VILLAS
AT SEABROOK HORIZONTAL PROPERTY REGIME

THIS MASTER DEED is made by Cooper River Service Corporation (subsequently referred to as "Grantor"), a South Carolina partnership, pursuant to the Horizontal Property Act of South Carolina ("Act") for the purpose of creating a horizontal property regime and establishing certain easements, covenants, and restrictions to run with the land submitted to the horizontal property regime.

ARTICLE I
NAME

Section 1.01 Name. The name of the horizontal property regime hereby established shall be Racquet Club Villas at Seabrook Horizontal Property Regime ("Regime").

ARTICLE II
THE PROPERTY

Section 2.01 Property. The term Property means and includes the Land described below (and shall include additional phases when subjected to this Master Deed) and all improvements and structures now existing or subsequently placed on the Land and all easements, rights, and appurtenances belonging thereto.

Section 2.02 Land. The term Land means and includes the land owned in fee simple absolute by Grantor described below and shall include the land included in additional phases (Section 2.03) when subjected to this Master Deed. The Land hereby being submitted to a horizontal property regime is described as follows:

All that certain tract of land, situate, lying and being on Seabrook Island, Charleston County, State of South Carolina, containing 4.078 acres, more or less, and being more particularly described as Phase I on a Plat prepared by Andrew C. Gillette, Registered Surveyor, dated August 8, 1984, and recorded in the RMC Office for Charleston County in Plat Book BC at page 19, which plat is incorporated herein by reference as a part of this description. SAID tract of land has the buttings, boundings, courses, distances, measurements and location, as will be more fully shown by reference to said Plat.

ALSO

ALL that certain piece, or parcel of land, situate, lying and being on Seabrook Island, Charleston County, State of South Carolina, and being the right of way and cul-de-sac known as Racquet Club Drive, containing 0.507 acre, more or less, and shown and designated on a Plat by Andrew C. Gillette, Registered Surveyor, dated August 8, 1984, and recorded in the RMC Office for Charleston County in Plat Book BC at page 19, which plat is incorporated herein by reference and made a part hereof. SAID right of way has the buttings, boundings,

measurements, courses, distances, and location, as will more fully be shown by reference to said plat.

RESERVING, HOWEVER, unto the Grantor herein, its successors and assigns, a non-exclusive easement for ingress, egress and regress by foot or by vehicle, and an easement for utilities, over, across, upon and under the 0.507 acre right-of-way shown as Racquet Club Drive at Seabrook on Plat by Andrew C. Gillette, R.L.S., dated August 8, 1984, recorded in Plat Book BC at page 19 and extending beyond said tract in a generally Northerly direction along a drive to Phase II as shown on said plat.

Section 2.03 Land for Phases TWO and THREE. The land (except the Land included in Section 2.02 above) on which proposed Phases TWO and THREE of the Regime may be built and incorporated into Racquet Club Villas at Seabrook Horizontal Property Regime pursuant to the provisions in Section 3.04 of this Master Deed is described as follows:

ALL that certain tract of land, situate, lying and being on Seabrook Island, Charleston County, State of South Carolina, containing 7.627 acres, more or less, and being more particularly described according to plat of survey prepared by Gifford, Nielsen and Williams, dated April 25, 1984, and revised May 11, 1984, which plat was recorded June 8, 1984, in the RMC Office for Charleston County in Plat Book BA, Page 88.

Said tract is bounded to the North by Marsh; East by other lands of Seabrook Island Company and the 100 foot right of way of Seabrook Island Road; South by 60 foot right of way of Long Bend Drive and the 100 foot right of way of Seabrook Island Road; and West by Marsh; all as will be shown, together with the courses, measurements, distances and locations by reference to said plat.

ARTICLE III ADDITIONAL PHASES

Section 3.01 Additional Phases. Grantor hereby reserves to itself, its successors and assigns, the right to develop additional phases of this project on the land described in Section 2.03 hereof, and to include such additional phases as a portion of the Racquet Club Villas at Seabrook Horizontal Property Regime according to the following general description of the plan of development.

Section 3.02 General Description of Additional Phases. The maximum number of additional phases which Grantor may develop as a portion of the Regime is two (2). Such phases, if developed, shall be constructed on the property described in Section 2.03 hereof. Both phases may be combined in a single declaration. The Developer shall not be required to build the planned number of units in any particular phase, and may build less, or more (not to exceed the maximum number stated). Further, Developer may construct phases out of sequence.

The two additional phases of Racquet Club Villas at Seabrook Horizontal Property Regime shall consist of a maximum of six (6) buildings containing at a maximum of forty (40) residential villas.

PHASE TWO will be constructed on a portion of the land described in Section 2.03 above, and will contain a planned total of twenty-two (22) residential villas.

PHASE THREE will be constructed on the remaining portion of the land described in Section 2.03 above, and will contain a planned total of eighteen (18) villas.

Section 3.03 Filing Date of Election To Proceed With Future Phases. Grantor shall elect to commence all or any part of the development of future phases as a part of the Regime on or before December 31, 1992, (herein "Filing Date"). Should Grantor elect to proceed with all or any part of the development of future phases as a part of the Regime, it shall indicate such election by filing prior to the Filing Date a supplemental declaration to this Master Deed containing the information prescribed in Section 3.04. Should Grantor elect not to proceed with all or any part of the future phases as a part of the Regime, it may indicate such irrevocable election by filing prior to the Filing Date a declaration containing the information prescribed in Section 3.05 hereof. The failure of Grantor to file, prior to the Filing Date, either declaration specified in this Article III will constitute an irrevocable decision not to develop such phase as part of the Regime. Failure to file either declaration shall in no way affect any provisions, conditions, restrictions, rights, duties or privileges, expressed or implied in the Master Deed and retained by or for the benefit of Grantor, its successors and assigns, or the Co-owners, their respective heirs, successors and assigns.

Section 3.04 Declaration of Election To Proceed With Future Phases. The declaration of Grantor's election to proceed with the development of all or any part of the future phases as part of the Regime shall include a statement from Grantor specifying the phase developed, and a general description of the number and type of villas included in such future phase of development. The declaration shall identify the property submitted to the Regime and include all information required to be included within a Master Deed by the Act effective at such time as such declaration may be filed.

Section 3.05 Election Not To Proceed With Future Phases. The declaration of Grantor's election not to proceed with the development of all or any part of the future phases shall be substantially in the following form:

Ex Parte Grantor in Re: Racquet Club Villas
at Seabrook Horizontal Property Regime

Pursuant to the Master Deed establishing Racquet Club Villas at Seabrook Horizontal Property Regime, recorded in the R.M.C. Office, Charleston County in Deed Book _____, at Page _____, and subject to all the provisions, conditions, restrictions, rights, duties, and privileges contained therein, Grantor being the sole owner, as Grantor under said Master Deed or successor in title to said Grantor, of fee simple title to land described as _____ in Section 2.03 of such Master Deed, does hereby declare the irrevocable decision of Grantor, its successors and assigns, not to develop PHASE _____ of Racquet Club Villas at Seabrook Horizontal Property Regime or any part thereof. This declaration shall in no way affect any provisions, restrictions, conditions, rights, duties, or privileges, expressed or implied in the Master Deed and retained by or for the benefit of either Grantor, its successors and assigns, Racquet Club Villas at Seabrook Horizontal Property Regime, its successors and assigns, or the Co-owners, their respective heirs, successors, and assigns.

This _____ day of _____, 19____. (SEAL)

Section 3.06 Recording of Declaration. Any declaration filed pursuant to Section 3.04 or 3.05 above shall be deemed ineffectual until it is filed in the Office of the Register of Mesne Conveyances for Charleston County, South Carolina, and it shall be indexed in the grantor index under the name of said Grantor or its successor in title (if any), and the Regime.

Section 3.07 Future Phases. Grantor makes the following stipulations regarding development of the above-mentioned future phases:

- a) The quality of construction of any future phases and the villas therein shall be similar to, or better than, the quality of construction of the present Regime and the villas therein;
- b) The architectural style of any future phases will be compatible with the architectural style of the present Regime;
- c) The owners of villas in any future phases will be members of the Council (as defined in Section 5.03) and by acceptance of their deeds will agree to comply with the bylaws, and the administrative rules and regulations adopted pursuant thereto by said Council;
and
- d) The development of any future phase will affect the percentage interest each owner of a Villa in the present Regime enjoys in the Common Elements as shown in Exhibit "D", attached hereto and by reference incorporated herein.

ARTICLE IV
VILLAS AND COMMON ELEMENTS

Section 4.01 Buildings and Improvements. Access to the Property is by Long Bend Drive.

There are four (4) buildings containing residential villas (herein "Villas") located on the PHASE ONE Land. The buildings are numbered for purposes of the Act and this Master Deed as Buildings number 1, 2, 3 and 10. There is also a swimming pool and cabana located in Phase One. The swimming pool and cabana are General Common Elements.

The location of the PHASE ONE buildings and other improvements are shown on the as-built survey, Exhibit "A", pages 1 and 2, attached hereto and incorporated by reference in this Master Deed. Within reasonable construction tolerances, the dimension, area and location of the Villas in the buildings and of the Common Elements affording access to the Villas is shown on the floor plans, Exhibit "B", pages 1, 2, 4, 5, 7, 8, 10, 11, and 13 through 17, attached hereto and incorporated by reference in this Master Deed. The exterior of the buildings is shown on the elevation plans, labeled Exhibit "C", pages 3, 6, 9 and 12, attached hereto and incorporated by reference in this Master Deed.

The Regime will consist of two different types of buildings containing residential Villas. Each of the buildings has three floors or levels and is classified according to the kind and number of residential Villas occurring therein. For purposes of this Master Deed and the Act, the buildings are designated on Exhibit "D" hereof as Type C and Type D.

PHASE ONE consists of four buildings: three Type C buildings and one Type D building.

There are four Villa configurations within the Regime which are designated as Villa Types "1", "2F", "2TH", and "3TH". Each Villa configuration is described in Exhibit "H" attached hereto and made a part hereof by reference.

Each Villa is designated according to its configuration on Exhibit "D", pages 1 and 2, attached hereto and by reference incorporated herein.

The locations of the PHASE ONE buildings are shown on the as-built survey, Exhibit "A". Buildings Number 1, 3 and 10 are Type C buildings, and Building Number 2 is Type D building.

The total ground area covered by all PHASE ONE buildings is approximately 177,637.68 square feet (4.078 acres), and approximately

the following ground area lies under each building, including its decks and porches:

Building 1 (Type C)	<u>5,771</u> square feet	(<u>0.1325</u> acre)
Building 2 (Type D)	<u>4,663</u> square feet	(<u>0.1070</u> acre)
Building 3 (Type C)	<u>5,771</u> square feet	(<u>0.1325</u> acre)
Building 10 (Type C)	<u>5,771</u> square feet	(<u>0.1325</u> acre)

The balance of the PHASE ONE land, including parking areas, landscaping and improvements thereon, consists of 155,661.68 square feet (3.5735 acres).

The dimensions (within reasonable construction tolerances) of each building and the location of the exterior stairs providing access to each building and the villas therein are shown on the floor plans attached to this Master Deed as Exhibit "B".

Each building, including all types, is of wood frame construction on a foundation of treated wood piles and wood girders. The exterior of each building is cedar siding. Roofs are of fiberglass shingles. All buildings have wood beams and wood joists; wood girders; treated wood decks and porches; wood exterior trim, including lattices, and handrails. The exterior of each type building is shown on the elevation plans labeled Exhibit "C" hereof. Air conditioner compressors are located as shown on Exhibit "B".

Section 4.02. Parking. Parking spaces are shown on Exhibit "A", page 1, and additional parking spaces, together with storage areas, are located beneath each building.

Section 4.03 Villas. There are thirty two (32) residential apartments in PHASE ONE known and designated as Villas, and each is designated for the purpose of any conveyance, lease, or other instrument affecting the title thereof by a four-digit number. The location within the buildings and the number of each Villa is shown on the elevations, Exhibit "C" pages 3, 6, 9 and 12, attached hereto and by reference incorporated herein. The graphic description and area of each Villa is shown on the floor plans, Exhibit "B", pages 1, 2, 4, 5, 7, 8, 10, 11, and 13 through 17, attached hereto and by reference incorporated herein.

Each Villa is designated according to its configuration on Exhibit "D" attached hereto and by reference incorporated herein. Each Villa configuration is specifically described in Exhibit "H", pages 1 through 4, attached hereto and by reference incorporated herein, and each Villa is generally described hereinbelow.

A Villa encompasses and includes the space of that portion of the building which is designated on Exhibit "C" hereof by a four-digit number and is bounded as follows:

- a) by the upper surface of the subfloor;
- b) by the interior surfaces of all perimeter wall studs; the unfinished inside surface of door and window frames; the unfinished, exterior surface of doors leading to and from the Villa and the interior surface of window and door glass; and
- c) by the lower surface of all ceiling joists.

A Villa consequently and further includes the following:

- a) all exterior doors except for their finished, exterior surface, and all interior doors;
- b) all interior wall studs (not including those in perimeter walls and load-bearing interior walls), and all gypsum board;
- c) all window and door screens;
- d) all interior paint and finishes, whether applied to floors, walls, ceilings, handrails, cabinets, or other woodwork and trim;
- e) all carpet and underlay, sheet vinyl and underlay, and other floor coverings;
- f) all ceramic and glazed tile;
- g) smoke detectors;
- h) all built-in cabinets and shelves;
- i) all interior lighting fixtures and the bulbs used in exterior lighting fixtures;
- j) all recirculating fans including the fan/light fixture in each bathroom, and their vent and outlet cap;
- k) the heating, ventilation, and air conditioning system (including the condensing units) serving the Villa exclusively;
- l) all electric, telephone, and other wiring, and all receptacles, switches, and breaker boxes contained in the floors, walls, and ceilings bounding the Villa serving the Villa exclusively;
- m) all water, drain, sewer, and vent pipes and all conduits for wiring serving the Villa exclusively;
- n) the following appliances: oven/range with a range hood above, refrigerator/freezer with an icemaker, dishwasher, clothes washer and clothes dryer, garbage disposal, and
- o) water heater and plumbing fixtures.

Section 4.04 Common Elements. All portions of the Property not encompassed and included within the Villas are common elements (Common Elements).

Section 4.05 Limited Common Elements. The Limited Common Elements are those Common Elements which are appurtenant to and reserved for the use of a single Villa or group of Villas to the exclusion of other Villas as follows:

- a) the surface area and railings of porches and decks are reserved for use with the Villas from which they are solely directly accessible by normal means, or provide only access thereto;
- b) exterior light fixtures are reserved for use with the Villas having switches to control them;
- c) door and window glass of each Villa;
- d) the storage areas assigned to each Villa as set forth in Section 4.02 hereof and identified on Exhibit "B", pages 1, 4, 7 and 10 by Villa numbers; and
- e) all screens, except window and door screens.

Section 4.06 General Common Elements. General Common Elements include the following:

- a) the Land;
- b) pilings, piers, girders, fastenings, framing, subfloors, exterior walls, sheathing, insulation, siding, shingles, trim, platforms upon which air conditioning equipment is located, and roofs;
- c) all access decks, stairs, attics, common storage areas, roads, driveways and parking areas, sidewalks and walkways, landscaping, landscape lighting, storm drainage, common water, sanitary sewer, and electrical wiring conduits serving more than one Villa, load-bearing interior walls and all perimeter walls, decks and porches (except for those portions of the decks and porches herein declared to be Limited Common Elements), and common mailbox facilities; and
- d) all other portions or parts of the Property not described in this Article as being included in a Villa, and not described in this Article as a Limited Common Element.

Section 4.07 As-Built Survey, Floor Plans and Elevation Plans. The as-built survey showing the location of the buildings and other improvements for PHASE ONE is attached hereto as pages 1 and 2 of Exhibit "A", and incorporated herein by reference. The floor plans showing the dimensions, area and location of each Villa are attached hereto as pages 1, 2, 4, 5, 7, 8, 10, 11, and 13 through 17 of Exhibit "B" and incorporated herein by reference. The elevation plans showing the dimensions, area and locations of Common Elements affording access to each Villa are shown as pages 3, 6, 9 and 12 of Exhibit "C" attached hereto and incorporated herein by reference.

Section 4.08 Percentage of Ownership. The value of the PHASE ONE Property is \$3,520,000.00 and the value of each Villa is as set out in pages 1 and 2 of Exhibit "D" attached hereto and incorporated by reference. Exhibit "D" also contains the value of each Villa for each phase of development. These values are fixed for the sole purpose of complying with the Act to establish percentage of ownership for purposes of ownership of the Common Elements and liability for Common Expense assessments and voting rights and shall not prevent each Co-owner (as defined in Article V, Section

5.01 hereof) from fixing a different circumstantial value to his Villa in all sorts of acts and contracts.

Section 4.09 Ownership of Common Elements. An undivided ownership interest in the Common Elements, expressed as a percentage based upon the relation of the value of the Villa to the value of the Property in Exhibit "D" attached hereto and by reference incorporated herein, is appurtenant to each Villa . This undivided interest in the Common Elements shall not be separated from the Villa to which it appertains and shall be deemed to be conveyed or encumbered with the Villa even though the interest is not expressly mentioned or described in the deed or other instrument. Such percentage shall not be altered without the acquiescence of all the Co-owners.

ARTICLE V
SYSTEM OF ADMINISTRATION OF THE REGIME

Section 5.01 Co-owner. The term Co-owner means an individual, firm, corporation, partnership, association, trust, other legal entity, or any combination thereof which owns a Villa.

Section 5.02 Voting. On all matters relating to the Regime upon which a vote of the Co-owners is conducted, each Co-owner shall be entitled to cast the number of votes set out in Exhibit "D". The affirmative vote of the Co-owners owning fifty-one (51%) per cent or more of the value of the Property shall be required to adopt decisions unless this Master Deed or Bylaws require a different percentage for a particular act or decision.

Section 5.03 Council, Board of Directors, and Manager. Each Co-owner shall be a member of and constitute the Council of Co-owners (Council), an association which shall act by and through a board of directors (Board of Directors) elected by and from the Co-owners.

The Grantor reserves the right to appoint and rename members of the Board of Directors for a period not exceeding five years from the date hereof. The period of Grantor control shall terminate no later than sixty days after conveyance of seventy-five (75%) percent of the Villas to Owners other than the Grantor. The Grantor may voluntarily surrender the right to appoint and remove members of the Board of Directors before termination of that time period. Not later than sixty days after conveyance of twenty-five percent (25%) of the Villas to Co-owners other than the Grantor, not less than twenty-five percent (25%) of the Board of Directors shall be elected by Co-owners other than the Grantor. Not later than sixty (60) days after

conveyance of fifty percent (50%) of the Villas to Co-owners other than the Grantor, not less than thirty-three and one-third percent (33 1/3%) of the Board of Directors shall be elected by Co-owners other than the Grantor. In determining whether the period of Grantor control has terminated or whether Co-owners other than the Grantor are entitled to elect members of the Board, the percentage of the Villas conveyed shall be calculated as if all of the Villas the Grantor has built or retains on unexpired reservation of the right to build in this Master Deed were included in the Regime.

The Council may employ a management agent (Manager) for the Regime.

The Co-owners (at any time upon the affirmative vote of a majority of the Co-owners) may incorporate the Council in accordance with the Act, and in such event the name of the corporation shall be Racquet Club Villas at Seabrook Council of Co-owners unless such name is not available for use by a corporation.

Section 5.04 Bylaws and Regulations. The Council and the administration of the Regime shall be governed by (1) the bylaws (Bylaws) attached to this Master Deed as Exhibit "E" and hereby incorporated by reference, and (2) any regulations (Regulations) adopted pursuant to the Bylaws. The Bylaws may be modified or amended only in the manner set forth in Article XI of this Master Deed.

ARTICLE VI
COMMON EXPENSES

Section 6.01 Liability of Co-owners. The Co-owners of the Villas are bound to contribute in proportion to their respective interests in the Common Elements set out in Exhibit "D" toward the following expenses (Common Expenses):

- a) those expenses of maintaining, repairing, or replacing the Common Elements as qualified by Article VI, Section 6.04 of the Bylaws;
- b) insurance premiums paid by the Council in accordance with the provisions of this Master Deed and the Bylaws;
- c) indemnification of Board of Directors, members, and Council officers as provided in Article XI, Section 11.04 of the Bylaws; and
- d) any other expense (including contributions to reserve funds) lawfully agreed upon by the Council as necessary to the operation, administration, and preservation of the Regime.

The liability of each Co-owner for the Common Expenses shall be limited to the amounts for which he is assessed from time to time in accordance with the Act, this Master Deed, and the Bylaws. No Co-owner may exempt himself

from contributing toward the Common Expenses by waiver of the use or enjoyment of the Common Elements or by abandonment of his Villa.

Section 6.02 Liability of Purchaser. The purchaser of a Villa (other than a purchaser at a foreclosure sale as described in Section 6.04 of this Article) shall be jointly and severally liable with the seller for the latter's pro-rata share of Common Expenses up to the time of the conveyance, without prejudice to the purchaser's right to recover from the seller the amounts paid by the purchaser as such joint debtor. The Council shall issue to any purchaser upon request a statement of any amounts due by the seller of any Villa, and the purchaser's liability under this paragraph shall be limited to the amount as set forth in the statement.

Section 6.03 Lien on Villa for Unpaid Assessments. All sums assessed but unpaid for the share of the Common Expenses chargeable to any Villa shall constitute a lien on the Villa and, upon the sale of a Villa, shall first be paid out of the sales price or by the purchaser in preference over any other assessments or charges of whatever nature except the following:

- a) tax liens in favor of any assessing unit for taxes which are past due and unpaid; and
- b) the lien of any first mortgage duly recorded.

This lien may be foreclosed by suit by the Manager or the Board of Directors, acting on behalf of the Council, in like manner as a mortgage of real property. In any such foreclosure the Co-owner shall be required to pay a reasonable rent for the Villa after the commencement of the foreclosure action, and the plaintiff in such foreclosure shall be entitled to the appointment of a receiver to collect the rent. The Manager or the Board of Directors, acting on behalf of the Council, shall have power to bid in at any foreclosure sale and to acquire, hold, lease, mortgage, encumber, and convey a Villa.

Suit to recover a money judgment for unpaid Common Expenses shall be maintainable without foreclosing or waiving this lien.

Section 6.04 Foreclosure. Where the mortgagee or other purchaser of a Villa obtains title as a result of the foreclosure of a mortgage, or by deed in lieu of foreclosure, such acquirer of title, his successors and assigns, shall not be liable for the share of the Common Expenses or assessments by the Co-owners chargeable to such Villa accruing after the date of recording such mortgage but prior to the acquisition of title by such acquirer. Such unpaid share of Common Expenses or assessments shall be deemed to be Common

Expenses collectible from all of the Co-owners, including such acquirer and his successors and assigns.

Section 6.05 Records. The Manager or the Board of Directors shall keep, or cause to be kept, a book with a detailed account, in chronological order, of the receipts and expenditures affecting the Property and its operation, administration, and preservation, and specifying the maintenance and repair expenses of the Common Elements and any other expenses incurred. Both the book and the vouchers accrediting the entries made thereupon shall be available for examination by all the Co-owners at convenient hours on working days.

ARTICLE VII
EASEMENTS, COVENANTS, AND RESTRICTIONS

Section 7.01 Use of Property. Each Co-owner shall be entitled to the exclusive ownership and possession of his Villa and may use the Common Elements in accordance with the purposes for which they were intended without hindering or infringing upon the lawful rights of other Co-owners. The Board of Directors shall resolve any question regarding the intended use of the Common Elements.

Section 7.02 Future Easements. The Board of Directors may grant easements for the benefit of the Property, and each Co-owner, by the acceptance of the deed to his Villa, grants to the Board of Directors an irrevocable power of attorney to execute, deliver, and record for and in the name of each Co-owner, such instruments as may be necessary and proper to the granting of such easements.

Section 7.03 Easements Appurtenant to Villa Ownership and Encroachments. If any portion of the Common Elements now encroaches upon any Villa, or if any Villa now encroaches upon any other Villa or or upon any portion of the Common Elements, or if any such encroachment shall occur as a result of (a) the settling or shifting of the land or any improvements, (b) the repair, alteration, construction, or reconstruction of the Common Elements made by or with the consent of the Council, (c) the repair or construction of a Villa following damage by fire or other casualty, or (d) condemnation or eminent domain proceedings, a valid easement shall exist for such encroachment and for its maintenance.

The Council shall have easements in common with all Villa owners. Each Villa owner shall have an appurtenant easement in common with all other

Villa owners to use all pipes, wires, ducts, cables, conduits, utility lines, columns, supporting and sheltering structural members, and other like facilities located in any of the other Villas or in the Common Elements and serving his Villa. Each Villa and the Common Elements shall be subject to an appurtenant easement in favor of other Co-owners to use the pipes, ducts, cables, wires, conduits, utility lines, sewer lines and other facilities serving other villas or the Common Elements and located in each such Villa. In addition, each Villa shall be subject to and shall have such appurtenant easements of support and shelter from and over such other Villas and the Common Elements as may be necessary for the quiet enjoyment of such Villa.

Section 7.04 Right of Access. The Council shall have the irrevocable right, to be exercised by the Manager or the Board of Directors, to have access to each Villa from time to time during reasonable hours as may be necessary to permit the inspection, maintenance, repair, or replacement of any of the Common Elements or for making emergency repairs necessary to prevent damage to the Property.

Section 7.05 Maintenance of Common Elements. The maintenance, repair, and replacement of the Common Elements and the making of any additions or improvements thereto shall be carried out only as provided in the Act, this Master Deed, and the Bylaws.

Section 7.06 Alteration of Villa. A Co-owner may make any improvements or alterations to his Villas that do not impair the structural integrity or mechanical system or lessen the support of any portion of the Common Elements, or which would jeopardize the soundness or safety of the Property, provided that the plans for such alterations are submitted to and approved by the Board of Directors.

No change in the exterior appearance of any part of a building shall be allowed unless pursuant to an overall plan adopted by the Board of Directors.

Section 7.07 Structural Alterations. Upon two-thirds vote of the Co-owners, after approval by the Board of Directors of detailed plans and specifications and a fixed price contract for the proposed work at a duly called meeting of the Council, the Board of Directors shall 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.

Section 7.08 Partition. The Common Elements shall remain undivided and shall not be the object of an action for partition or division of the co-ownership. Any covenant to the contrary shall be void.

Section 7.09 Covenants. The Property, except as hereinafter noted, is and shall be subject to the following easements, covenants, restrictions, and encumbrances in addition to those shown on the plot plan:

- a) Restrictions, covenants, reservations and charges applicable to said premises contained in the Protective Covenants for Multi-Family Residential Areas dated April 22, 1974 and recorded in the R.M.C. Office for Charleston County in Book M-105, at Page 194; as modified by instrument dated October 29, 1976 and recorded in said R. M. C. Office in Book Y-110, at Page 145; and
- b) Rules, regulations, conditions, requirements and charges of Seabrook Island Property Owners Association as contained in the By-Laws of the Association of record in the said R. M. C. Office in Book S-109 at page 2, as amended by instrument recorded in Book H-127 at page 163, in said R. M. C. Office; and
- c) An easement in favor of Grantor, its agents, independent contractors, invitees, and assigns for entry into and upon and passage over Regime Property for the purpose of facilitating construction and sale of Villas.
- d) Restrictions of activities on or over and all uses of any submerged lands or other critical areas which are not authorized by the South Carolina Coastal Council. Any owner of the Property, to the extent of his ownership, is liable for any damages to, any inappropriate or unpermitted uses of, and any duties or responsibilities concerning any submerged land, coastal waters, or any other critical area.

ARTICLE VIII

LIENS

Section 8.01 Attachment. No lien arising subsequent to the recording of this Master Deed while the Property remains subject to the Act shall be effective against the Property. During such period liens or encumbrances shall arise or be created only against each Villa and its appurtenant undivided interest in the Common Elements in the same manner and under the same conditions and in every respect as liens or encumbrances may arise or be created upon or against any other separate parcel of real property subject to individual ownership; provided, that no labor performed or materials furnished with the consent or at the request of a Co-owner, his agent, contractor, or subcontractor shall be the basis for the filing of a mechanic's or materialman's lien against the Villa or any other property of any other Co-owner not expressly consenting to or requesting the same, except that such express consent shall be deemed to be given by each and every Co-owner should the need for emergency repairs arise. Labor performed or materials furnished for the Common Elements, if duly authorized by the

Council, the Manager, or the Board of Directors in accordance with the Act, this Master Deed, or the Bylaws, shall be deemed to be performed or furnished with the express consent of each Co-owner, and shall be the basis for the filing of a mechanic's or materialman's lien against each of the Villas and may be discharged as provided in Section 8.02 of this Article.

Section 8.02 Discharge. In the event a lien against two or more Villas becomes effective, the respective Co-owners may remove their Villa from the lien by payment of a percentage of the secured debt or charge equal to their percentage undivided interest in the Common Elements. Upon payment, discharge, or other satisfaction, the Villa and its undivided interest in the Common Element shall be free and clear of the lien. Such partial payment, satisfaction, or discharge shall not prevent the lienor from proceeding to enforce his rights against any Villa and its appurtenant undivided interest in the Common Elements not so paid, satisfied, or discharged.

Section 8.03 Taxes. Taxes, assessments, and other charges of this State, of any political subdivision, of any special improvement district, or of any other taxing or assessing authority shall be assessed against and collected on each Villa, which shall be carried on the tax books as a separate and distinct entity for that purpose, and not on the buildings or Property as a whole. No forfeiture or sale of the buildings or Property as a whole for delinquent taxes, assessments, or charges shall ever divest or in anywise affect the title to an individual Villa so long as taxes, assessments, and charges on the Villa are currently paid.

ARTICLE IX INSURANCE

The Council shall insure the Property against flood, fire, liability, windstorm and all other risks as are customarily insured against with respect to buildings and improvements similar to the buildings and improvements on the Land.

The contribution of Co-owners toward the expense of the premium for such insurance may be collected in one (1) yearly assessment, in addition to other assessments. The Council shall insure the Property against risks, without prejudice to the right of each Co-owner to insure his Villa on his own account for his own benefit.

ARTICLE X
RECONSTRUCTION

Section 10.01 When Required. In case of fire or any other disaster, the proceeds from any insurance obtained by the Council shall, except as hereinafter provided, be applied to reconstruct the Property, but reconstruction shall not be compulsory where two-thirds or more of the Property is in need of reconstruction. In the latter situation, the Board of Directors shall promptly call a special meeting of the Council to determine whether the Property shall be reconstructed, and reconstruction shall take place unless otherwise determined by Co-owners owning eighty percent (80%) of the value of the Property, including every Co-owner of a Villa or assigned Limited Common Element which will not be reconstructed. In the event that the Co-owners determine not to reconstruct the Property, (a) the Secretary shall execute and record, in the same manner as this Master Deed, a certificate evidencing such decision, and (b) the proceeds shall be delivered pro-rata to the Co-owners entitled to it in accordance with the provisions made in the Bylaws in a check jointly payable to each Co-owner and any applicable mortgagees of the Villa. Any reconstruction shall be carried out as provided in the Bylaws.

Section 10.02 Costs. When the Property is not insured or when the insurance proceeds are insufficient to cover the cost of reconstruction, the rebuilding costs shall be paid as provided in the Bylaws unless decided otherwise by unanimous resolution adopted subsequent to the date on which the fire or other disaster occurred.

ARTICLE XI
AMENDMENTS

Section 11.01 Master Deed. This Master Deed may be amended only by the affirmative vote of the Co-owners owning two-thirds of the value of the Property. In no event may the Master Deed be amended so as to deprive the Grantor of any rights granted herein. The provisions of this paragraph shall not be construed as a limitation on the Grantor's rights to file supplemental declarations referred to in Article III hereof to implement additional phases of the Regime. The Grantor reserves the right to make corrective amendments without the vote or consent of Co-owners or their mortgagees.

Except to the extent expressly permitted by this Master Deed, no amendment (i) may alter any rights of the Grantor specified herein, (ii) increase the number of Villas, (iii) change the boundaries of any Villa,

(iv) alter Common Elements, (v) change the percentage interest allocated to an Villa, or (vi) change the use to which a Villa is restricted, in the absence of the unanimous consent of the Co-owners.

Section 11.02 Bylaws. The Bylaws may be amended by the affirmative vote of the Co-owners owning two-thirds of the value of the Property.

Section 11.03 Recording. No amendment to this Master Deed or the Bylaws shall be effective unless and until recorded in the Office of the Register of Mesne Conveyance for Charleston County, South Carolina, and otherwise complies with the Act.

ARTICLE XII
MISCELLANEOUS

Section 12.01 Application. All Co-owners, tenants of Co-owners, employees of Co-owners and tenants, or any other persons that may in any manner use the Property or any part thereof shall be subject to the Act, this Master Deed, the Bylaws, and the Regulations. The easements, covenants, restrictions, and conditions in this Master Deed run with the Property and bind and inure to the benefit of any person having an interest in the Property.

Section 12.02 Compliance. Each Co-owner shall comply strictly with the Bylaws, with the Regulations, and with the covenants, conditions, and restrictions set forth or referred to in this Master Deed or in the deed to his Villa. Failure to comply shall be grounds for a civil action to recover sums due for damages or injunctive relief or both, maintainable by the Manager or the Board of Directors on behalf of the Council or, in a proper case, by an aggrieved Co-owner.

Section 12.03 Waiver. No provision of this Master Deed shall be deemed to have been abrogated or waived by reason of any failure to enforce it, regardless of the number of violations or breaches which may have occurred.

Section 12.04 Conflicts. In the event that any of the provisions of this Master Deed conflict with the provisions of the Act, the Act shall control.

Section 12.05 Regulatory Documents. The Regime shall be administered in accordance with the Master Deed, Bylaws of the Council and such other regulations as may from time to time be promulgated by the Council and/or Board.

Section 12.06 Actual Location Controls. In interpreting any and all provisions of this instrument, the exhibits attached hereto, and subsequent deeds and mortgages to individual Villas, the actual location of the Villa shall be deemed conclusively to be the property intended to be conveyed, reserved or encumbered notwithstanding any minor deviations, either horizontally or vertically, from the proposed locations as indicated on exhibits attached hereto. To the extent that such minor variations in location of the Villa shall exist, a valid easement therefor, and for the maintenance thereof, does and shall exist.

Section 12.07 Severability. The provisions of this Master Deed are severable, and the invalidity of one or more provisions shall not be deemed to impair or affect in any manner the validity, enforceability, or effect of the remainder.

Section 12.08 Captions. Captions are inserted in this Master Deed only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of this Master Deed or any provision of it.

Section 12.09 Gender and Number. All pronouns shall be deemed to include the masculine, the feminine, and the neuter, and the singular shall include the plural and vice versa, whenever the context requires or permits.

Section 12.10 Termination. All the Co-owners or the sole Co-owner of the Property may waive the Regime and regroup or merge the records of the Villas with the Common Elements, provided that the Villas are unencumbered or, if encumbered, that the creditors on whose behalf the encumbrances are recorded agree to accept as security the debtors' undivided ownership interest in the Property.

Section 12.11 Acceptance of Deed to a Villa. The acceptance of a deed of conveyance, the entering into of a lease, or any other occupancy or use of a Villa shall constitute (a) an acceptance and ratification of the provisions of the Master Deed by such Co-owner, tenant, or occupant, and (b) an acknowledgement by the Co-owner, tenant, or occupant that the Grantor makes no implied or express warranties relating to the Villa or to Common Elements except for such warranties as are contained in the deed conveying the same.

Section 12.12 Assignment of Warranties. All contractual warranties running in favor of the Grantor in connection with the construction of the building and the installation of material, equipment, and appliances

therein, shall accrue to the benefit of and are hereby assigned to the respective Co-owners or the Council as appropriate.

Section 12.13 Rights of Grantor. Grantor shall have no legal rights and obligations vis-a-vis the Regime except (a) in its capacity as Manager of the Regime, (b) in its capacity as Co-owner of a Villa, and (c) the rights and obligations set out in the prior covenants listed in Article VII, Section 7.09 of this Master Deed.

Section 12.14 Controlling Law. This Master Deed and the bylaws attached hereto shall be construed under and controlled by the laws of the State of South Carolina.

Section 12.15. Rights and Obligations of Mortgagees. Any first mortgagee obtaining title to a Villa pursuant to the remedies provided in the mortgage or foreclosure of the mortgage will not be liable for such Villa's unpaid assessments which accrue prior to the acquisition of title to such Villa by the mortgagee.

In addition to any other notices required to be given by the Council to holders of first mortgage liens on Villas, the following notices shall be provided to all such mortgagees to which the Council has written notice:

(a) Written notice at least thirty (30) days prior to the effective date of any amendment to the Master Deed or the Bylaws.

(b) Written notice of any default by any owner whose Villa is subject to a mortgage lien, given to such lien holder, of any obligation of such owner provided for in the Master Deed or the Bylaws on which default is not cured within thirty (30) days after the same shall occur.

(c) Written notice at least sixty (60) days prior to the effective date of any decision by the Council to terminate the then current management contract and to assume self-management of the affairs of the Council. Any such action shall not become effective if objected to in writing by such mortgagees of record receiving notice holding mortgage liens on Villas whose value represents seventy-five percent (75%) of the aggregate of all Villas then subject to first mortgages of record.

(d) Written notice to mortgagees of record of substantial damage or destruction to the building(s).

IN WITNESS WHEREOF, COOPER RIVER SERVICE CORPORATION has caused these presents to be executed in its name by George R. Rogers, Executive Vice President, and by Louise W. Cox, Senior Vice President, and its seal to be hereto affixed this 21st day of August, 1986.

BOUNDARY CURVE DATA

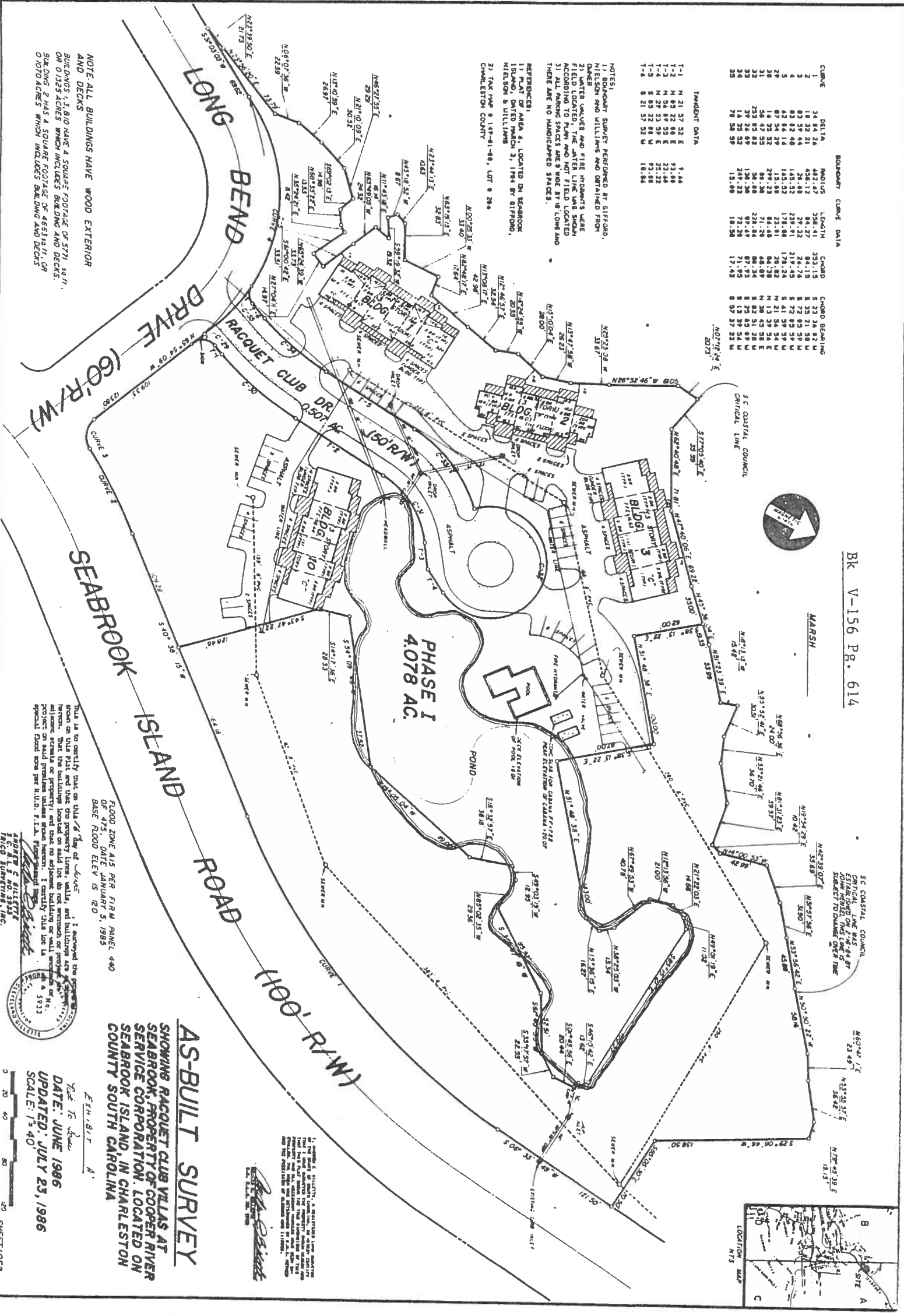
CURVE	DELTA	ARC LENGTH	CHORD	CHORD BEARING
1	24.89	442.17	331.15	S 32° 36' 02" W
2	14.59	248.48	192.44	S 23° 36' 02" W
3	03.59	62.48	62.48	S 23° 36' 02" W
4	03.02	62.48	62.48	S 23° 36' 02" W
5	02.02	143.32	117.45	S 72° 03' 59" W
6	02.02	128.00	104.19	S 41° 59' 59" W
7	07.54	210.88	158.24	N 21° 58' 54" W
8	07.54	210.88	158.24	N 21° 58' 54" W
9	06.47	131.88	101.82	N 31° 43' 58" W
10	06.47	131.88	101.82	N 31° 43' 58" W
11	05.47	81.34	68.87	N 43° 43' 58" W
12	05.47	81.34	68.87	N 43° 43' 58" W
13	04.47	253.03	198.44	S 23° 03' 59" W
14	04.47	253.03	198.44	S 23° 03' 59" W
15	03.47	143.32	117.45	S 72° 03' 59" W
16	03.47	143.32	117.45	S 72° 03' 59" W
17	02.47	62.48	62.48	S 23° 36' 02" W
18	02.47	62.48	62.48	S 23° 36' 02" W

TANGENT DATA

T-1	N 21° 57' 52" E	7.44
T-2	N 05° 22' 08" E	93.00
T-3	N 24° 51' 51" E	22.44
T-4	S 05° 22' 08" W	93.00
T-5	S 21° 57' 52" W	18.84

NOTES:
 1) BOUNDARY SURVEY PERFORMED BY GIFFORD, NIELSON AND WILLIAMS AND OBTAINED FROM OWNER. FIELD VALUES AND SIGHT INTERCEPTS WERE FIELD LOCATED THE AFTER LUMBER WAS SEEN ACCORDING TO PLAN AND NOT FIELD LOCATED.
 2) ALL PAVING SPACES ARE 9' WIDE BY 16' LONG AND THERE ARE NO HANDICAPPED SPACES.

REFERENCES:
 1) PLAN OF AREA 6, LOCATED ON SEABROOK ISLAND, DATED MARCH 3, 1984 BY GIFFORD, NIELSON & WILLIAMS.
 2) TAX MAP 8-149-01-88, LOT 8 284, CHARLESTON COUNTY.

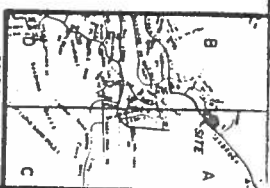


NOTE: ALL BUILDINGS HAVE WOOD EXTERIOR AND DECKS

BUILDINGS 1,3,8,10 HAVE A SQUARE FOOTAGE OF 5771.50 FT.
 OR 0.1325 ACRES WHICH INCLUDES BUILDING AND DECKS.
 BUILDING 2 HAS A SQUARE FOOTAGE OF 4653.50 FT.
 OR 0.1070 ACRES WHICH INCLUDES BUILDING AND DECKS



S.C. COASTAL COUNCIL
 CRITICAL LINE WAS
 ESTABLISHED ON 2-16-84 BY
 JOHN HENDEL. THIS LINE IS
 SUBJECT TO CHANGE WITH TIME



AS-BUILT SURVEY
 SHOWING RACQUET CLUB VILLAS AT
 SEABROOK, PROPERTY OF COOPER RIVER
 SERVICE CORPORATION, LOCATED ON
 SEABROOK ISLAND, IN CHARLESTON
 COUNTY SOUTH CAROLINA

FLOOD ZONE A15 PER FIRM PANEL 440
 OF 475, DATE JANUARY 5, 1985
 BASE FLOOD ELEV IS 120

This is to certify that on this 7th day of June, 1986, I surveyed the property shown on this plat and that the property lines, walls, and buildings are as shown thereon. I have also shown the location of the buildings and the location of the pond on said plat and that the same are as shown thereon. I certify that the plat is a true and correct copy of the original survey and that the same is a true and correct copy of the original survey.

ANDREW S. GILBERT
 S.C. S.L.S. NO. 3343
 FICCO SURVEYING, INC.

DATE: JUNE 1986
 UPDATED: JULY 23, 1986
 SCALE: 1" = 40'

STATE OF SOUTH CAROLINA)
)
 COUNTY OF CHARLESTON)

FIRST AMENDMENT TO MASTER DEED OF
 RACQUET CLUB VILLAS AT SEABROOK
 HORIZONTAL PROPERTY REGIME

This FIRST AMENDMENT TO MASTER DEED OF RACQUET CLUB VILLAS AT SEABROOK HORIZONTAL PROPERTY REGIME is made by Cooper River Service Corporation (subsequently herein referred to as the "Grantor") this 26th day of September, 1986.

W I T N E S S E T H:

WHEREAS, the Grantor heretofore established Racquet Club Villas at Seabrook Horizontal Property Regime by execution and recordation of a Master Deed therefor, dated August 21, 1986, and recorded in the R.M.C. Office for Charleston County, South Carolina on August 21, 1986, in Book V-156, page 571 (subsequently referred to as the "Master Deed"); and

WHEREAS, the Grantor owns the fee simple interest to the Property, including all Villas of Racquet Club Villas at Seabrook Horizontal Property Regime; and

WHEREAS, Grantor is desirous of amending said Master Deed as herein set forth;

NOW THEREFORE, for and in consideration of the premises and other good and valuable consideration, receipt of which is hereby acknowledged, the Master Deed of Racquet Club Villas at Seabrook Horizontal Property Regime is amended as follows:

1. The first sentence in the first paragraph of the Master Deed in which Cooper River Service Corporation is referred to as a South Carolina partnership is amended to refer to Cooper River Service Corporation as a South Carolina corporation.

2. The ninth paragraph of Article IV entitled "Villas and Common Elements", Section 4.01 entitled "Buildings and Improvements", beginning next to the last line on page 5 and ending immediately before the sentence beginning "The balance of the PHASE ONE land" is deleted, and the following paragraph is inserted in lieu thereof:

The total ground area covered by all PHASE ONE buildings is approximately 21,976 square feet (.5045 acre), and approximately the following ground area lies under each building, including its decks and porches:

Building 1 (Type C)	5,771 square feet	(0.1325 acre)
Building 2 (Type D)	4,663 square feet	(0.1070 acre)
Building 3 (Type C)	5,771 square feet	(0.1325 acre)
Building 10 (Type C)	5,771 square feet	(0.1325 acre)

The remainder of Article IV, Section 4.01 remains unchanged.

2. Article VII entitled "Easements, Covenants and Restrictions", Section 7.09 entitled "Covenants" is amended as follows:

To the end of subparagraph a is added the following phrase: "and as further modified in Book B-145, page 246 in the RMC Office for Charleston County."

Subparagraph b is deleted in its entirety and replaced with the following:

b) Second Restated and Amended By-Laws of the Seabrook Island Property Owners Association dated October 18, 1984, recorded in Book B-141, page 267, as amended in Book J-144, page 59 in the RMC Office for Charleston County.

A new subparagraph e is added as follows:

e) Reservation of easements unto Grantor set out in Article II, Section 2.02 herein and the right to convey said reserved easements.

The remainder of Article VII, Section 7.09 remains unchanged.

4. Except as herein expressly amended, the Master Deed, as amended by this First Amendment to Master Deed, is herewith ratified and reaffirmed. The percentage interest of the Co-owners in the Common Elements is not affected by this First Amendment to the Master Deed.

5. In the event of any conflict between the terms of the Master Deed and this First Amendment to Master Deed of Racquet Club Villas at Seabrook Horizontal Property Regime, the latter shall control.

IN WITNESS WHEREOF, COOPER RIVER SERVICE CORPORATION has caused this First Amendment to Master Deed of Racquet Club Villas at Seabrook Horizontal Property Regime to be executed in its name by George R. Rogers, Executive Vice President, and by Louise W. Cox, Senior Vice President, and its seal to be hereto affixed as of the day and year first above written.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

Wayne Harris

[Signature]

GRANTOR
COOPER RIVER SERVICE CORPORATION

By: *George R. Rogers*
George R. Rogers
Executive Vice President

By: *Louise W. Cox*
Louise W. Cox
Senior Vice President

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

PERSONALLY APPEARED before me Mary Lou Garris, who, on oath, says that (s)he saw the within named Cooper River Service Corporation by George R. Rogers, Executive Vice President, and by Louise W. Cox, Senior Vice President, sign the within written instrument, seal said written instrument, and as its act and deed, deliver the same, and that (s)he with Donald F. Nye witnessed the execution thereof.

Mary Lou Garris

SWORN TO before me this 26
day of Sept, 1986.

[Signature] (SEAL)
Notary Public for South Carolina
My Commission Expires: 5/14/95

L78/o

RIVLRS T. JENKINS, JR.
ATTORNEY AT LAW

3K Z157 06594

*Amend to
Master Deed*

400

FILED, INDEXED & RECORDED

2157-591

1986 SEP 30 PM 2:43

ROBERT N. KING
REGISTER MESNE CONVEYANCE
CHARLESTON COUNTY, S.C.

TMS VERIFIED

BAC

ZH

DTD

10-2-86

149-01-00-206

Recorded this 30th day of Sept. 1986
On Property Record Card

Pauline S. Roper

Auditor Charleston County

STATE OF SOUTH CAROLINA) SECOND AMENDMENT TO MASTER DEED OF
) RACQUET CLUB VILLAS AT SEABROOK
 COUNTY OF CHARLESTON) HORIZONTAL PROPERTY REGIME

This SECOND AMENDMENT TO MASTER DEED OF RACQUET CLUB VILLAS AT SEABROOK HORIZONTAL PROPERTY REGIME is made by Cooper River Service Corporation (subsequently herein referred to as the "Grantor") this 2nd day of October, 1986.

W I T N E S S E T H:

WHEREAS, the Grantor heretofore established Racquet Club Villas at Seabrook Horizontal Property Regime by execution and recordation of a Master Deed therefor, dated August 21, 1986, and recorded in the R.M.C. Office for Charleston County, South Carolina on August 21, 1986, in Book V-156, page 571 (subsequently referred to as the "Master Deed"); and

WHEREAS, the Master Deed was amended by an instrument entitled "First Amendment to Master Deed of Racquet Club Villas at Seabrook Horizontal Property Regime" dated September 26, 1986 and recorded in the R.M.C. Office for Charleston County, South Carolina on September 30, 1986 in Book Z-157, page 591 (subsequently referred to as the "First Amendment"); and

WHEREAS, the Grantor owns the fee simple interest to the Property, including all Villas of Racquet Club Villas at Seabrook Horizontal Property Regime; and

WHEREAS, Grantor is desirous of further amending said Master Deed as herein set forth;

NOW THEREFORE, for and in consideration of the premises and other good and valuable consideration, receipt of which is hereby acknowledged, the Master Deed of Racquet Club Villas at Seabrook Horizontal Property Regime is amended as follows:

1. Article V of the ByLaws entitled "Finances" (the said ByLaws being designated as Exhibit "E" of the Master Deed and incorporated therein by reference) is amended by deleting the fifth paragraph of Section 5.12 and replacing it with the following:

Each Co-owner who acquires title to a Villa from the Grantor shall pay a one-time working capital assessment of One Hundred and 00/100 Dollars (\$100.00) to the Regime, said assessment being in addition to all other assessments.

The remainder of Article V, Section 5.12 of the ByLaws remains unchanged.

2. Except as herein expressly amended, the Master Deed, as amended by the First Amendment and by this Second Amendment to Master Deed of Racquet

Club Villas at Seabrook Horizontal Property Regime, is herewith ratified and reaffirmed. The percentage interest of the Co-owners in the Common Elements is not affected by this First Amendment to the Master Deed.

3. In the event of any conflict between the terms of the Master Deed or the First Amendment and this Second Amendment to Master Deed of Racquet Club Villas at Seabrook Horizontal Property Regime, the latter shall control.

IN WITNESS WHEREOF, COOPER RIVER SERVICE CORPORATION has caused this Second Amendment to Master Deed of Racquet Club Villas at Seabrook Horizontal Property Regime to be executed in its name by George R. Rogers, Executive Vice President, and by Louise W. Cox, Senior Vice President, and its seal to be hereto affixed as of the day and year first above written.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

[Signature]
Kimberly J. Burnett

GRANTOR
COOPER RIVER SERVICE CORPORATION

By: George R. Rogers
George R. Rogers
Executive Vice President
By: Louise W. Cox
Louise W. Cox
Senior Vice President

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

PERSONALLY APPEARED before me Kimberly J. Burnett, who, on oath, says that (s)he saw the within named Cooper River Service Corporation by George R. Rogers, Executive Vice President, and by Louise W. Cox, Senior Vice President, sign the within written instrument, seal said written instrument, and as its act and deed, deliver the same, and that (s)he with Donald C. Page witnessed the execution thereof.

Kimberly J. Burnett

SWORN TO before me this 2nd
day of Oct, 1986.

[Signature] (SEAL)
Notary Public for South Carolina
My Commission Expires: 5/14/95

RIVERS T. JENKINS, JR.
ATTORNEY AT LAW

3KB 158 PG855

2nd Amendment

VM

FILED, INDEXED & RECORDED

B158-853 P

1986 OCT -2 PM 12:00

ROBERT N. KING
REGISTER MESNE CONVEYANCE
CHARLESTON COUNTY, S.C

TWO MARKED
BAC <i>200</i>
DTD. <i>10-6-86</i>
<i>199-01-00-206</i>

219 THRU 749

Recorded this *2nd* day of *Oct.* 19*86*
On Property Record Card

Pauline S. Roper

Auditor Charleston County

2

EXHIBIT "E"
TO MASTER DEED OF RACQUET CLUB VILLAS AT SEABROOK
HORIZONTAL PROPERTY REGIME
BYLAWS

THESE BYLAWS of Racquet Club Villas at Seabrook Horizontal Property Regime (Regime) are promulgated pursuant to the Horizontal Property Act of South Carolina (Act) for the purpose of governing the Council of Co-owners (Council) and the administration of the Regime. All terms not defined in these Bylaws have the meaning set out in the Act or the Master Deed.

ARTICLE I
COUNCIL OF CO-OWNERS

Section 1.01 Membership. Each Co-owner shall be a member of the Council. A person who holds title to a Villa merely as security for payment of a debt shall not be a member entitled to exercise the rights of a Co-owner unless such person holds a proxy conferring such rights.

Section 1.02 Quorum. The presence of Co-owners owning fifty-one per cent of the value of the Property shall constitute a quorum for the transaction of business at meetings of the Council, and any absent Co-owner who does not execute and return the proxy form sent to him in the registered mailing referred to in Section 1.04 of this Article shall be deemed to be present for the purpose of determining the presence of a quorum. From the time of the recording of the first deed in any additional phase, all the Co-owners in the additional phase shall be included when determining a quorum.

Section 1.03 Voting. On all matters relating to the Regime upon which a vote of the Co-owners is conducted, each Co-owner shall be entitled to cast the number of votes set out in Exhibit "D" attached hereto and incorporated by reference. The affirmative vote of the Co-owners owning fifty-one percent (51%) or more of the value of the Property shall be required to adopt decisions unless the Master Deed or these Bylaws require a different percentage for a particular act or decision. Votes can be cast only at meetings of the Council convened in accordance with the Bylaws, and in the absence of a valid proxy, an individual shall act in his own behalf, a corporation shall act by any officer thereof, a partnership shall act by any general partner thereof, an association shall act by any associate thereof, a trust shall act by any trustee thereof, and any other legal entity shall act by any managing agent thereof. The failure of an absent Co-owner to execute and return the proxy form sent to him in the registered mailing referred to in Section 1.04 of this Article shall constitute a proxy to and for the majority present and voting. When a Co-owner consists of two or more persons, any one of such persons shall be deemed authorized to act for all in taking any action on behalf of such Co-owner unless another of such persons objects, in which case the vote which such Co-owner would otherwise be entitled to cast may not be cast. All votes appurtenant to a single Villa must be cast together and may not be split.

Section 1.04 Proxies. Any Co-owner may by written proxy designate an agent to cast his vote. Unless a proxy otherwise states, it shall be deemed to confer the authority to execute consents and waivers and to exercise the right to examine the books and records of the Council. A proxy may be revocable or irrevocable but shall be deemed revocable at will unless otherwise specified therein. No proxy shall be honored until delivered to the Secretary of the Council. If at least thirty days prior to a duly called meeting a Co-owner is informed by registered mail of (a) the time and place of the meeting, (b) the agenda for the meeting, and (c) such data as is then available relative to issues on which there will be a vote, and a proxy form is included in such mailing, and the Co-owner neither attends the meeting nor returns his executed proxy, then such Co-owner shall be deemed to have given his proxy to and for the majority present and voting.

Section 1.05 Consents. Any action which may be taken by a vote of the Co-owners may also be taken by written consent to such action signed by all Co-owners.

Section 1.06 Initial Meeting. The initial meeting of the Council shall be held upon call by the Grantor as soon as the Grantor deems practicable and convenient after Villas representing fifty-one (51%) percent or more in common interest shall have been conveyed by the Grantor. The following matters, and such other business as the Grantor may deem appropriate, shall be taken up at the initial meeting:

- a) adoption of a fiscal year, if other than as set forth in Section 5.01 hereof,
- b) approval of a budget for the fiscal year,
- c) determination of the General Assessment and the date upon which it is due and payable,
- d) determination of the date of the first and subsequent annual meetings,
- e) the election of persons to Board of Directors in accordance with Article II of these Bylaws, and
- f) determination of whether or not the Council shall be incorporated.

Section 1.07 Annual Meetings. The annual meeting of the Council shall be held on a date determined by the Council. Any business which is appropriate for action of the Co-owners may be transacted at an annual meeting.

Section 1.08 Special Meetings. Special meetings of the Council may be called at any time by the President of the Council or by a majority of the Board of Directors and shall be called upon the written request of Co-owners owning not less than twenty-five (25%) percent of the value of the Property. Only such business as is stated in the notice of meeting shall be transacted at a special meeting unless all Co-owners waive notice of any additional business.

Section 1.09 Notice of Meetings. Written notice of every annual or special meeting of the Council stating the time, date, and place of the meeting and, in the case of a special meeting, the business proposed to be transacted, shall be given to every Co-owner not fewer than ten nor more than thirty days in advance of the meeting; provided, however, that notice may also be given as described in Section 1.04 of this Article. Failure to give proper notice of a meeting of the Co-owners shall not invalidate any action taken in such meeting unless (a) a Co-owner who was present but was not given proper notice objects at such meeting, in which case the matter to which such Co-owner objects shall not be taken up, or (b) a Co-owner who is not present and was not given proper notice objects in writing to the lack of proper notice within thirty days following such meeting, in which case the action to which such Co-owner objects shall be void.

Section 1.10 Waiver of Notice. Waiver of notice of a meeting of the Council shall be deemed the equivalent of proper notice. Any Co-owner may in writing waive notice of any meeting either before or after such meeting. Attendance at a meeting by a Co-owner, whether in person or by proxy, shall be deemed waiver by such Co-owner of notice of the time, date, and place of the meeting unless such Co-owner specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted unless objection to lack of notice is raised before the business of which proper notice was not given is put to a vote.

Section 1.11 Place of Meeting. All meetings of the Council shall be held at such convenient place on Seabrook Island as the Board of Directors may direct.

Section 1.12 Adjournment. Any meeting of the Council may be adjourned from time to time for periods not exceeding forty-eight hours by vote of Co-owners holding a majority of the vote represented at such meeting, regardless of whether a quorum is present. Any business which could properly be transacted at the original session of a meeting may be transacted at an adjourned session, and no additional notice of adjourned sessions shall be required.

Section 1.13 Order of Business. The order of business at all meetings of the Co-owners shall be as follows:

- a) Roll call;
- b) Proof of proper notice of the meeting or waiver of notice;
- c) Reading of minutes of preceding meeting;
- d) Report of the Board of Directors;
- e) Reports of officers;
- f) Reports of committees;

- g) Report of Manager;
- h) Election of Directors;
- i) Unfinished business; and
- j) New business.

Section 1.14 Minutes of Meeting. The Secretary of the Council shall prepare and keep, or cause to be prepared and kept, accurate minutes of every meeting of the Council. Such minutes shall be made available for examination and copying by any Co-owner at any reasonable time.

ARTICLE II
BOARD OF DIRECTORS OF THE COUNCIL

Section 2.01 Form of Administration. The Council shall act by and through its Board of Directors.

Section 2.02 Authorities and Duties. On behalf of and as directed by the Council, and as required by the Act, the Master Deed, and these Bylaws, the Board of Directors shall provide for the following:

- a) the contracting with a management agent to provide for the surveillance of the Property, the maintenance, repair, and replacement of the Common Elements, and the designation and dismissal of the personnel necessary to accomplish the same;
- b) the collection of assessments from the Co-owners;
- c) the procuring and keeping in force of insurance on the Property;
- d) the enactment of reasonable regulations governing the operation and use of the Common Elements;
- e) the enforcement of the terms of the Master Deed, these Bylaws, and any Regulations promulgated pursuant to the Bylaws; and
- f) the administration of the Council and the Regime on behalf of and for the benefit of all Co-owners.

Section 2.03 Qualification. Only an individual who is a Co-owner, or who together with another person or other persons is a Co-owner, or who is an officer of a corporation, a general partner of a partnership, an associate of an association, a trustee of a trust, or a managing agent of any other legal entity which is a Co-owner, or which together with another person or other persons is a Co-owner, may be elected and serve or continue to serve as a Director of the Council. The number of Directors provided at any one time by a Co-owner which is an organization or which consists of more than one individual shall not exceed the number of apartments owned by such Co-owner.

Section 2.04 Election and Term. The initial Board of Directors shall consist of three people who shall be appointed by the Grantor and shall hold office until until their successors are elected and qualified following the period of Grantor control as provided in the Master Deed. At the first annual meeting following the termination of the period of Grantor control, the Co-owners shall elect five Directors, three for a term of two years (to be elected in one election) and two for a term of one year (to be elected in a second election). At each subsequent annual meeting, Directors shall be elected for two-year terms to succeed the Directors whose terms expire at the meeting. A plurality of the votes cast shall be sufficient to elect a Director in any election. A Director may be elected to succeed himself, and a Director shall be deemed to continue in office until his successor has been elected and has assumed office.

Section 2.05 Removal. A Director may be removed from office with or without cause by the vote of the Co-owners; provided however, directors appointed by the Grantor may be removed from office only by the Grantor.

Section 2.06 Vacancies. Any vacancy on the Board of Directors shall be filled by appointment by the majority of the remaining Directors, and the new Director shall serve for the unexpired term of his predecessor.

Section 2.07 Voting. Each Director shall have one vote on all matters acted upon by the Board of Directors. The affirmative vote of three Directors shall be sufficient for any action unless otherwise specified in the Master Deed or these Bylaws.

Section 2.08 Quorum. Three Directors shall constitute a quorum for the transaction of business.

Section 2.09 Consents. Any action which may be taken by a vote of the Board of Directors may also be taken by written consent to such action signed by all Directors.

Section 2.10 Referendum. Any decision voted by the Council shall be binding upon the Board of Directors and shall supersede any previous inconsistent action or make invalid any subsequent inconsistent action taken by the Board of Directors, but no such action by the Co-owners shall impair the enforceability of any contract duly authorized or entered into by the Board of Directors pursuant to authority granted in the Act, the Master Deed, or these Bylaws.

Section 2.11 Annual Meetings. An annual meeting of the Board of Directors shall be held each fiscal year within thirty days preceding the annual meeting of the Council. Any business which is appropriate for action of the Board of Directors may be transacted at an annual meeting.

Section 2.12 Regular Meetings. Regular meetings of the Board of Directors shall be held at such times, dates, and places as the Board of Directors may determine from time to time. Any business which is appropriate for action of the Board of Directors may be transacted at a regular meeting.

Section 2.13 Special Meetings. Special meetings of the Board of Directors may be called from time to time by the President of the Council and shall be called upon the written request of two of the Directors. Only such business as is stated in the notice of meeting shall be transacted at a special meeting unless all Directors waive notice of any additional business.

Section 2.14 Notice of Meetings. Written notice of every regular or special meeting of the Board of Directors stating the time, date, and place of the meeting and, in the case of a special meeting, the business proposed to be transacted shall be given to every Director not fewer than three nor more than ten days in advance of the meeting. Failure to give proper notice of a meeting of the Board of Directors shall not invalidate any action taken at such meeting unless (a) a Director who was present but was not given proper notice objects at such meeting, in which case the matter to which such Director objects shall not be taken up, or (b) a Director who is not present and was not given proper notice objects in writing to the lack of proper notice within thirty days following such meeting, in which case the action to which such Director objects shall be void.

Section 2.15 Waiver of Notice. Waiver of notice of a meeting of the Board of Directors shall be deemed the equivalent of proper notice. Any Director may in writing waive notice of any meeting of the Board of Directors either before or after such meeting. Attendance at a meeting by a Director shall be deemed waiver by such Director of notice of the time, date, and place of the meeting unless such Director specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted unless objection to lack of notice is raised before the business of which proper notice was not given is put to a vote.

Section 2.16 Place of Meeting. All meetings of the Board of Directors shall be held at such convenient place as the Board may select. Meetings may be conducted by telephone if all Directors consent.

Section 2.17 Minutes of Meetings. The Secretary of the Council shall prepare and keep, or cause to be prepared and kept, accurate minutes of every meeting of the Board of Directors. A copy of all such minutes shall be made available for examination and copying by any Co-owner at any reasonable time.

Section 2.18 Compensation. The Directors may receive such compensation and reimbursement for expenses incurred in the conduct of their duties as the Council may determine.

ARTICLE III
OFFICERS OF THE COUNCIL

Section 3.01 Designation. The Council shall have a Chairman, a Secretary, and a Treasurer. The officers shall have the authority, powers, duties, and responsibilities provided by these Bylaws, or, to the extent not so provided, by the Board of Directors.

Section 3.02 Qualifications. Only Directors may be elected and serve as officers.

Section 3.03 Election and Term. Officers of the Council shall be elected at each annual meeting of the Board of Directors and at such other times as may be required to fill vacancies in any office. All officers shall serve until their successors have been elected and assumed office unless sooner removed as hereinafter provided. An officer may be re-elected to any number of terms.

Section 3.04 Removal. Any officer may be removed from office at any time with or without cause by the Board of Directors.

Section 3.05 Chairman. The Chairman shall be the chief executive officer of the Council. He shall preside at all meetings of the Council and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in a chief executive office of a corporation, including but not limited to the power to appoint committees from among the Co-owners from time to time as he may in his discretion deem appropriate to assist in the conduct of the affairs of the Council.

Section 3.06 Secretary. The Secretary shall prepare and keep, or cause to be prepared and kept, the minutes of all meetings of the Co-owners and of the Board of Directors, and shall have charge of such books and papers as the Board of Directors may direct.

Section 3.07 Treasurer. The Treasurer shall have custody of and responsibility for Council funds and securities and shall keep the financial records and books of account belonging to the Council. Custody of Council funds and securities and responsibility for maintaining full and accurate accounts of all receipts and disbursements may be delegated to the Manager if the Board of Directors so determines, but in such case the Treasurer shall verify the amount of Council funds and securities in the custody of the Manager and review and reconcile the accounts maintained by the Manager at such intervals as may be determined by the Board of Directors.

Section 3.08 Compensation. The officers may receive such compensation and reimbursement for expenses incurred in the conduct of their duties as the Council may determine.

ARTICLE IV
MANAGER

Section 4.01 Employment. Grantor or its designee shall be employed by the Council as the Manager of the Regime until termination of the period of Grantor control; provided, however, that Grantor or its designee may consent to serve for a shorter time. After such period of time, the Council shall employ a management agent entirely of its own choosing.

Section 4.02 Qualification. The Manager may be a natural person or a corporation or other legal entity. No individual who is a Director or an officer of the Council or who resides in the home of a Director or an officer of the Council shall be the Manager.

Section 4.03 Authority and Duties. The Manager shall provide the services and perform the duties set out in Article II, Section 2.02 (a) of these Bylaws, and shall provide such other services and perform such other duties (including, but not limited to, those enumerated in Article II, Section 2.02 subsections a, b, c, e and f) as authorized and directed from time to time by the Board of Directors. The Manager shall confer fully and freely with the Board of Directors and shall attend meetings of the Board and of the Council when requested to do so by the Board. Until such time as the first Board of Directors is elected at the first meeting of the Regime following the period of Grantor control, the Manager shall provide the services and perform the duties set out in Article II, Section 2.02 subsections a, b, c, e and f.

ARTICLE V
FINANCES

Section 5.01 Fiscal Year. The fiscal year of the Regime shall be January 1 through December 31, unless otherwise determined by the Council.

Section 5.02 Budget. The Board of Directors shall prepare and submit, or cause to be prepared and submitted, to the Co-owners at their annual meeting a proposed budget for the Regime for the fiscal year. The proposed budget shall set forth with particularity the anticipated Common Expenses for the fiscal year and the amount of money needed to establish reasonable reserves for the payment of Common Expenses and contingencies.

Section 5.03 Approval of Budget. The proposed budget, as it may be amended upon motion of any Co-owner, shall be submitted to a vote of the Co-owners and when approved shall become the budget (Budget) of the Regime for the fiscal year. The terms of the Budget shall be binding upon the Board of Directors unless and until such terms are amended by action of the Co-owners.

Section 5.04 General Assessments. The funds required by the Budget shall be collected from the Co-owners in assessments (General Assessments) in proportion to their respective interests in the Common Elements as set out in Exhibit "D" attached hereto and incorporated by reference, and the General Assessments shall be payable as and when determined by the Council, but in no event shall General Assessments be collected in installments more frequent than monthly. Upon default in the payment of any installment, and upon ten days written notice, the Board may, at its option, accelerate and demand payment for the entire annual assessments for the delinquent Villa, plus such late charges as may be authorized herein. The contribution of Co-owners toward the expense of the premium for insurance policies as herein provided for may be collected in one (1) yearly assessment, in addition to other assessments, which assessment shall be treated as part of the General Assessments.

Section 5.05 Special Assessments. The funds required from time to time to pay any Common Expenses which are not covered by the Budget but which are approved by the Co-owners shall be collected from all the Co-owners by the Board of Directors in such installments (Special Assessments) as the Co-owners shall determine.

Section 5.06 Individual Assessments. Any payments to the Council which one or more, but fewer than all, of the Co-owners shall be obligated to make pursuant to the terms of the Act, the Master Deed, or these Bylaws shall be due upon demand and shall be collected by the Board of Directors as individual assessments (Individual Assessments).

Section 5.07 Collection. Co-owners shall be personally liable for and promptly pay all assessments when due. If the assessments are not paid on the date when due (being the date specified by the Board), then such assessments shall become delinquent and shall (together with the cost of collection as hereinafter provided) become a charge and continuous lien on the property against which such assessment is made. The Board of Directors shall take prompt and appropriate action to collect by suit, foreclosure, or other lawful method any overdue assessment. If any overdue assessment is collected by an attorney or by action at law, the Co-owner owing the same shall be required to pay all reasonable costs of collection, including attorney's fees.

Section 5.08 Penalty. An assessment not paid within fifteen days following the date when due shall be charged a Delinquent Payment Penalty of two percent (2%) of the unpaid balance of the assessment per month and each month thereafter on the unpaid balance until the assessment is paid in full. The Delinquent Payment Penalty shall be added to and collected in the same manner as the assessment. The Board of Directors may in its discretion waive all or any portion of the Delinquent Payment Penalty pursuant to this Section if it affirmatively appears that the failure to pay the assessment when due was caused by circumstances beyond the control of the Co-owner.

Section 5.09 Accounts. The Board of Directors shall maintain on behalf of the Council a checking account with a state- or federally-chartered bank having an office in the county where the Property is situated. The Board of Directors may also maintain on behalf of the Council an interest-bearing savings account with a state- or federally-chartered bank, savings and loan association, or building and loan association. Funds

of the Council may also be invested in any instrument, obligation or security (or fund comprised solely of said instruments or securities) which is insured by the United States Government, or guaranteed by the full faith and credit of the United States Government, a state government, or any local governmental entity. If a Manager is employed, said accounts may be maintained in the name of the Manager as agent of the Council. All funds of the Council shall be promptly deposited in one of said accounts, except that the Board of Directors may maintain a petty cash fund of not more than two hundred fifty dollars for payment of minor current expenses of the Council. The books and records relating to any account of the Council shall be made available for examination and copying by any Co-owner at any reasonable time.

Section 5.10 Payments. The Board of Directors shall provide for payment of all debts of the Council from the funds collected from the Co-owners. Expenditures specifically approved in the budget may be paid without further approval unless the Board of Directors shall otherwise determine. All other expenditures which are in excess of two hundred fifty dollars shall be reviewed and approved by the President or the Board of Directors before payment is made. All checks and requests for withdrawals drawn upon any account of the Council shall be signed by the President and the Treasurer or by any two officers of the Council designated by the Board of Directors. The Board of Directors may authorize the Manager to draw checks upon the account of the Council. The Board of Directors may also authorize the Manager to make disbursements from the petty cash fund, if any.

Section 5.11 Bonding. The Board of Directors shall secure a fidelity bond in an amount of not less than ten thousand dollars covering every individual authorized to withdraw funds from any checking or savings account maintained by the Council. The cost of the bond shall be a Common Expense.

Section 5.12 Special Rules for Assessments and Working Capital Assessment. The provisions of this Section 5.12 shall exclusively govern and be applicable to the development period ("Development Period") which shall terminate at the election of the Grantor but in no event later than eighteen months following recordation of the supplemental declaration annexing the last phase into the Regime.

General Assessments due and payable during the Development Period shall be based upon the annual budget attached hereto as Exhibit "F" and incorporated herein by reference until another budget is enacted by the Regime in accordance with the provisions of this Article V. The assessments shall be apportioned and prorated from the date of conveyance of a Villa from the Grantor and shall be prorated as of the first day of the month following the date of conveyance of a Villa from the Grantor (as defined in the Master Deed) according to the number of days then remaining in the applicable assessment period. The grantee shall be responsible for payment of assessments so prorated when billed therefor by the Regime.

Grantor shall be responsible for all actual operating expenses for PHASE ONE above funds collected from Co-owners for a period of time to be determined by Grantor but not to exceed fourteen months from the date of recording of this Master Deed. Assessments shall thereafter commence as to Villas in PHASE ONE then owned by Grantor.

Grantor shall be responsible for all actual operating expenses in each of PHASES TWO and THREE above funds collected from Co-owners for a period of time to be determined by Grantor for each Phase but not to exceed eighteen months from the date of recording of the supplemental declaration annexing such phase into the Regime. Assessments shall commence as to Villas in each of PHASES TWO and THREE then owned by Grantor at the end of such period.

Each Co-owner who acquires title to a Villa from the Grantor shall pay a one-time working capital assessment of Three Hundred Eighty and 00/100 Dollars (\$380.00) to the Regime, said assessment being in addition to all other assessments.

At the time title is conveyed to a Co-owner by the Grantor, such Co-owner shall pay to the Regime an assessment for insurance premiums on Regime policies in proportion to his respective interest in the Common Elements as set out in Exhibit "D" according to the number of days then remaining in the policy period. The initial Regime insurance premiums are paid in total by the Grantor, the sums collected from the purchaser attributable to such initial premiums shall be reimbursed to the Grantor.

ARTICLE VI
MAINTENANCE AND IMPROVEMENTS

Section 6.01 Maintenance by Manager. The Board of Directors shall provide for the maintenance, repair, and replacement of the Common Elements.

Section 6.02 Maintenance by Co-owners. The Villas shall be maintained in good condition and repair by their respective owners.

Section 6.03 Default by Co-owner. In the event that any Co-owner fails to perform the maintenance required of him by these Bylaws or by any lawful Regulation, and such failure creates or permits a condition which is hazardous to life, health, or property, which unreasonably interferes with the rights of another Co-owner, or which substantially detracts from the value or appearance of the Property, the Board of Directors shall, after giving such Co-owner reasonable notice and opportunity to perform such maintenance, cause such maintenance to be performed and charge all reasonable expenses of doing so to such Co-owner by an Individual Assessment.

Section 6.04 Expenses. The expenses of all maintenance, repair, and replacement of the Common Elements provided by the Manager shall be Common Expenses, except that when such expenses are necessitated by (a) the failure of a Co-owner to perform the maintenance required by these Bylaws or by any lawful Regulation, (b) the willful act, neglect, or abuse of a Co-owner, or (c) an uninsured loss which is to be borne by a Co-owner in accordance with Article VII of these Bylaws, they shall be charged to such Co-owner by an Individual Assessment.

Section 6.05 Improvements. The Board of Directors shall provide for the making of such improvements to the Common Elements as may be approved from time to time by the Co-owners. The cost of such improvements shall be Common Expenses; provided, however, that no Co-owner shall without his consent be assessed in any one year an amount in excess of one per cent of the value of his Villa (as set out in Exhibit "D") for the making of improvements to the Common Elements.

ARTICLE VII
RECONSTRUCTION

Section 7.01 Reconstruction. Unless the Co-owners affirmatively determine in the manner provided in the Master Deed not to reconstruct the Property following damage or destruction thereof, the Board of Directors shall promptly provide for such reconstruction. If the cost of such reconstruction exceeds ten thousand dollars, the Board of Directors shall employ an architect licensed to practice in the jurisdiction in which the Property is situated to supervise the reconstruction. It shall be the duty of such architect to inspect the progress of the reconstruction at regular intervals and to submit written authorizations to the Council for payment for work performed. When an architect is not required by the terms hereof, the Board of Directors may perform such inspections and submit such authorizations.

Section 7.02 Costs. The Board of Directors shall employ for the purpose of reconstructing the Property the proceeds of any insurance obtained on the Property by the Board of Directors on behalf of the Council. When the Property is not insured or when the insurance proceeds are insufficient to cover the cost of reconstruction, the rebuilding costs shall be borne by all the Co-owners as a Common Expense.

ARTICLE VIII
CONDEMNATION

Section 8.01 Rights of Co-Owners. If any portion of the Property is condemned by any authority having the power of eminent domain, each Co-owner shall be entitled to receive notice of such condemnation and to participate in the proceedings unless otherwise prohibited by law. Each Co-owner shall be entitled to an individual award to be determined by the value of his interest in the portion or portions of the Property condemned.

Section 8.02 Duties of Council. In the event that any award is received by the Council on account of condemnation of any portion or portions of the Common Elements, the Board of Directors shall hold such award for disbursement in the same manner as if it were insurance proceeds. The Board of Directors shall promptly call a special meeting of the Council

to determine whether any condemned portion of the Common Elements shall be replaced. If the Council determines to replace any condemned portion of the Common Elements, the Board of Directors shall provide for the replacement of such portions in the same manner as if such portions had been destroyed by casualty.

ARTICLE IX
INSURANCE

Section 9.01 Insureds. Insurance policies upon the Property, covering the items described below, shall be purchased by the Council or its Manager for the benefit of the Regime, the Council, and the Co-owners of the Villas and their mortgagees, as their interests may appear. Provision shall be made for the issuance of certificates of insurance, with mortgagee endorsements, to the mortgagees of all Co-owners. Such policies and endorsements shall be deposited with and held by the Manager.

Section 9.02 Coverage. Insurance shall cover the following when available:

- a) the replacement value of all Villas and Common Elements. Such coverage shall afford protection against loss or damage by fire and other hazards covered by a standard extended coverage endorsement and against such other risks as are customarily covered with respect to buildings and improvements similar to the buildings and improvements on the Land. No insurance of the contents of or improvements to any Villa (other than the fixtures originally installed therein during construction) shall be provided by the Council;
- b) public liability in such amounts and with such coverage as shall be determined by the Board of Directors, including, but not limited to, hired automobile and non-owned automobile coverage;
- c) workmen's compensation (if required); and
- d) such other insurance as the Board of Directors may from time to time determine to be desirable.

Section 9.03 Premiums and Deductibles. Premiums upon insurance policies and that portion of any covered loss not compensated for because of the loss deductible clause of the policy shall be paid by the Council as a Common Expense, and shall be paid by the Co-owners in proportion to their respective interests in the Common Elements. The contribution of Co-owners toward the expense of the premium for such insurance may be collected in one (1) yearly assessment, in addition to other assessments.

Section 9.04 Claims Adjustment. The Board of Directors is hereby irrevocably appointed agent for each Co-owner to adjust all claims arising under insurance policies purchased by the Council or its Manager, and to execute and deliver releases upon payment of claims.

Section 9.05 Proceeds. The proceeds received by the Council from any indemnity paid under a hazard insurance policy shall be held by the Board of Directors. After deduction of all reasonable expenses of the Board in administering such proceeds, the net proceeds shall be distributed as follows:

- a) if the Property is not reconstructed as provided in Article X of the Master Deed, then each Co-owner shall receive a share of the proceeds proportionate to his interest in the Common Elements as shown in Exhibit "D", in a check made jointly payable to the Co-owner and his mortgagee, if any; or
- b) if reconstruction takes place, then such proceeds shall be used to meet reconstruction costs as provided in Article X of the Master Deed and Article VII of these Bylaws, and any proceeds remaining after all the costs of reconstructing the Property have been paid shall be distributed to the Council for the benefit of all Co-owners.

Section 9.06 Insurance by Co-owners. Each Co-owner shall be responsible for obtaining such amounts of the following types of insurance as he deems necessary or desirable: (a) hazard insurance on his Villa and its contents for his own benefit, and (b) liability insurance covering

accidents occurring within his Villa. Any Co-owner who obtains hazard insurance for his own benefit shall within thirty days of obtaining the same deliver to the Board of Directors a copy of the policy of insurance.

ARTICLE X
RESTRICTIONS AND REGULATIONS

Section 10.01 Restrictions. The use of the Property shall be subject to the following restrictions:

- a. Villas shall be used only as residences. This restriction shall not be construed so as to prevent a Co-owner from leasing or renting his Villa to others, either short term or long term, or listing his Villa with a rental agency to be rented by short term or long term guests. This provision shall not be construed to prohibit the Grantor from maintaining a sales office, management office, and/or model in one Villa owned by the Grantor in each building.
- b. No Co-owner shall create or permit excessive noise, smoke, or offensive odors or any nuisance to unreasonably interfere with the use and enjoyment of the Property by any other person entitled to the same. No person shall maintain on the Property, and no Co-owner shall permit within his Villa any condition which is unreasonably hazardous to the life, health, or property of any other person.
- c. Time Sharing Prohibited. "Time sharing", "vacation sharing" or similar plans or schemes of interval ownership of a Villa, including any type of Vacation Time Sharing Plan as defined by the 1976 Code of Laws for the State of South Carolina, as amended, §27-32-10 et seq., are prohibited without the prior express consent of Grantor, its successors and assigns, in writing. This Section 10.01(c) does not apply to ownership of a Villa by a corporation, partnership, or person or persons owning a Villa individually or as joint tenants or as tenants in common.

Section 10.02 Regulations. The Board of Directors may adopt and amend from time to time such reasonable regulations (Regulations) governing the operation and use of the Property as they may deem necessary or desirable. It shall not be necessary to record Regulations newly adopted or the amendment or repeal of existing Regulations, but no Co-owner shall be bound by any newly adopted Regulation or any amendment or repeal of an existing Regulation until a copy of the same has been delivered to him.

Section 10.03 Enforcement. The Board of Directors shall enforce the terms of the Act, the Master Deed, and these Bylaws and the Regulations promulgated pursuant hereto by taking prompt and appropriate action to correct any violations. In addition to any other remedy to which the Council or any Co-owner may be entitled, the Board of Directors may impose against a Co-owner reasonable fines not to exceed a total of ten dollars (\$10.00) per day for any violation of the terms of the Act, the Master Deed, these Bylaws, or the Regulations promulgated pursuant hereto. Such fines shall be collected by Individual Assessment. Each day during which a violation occurs or continues may be deemed a separate offense.

Section 10.04 Responsibility of Co-owners. Each Co-owner shall be deemed responsible for the conduct of members of his household and his tenants, agents, guests and pets, but the responsibility of the Co-owner shall not relieve any member of his household or any of his tenants, agents, or guests from any liability to the Council or to a Co-owner for their own acts.

ARTICLE XI
LIABILITY AND INDEMNIFICATION

Section 11.01 Liability of Council. No Co-owner shall be liable for a greater percentage of a debt or liability of the Council than his percentage of ownership of the Common Elements. All correspondence of the Council and all contracts executed by the Council shall incorporate the following recital:

Racquet Club Villas at Seabrook Council of Co-owners is an association established pursuant to the Horizontal Property Act of South Carolina. No member of the Council shall be liable for a greater percentage of a

debt or liability of the Council than his percentage of ownership of the Common Elements.

Section 11.02 Indemnification Among Co-owners. Each Co-owner shall be entitled to contribution from and indemnification by every other Co-owner to the extent that such Co-owner discharges or is required to discharge any portion of any liability of the Council in excess of such Co-owner's proportionate share thereof, except that no Co-owner shall be required to provide contribution or indemnification on account of a debt which was due and payable prior to the time such Co-owner became a Co-owner.

Section 11.03 Liability of Directors and Officers. No Director or officer of the Council shall be liable to any Co-owner for any decision, action, or omission made or performed by such Director or officer in the course of his duties unless such Director or officer acted in bad faith or in reckless disregard of the rights of any person or of the terms of the Act, the Master Deed, or these Bylaws.

Section 11.04 Indemnification of Directors and Officers. The Council shall indemnify and defend each Director and each officer of the Council from any liability claimed or imposed against him by reason of his position or actions as a Director or an officer of the Council if all of the following conditions are satisfied:

- a) such Directors or officer is not required to bear such liability by the terms of the Act, the Master Deed, or these Bylaws;
- b) such Director or officer gives the Council adequate notice of the claim or imposition of liability to permit the Council reasonable opportunity to defend against the same; and
- c) such Director or officer cooperates with the Council in defending against the claim.

The expense of indemnifying a Director or an officer shall be a Common Expense and shall be borne by all the Co-owners, including such Director or officer, in equal shares.

ARTICLE XII ATTESTATIONS AND CERTIFICATIONS

Section 12.01 Attestation of Documents. The presence of the signature of the Secretary of the Council on any contract, conveyance, or any other document executed on behalf of the Council by another officer of the Council shall attest:

- a) that the officer of the Council executing the document does in fact occupy the official position indicated, that one in such position is duly authorized to execute such document on behalf of the Council, and that the signature of such officer subscribed on the document is genuine; and
- b) that the execution of the document on behalf of the Council has been duly authorized.

Section 12.02 Certification of Documents. When any document relating to the Property or the Council is certified as authentic by the Secretary of the Council, a third party without knowledge or reason to know to the contrary may rely on such document as being what it purports to be.

Section 12.03 Certification of Actions and Facts. When there is executed by the Secretary or an Assistant Secretary a written statement setting forth (a) actions taken by the Council or by the Board of Directors, or (b) facts relating to the Property or the Council as determined by the Board of Directors, a third party without knowledge or reason to know to the contrary may rely on such statement as factually true and correct.

ARTICLE XIII AMENDMENTS

Section 13.01 By-Laws. These By-Laws may be amended as set forth in Article XI of the Master Deed.

ARTICLE XIV
MORTGAGES

Section 14.01 Notice to Board. A Co-Owner who mortgages his Villa shall notify the Board through the Manager of the name and address of his mortgagee. The Regime shall also accept and record such notification when received directly from the mortgagee; and the Regime shall maintain this information in a book entitled "Mortgagees of Villas."

Section 14.02 Notice of Unpaid Assessments. The Board shall, at the request of a mortgagee of a Villa, report any unpaid assessments due to the Regime from the Co-Owner of such Villa. When requested by terms of the initial correspondence filed pursuant to Section 14.01, the Board shall report to the mortgagee any unpaid assessments due the Regime from such Co-owner as soon as such assessments become delinquent.

ARTICLE XV
MISCELLANEOUS

Section 15.01 Record of Ownership. Any person who acquires title to a Villa (unless merely as security for a debt) shall promptly inform the Board of Directors of his identity and the date upon and the manner in which title was acquired. The Board of Directors shall maintain a record of the names of all Co-owners and of the dates upon which they acquired title to their Villas.

Section 15.02. Notices. Any notices or documents placed in the mail receptacle or affixed to the front door of a Villa by or at the direction of the Board of Directors shall be deemed delivered to the Co-owner of such Villa unless the Co-owner has previously specified to the Board of Directors in writing another address for delivery of such notices and documents. Any notice or document addressed to the Board of Directors and delivered to any Director by or at the direction of a Co-owner shall be deemed delivered to the Board of Directors.

Section 15.03 Waiver. No provision of these Bylaws or the Regulations promulgated pursuant hereto shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches which may have occurred.

Section 15.04 Conflicts. In the event of any conflict between these Bylaws and the Act or the Master Deed, the Act or the Master Deed shall control, as appropriate. In the event of a conflict between these Bylaws and the Regulations, these Bylaws shall control.

Section 15.05 Severability. The provisions of these Bylaws are severable, and the invalidity of one or more provisions hereof shall not be deemed to impair or affect in any manner the enforceability or effect of the remainder.

Section 15.06 Captions. Captions are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of these Bylaws or the intent of any provision.

Section 15.07 Gender and Number. All nouns and pronouns used herein shall be deemed to include the masculine, the feminine, and the neuter, and the singular shall include the plural and vice versa, whenever the context requires or permits.

H126/c

EXHIBIT "F"
TO MASTER DEED OF RACQUET CLUB VILLAS AT SEABROOK
HORIZONTAL PROPERTY REGIME

BUDGET OF EXPENDITURES AND RESERVES

<u>ACCOUNT NUMBER</u>		* <u>1986</u>
3010	WORKING CAPITAL	4,608.00
6200	PEST CONTROL	1,536.00
6205	TERMITE CONTROL	1,248.00
6210	LIGHTS/ELECTRICITY	1,152.00
6221	IRRIGATION WATER	1,920.00
6225	LANDSCAPE MAINTENANCE	9,600.00
6227	LAKE MAINTENANCE	2,400.00
6230	GENERAL MAINTENANCE	1,152.00
6231	POOL MAINTENANCE	2,976.00
6232	POOL TELEPHONE	576.00
6235	MANAGEMENT FEES	4,608.00
6260	INSURANCE RESERVE	40,704.00
6265	ACCOUNTING EXPENSES	384.00
6280	TAXES	<u>96.00</u>
	TOTAL	<u>\$72,960.00</u>

* 1986 As provided in the Bylaws, the fiscal year of the Regime shall run from January 1 through December 31. The above budget is expressed on an annual basis but shall apply to the balance of 1986 on a prorata basis from the recording date of this Master Deed and will provide the basis for General Assessments through December 31, 1986. This budget will also serve as a preliminary Budget for the 1987 fiscal year but is intended only to provide a conception of expected expenditures and reserves. As provided in the Bylaws, the actual 1987 Budget must be prepared and submitted by the Board of Directors for approval of the Council of Co-Owners before becoming effective. The actual budget will depend upon annexation of phases of the Regime, inflationary increases, if any, and other factors.

EXPLANATION OF LINE ITEMS

Working Capital: funds for extraordinary maintenance of or replacement of common property, i.e. repaving parking lots and roads in the Regime area, replacement of plants and shrubs, and capital improvements. These funds are held in a reserve account, and can only be spent by a majority vote of the Board of Directors.

Pest Control: contract costs for monthly interior and exterior services for control of crawling insects and rodents. Call back service, if necessary, is provided at no extra charge. Please call Regime Administration if you need this extra service.

Termite Control: contract cost of annual termite inspection and follow-up treatment as necessary.

Lights/Electricity: estimated cost for operating area site lights and sprinkler systems.

Irrigation Water: estimated cost for water used by the Regime in watering lawns and shrubs in the Common Area.

Landscape Maintenance: contract cost for maintenance of regime's common grounds.

Lake Maintenance: contract cost for maintenance of regime's lake.

General Maintenance: estimated cost for normal, routine repairs of common property, i.e. patching parking lots and roads in the regime area, repairs to common signage, underground wiring, site lights to include replacing bulbs, common storm drains.

Pool Maintenance: estimated cost of maintaining the swimming pool.

Pool Telephone: Monthly service charge for emergency telephone service at pool, as required by the South Carolina Department of Health and Environmental Control (DHEC).

Management Fee: contract fee paid to Seabrook Island Ocean Club for the Regime Administration Office to conduct the business affairs for the Owner's Association and to provide management services, which include a staff for consultation, bookkeeping and administrative services, preparation of the annual draft budget, the planning for and setting up of the Annual Board of Directors, Annual Membership and special meetings, the payment of administrative expenses (postage, copy costs, mailing labels and stationery). SERVICES PROVIDED ARE FOR THE OWNER'S ASSOCIATION, NOT FOR THE MANAGEMENT OF INDIVIDUAL VILLAS.

Insurance (Reserve): cost of the annual premium for the Regime's Property, Comprehensive General Liability, Directors and Officers Liability and Flood Insurance. NOTE: EACH OWNER IS RESPONSIBLE FOR OBTAINING THEIR OWN PROPERTY INSURANCE WHICH COVERS THE CONTENTS OF EACH INDIVIDUAL APARTMENT.

Accounting Expenses: estimated cost for computer posting and billing, review of the regime's books by a CPA firm, tax preparation and filing.

Taxes: estimated cost for the regime's county, state and federal taxes, business license fee.

H126/d

EXHIBIT "H"
TO MASTER DEED OF
RACQUET CLUB VILLAS AT SEABROOK HORIZONTAL PROPERTY REGIME

Description of Typical One Bedroom Loft Villa
Villa Type "1"

The entry door opens into a foyer from an access deck.

From the foyer there is access to 1) a bath containing a commode and a vanity with a basin, and 2) a utility closet containing mechanical equipment and the Villa's water heater. The foyer is open to the combination living/dining area. From the living/dining area, there is access to a deck.

The living/dining area is open to the kitchen which contains a stove/oven with a range hood above, a dishwasher, a garbage disposal, and a refrigerator/freezer. The kitchen has an adjoining pantry. A screened porch is accessible from the kitchen, which screen porch provides access to the Villa's deck.

The Villa's second level or floor is accessible from a stairway leading from the living/dining area which opens into the bedroom/loft. Accessible from the bedroom/loft is a bath containing a commode, a vanity with a basin, and a tub with a shower head. The bedroom/loft also has an adjoining closet.

Nominal ceiling height is 8'0", except as otherwise indicated on the Exhibit "B" floor plans.

Villa Type "1" contains the approximate area of heated and cooled interior floor space as is shown on the floor plans attached hereto as Exhibit "B" and made a part hereof by reference. All measurements are approximate and are subject to reasonable construction tolerances.

The access deck and stairs are General Common Elements. The screened porch and deck off the dining room are Limited Common Elements.

A storage area beneath the building is a Limited Common Element as shown on Exhibit "B". Parking areas, including those beneath the buildings, are General Common Elements.

H126/f

EXHIBIT "H"
TO MASTER DEED OF
RACQUET CLUB VILLAS AT SEABROOK HORIZONTAL PROPERTY REGIME

Description of Typical Two Bedroom Flat Villa
Villa Type "2F"

The entry door opens into a foyer from an access deck. A utility closet adjoins the foyer and contains mechanical equipment and the Villa's water heater. A storage closet also adjoins the foyer. The foyer is open to the combination living and dining area and the kitchen.

The kitchen contains a refrigerator/freezer, a range/oven with a range hood above, a dishwasher, and a garbage disposal. One wall of the kitchen has a counter area over which is open to the dining/living area.

The dining/living area has access to a deck via sliding glass doors and also has access to a screened porch.

From the living/dining area, a hall provides access to the two bedrooms of the Villa, a storage closet, a utility closet containing mechanical equipment and the Villa's water heater, and a closet containing clothes washer and dryer connections. A bath is jointly accessible from the hall and the Villa's second bedroom, which bath contains a tub with a shower head, a commode, and a vanity with a basin.

The Villa's master bedroom has an adjoining private bath which contains a commode, a tub with a shower head, and a vanity with a basin. The master bedroom has an adjoining closet, and has access to the Villa's screened porch via sliding glass doors.

Nominal ceiling height is 8'0", except as otherwise indicated on the Exhibit "B" floor plans.

Villa Type "2F" contains the approximate area of heated and cooled interior floor space as is shown on the floor plans attached hereto as Exhibit "B" and made a part hereof by reference. All measurements are approximate and are subject to reasonable construction tolerances.

The access deck and stairs are General Common Elements. The screened porch and deck off the living room are Limited Common Elements.

A storage area beneath the building is a Limited Common Element as shown on Exhibit "B". Parking areas, including those beneath the buildings, are General Common Elements.

EXHIBIT "H"
TO MASTER DEED OF
RACQUET CLUB VILLAS AT SEABROOK HORIZONTAL PROPERTY REGIME

Description of Typical Two Bedroom Townhome Villa
Villa Type "2TH"

The entry door opens into a foyer from an access deck. The foyer has an adjoining storage closet. The foyer provides access to the Villa's kitchen, the combination living/dining area, and the stairway leading to the second floor or level of the Villa.

The kitchen contains a refrigerator/freezer, a stove/oven with a range hood above, a dishwasher, and a garbage disposal. One wall of the kitchen has a counter above which is open to the combination dining/living area. The dining/living area has an adjoining bath which contains a commode and a vanity with a basin, and also has an adjoining room which contains mechanical equipment. A screened porch is accessible from the living/dining area via sliding glass doors.

The stairway landing on the second level of the Villa has an adjoining storage closet. The landing is open to a hall which provides access to the two bedrooms of the Villa, a storage closet, and a closet containing mechanical equipment. The Villa's first bedroom, located above the kitchen, has an adjoining closet and an adjacent bath which contains a tub with a shower head, a commode, and a vanity with a basin.

The Villa's master bedroom contains two closets, and has an adjoining bath which contains a tub, a commode and a vanity with a basin. A deck is accessible from the master bedroom via sliding glass doors.

Nominal ceiling height is 8'0", except as otherwise indicated on the Exhibit "B" floor plans.

Villa Type "2TH" contains the approximate area of heated and cooled interior floor space as is shown on the floor plans attached hereto as "Exhibit B" and made a part hereof by reference. All measurements are approximate and are subject to reasonable construction tolerances.

The access deck and stairs are General Common Elements. The screened porch off the living room and the deck off the master bedroom are Common Elements.

A storage area beneath the building is a Limited Common Element as shown on Exhibit "B". Parking areas, including those beneath the buildings, are General Common Elements.

EXHIBIT "H"
TO MASTER DEED OF
RACQUET CLUB VILLAS AT SEABROOK HORIZONTAL PROPERTY REGIME

Description of Typical Three Bedroom Villa
Villa Type "3TH"

The entry door opens into a foyer from an access deck. The foyer provides access to a stairway leading to the second level of the Villa, a storage closet, a bath which contains a commode and a vanity with a basin, a second closet, the kitchen, a hallway leading to the master bedroom, and the combination living and dining area.

The kitchen contains a refrigerator/freezer, a stove/oven with a range hood above, a dishwasher, and a garbage disposal. One wall of the kitchen has a counter above which is open to the combination living/dining area.

The living/dining area has access to a screened porch via sliding glass doors, which porch is also accessible from the Villa's deck.

The hallway leading from the foyer to the master bedroom has an adjoining mechanical closet containing HVAC equipment, and a utility closet containing clothes washer and clothes dryer connections. The master bedroom contains a closet, and has access to the deck via sliding glass doors. A bath is accessible from the master bedroom, which bath contains a storage alcove, a vanity with a basin, a commode and a tub with a shower head.

The stairway landing of the second level of the Villa is open into the hallway which provides access to a closet, the Villa's three bedrooms, a linen closet, and a bath which contains a vanity with a basin, a commode, and a tub with a shower head. The Villa's bedroom/loft which is open to the living/dining area below, has an adjoining closet.

The Villa's master bedroom contains a closet, and has access to a deck via sliding glass doors. A bath adjoins the master bedroom which contains a tub with a shower head, a commode and a vanity with a basin.

Nominal ceiling height is 8'0", except as otherwise indicated on the Exhibit "B" floor plans.

Villa Type "3TH" contains the approximate area of heated and cooled interior floor space as is shown on the floor plans attached hereto as Exhibit "B" and made a part hereof by reference. All measurements are approximate and are subject to reasonable construction tolerances.

The access deck and stairs are General Common Elements. The screened porch off the living area and the deck off the master bedroom are Limited Common Elements.

A storage area beneath the building is a Limited Common Element as shown on Exhibit "B". Parking areas, including those beneath the buildings, are General Common Elements.

H126/f