

Racquet Club Villas Horizontal Property Regime

Community Handbook

This handbook is intended to serve as a guide for property owners to learn and understand the scope of information related to property ownership at Racquet Club Villas. Any statements about governance are intended to serve as an abridged restatement of the regime's master deed and bylaws and do not in any way negate or supersede the legal obligations set forth in those documents.

A. YOUR COMMUNITY REGIME: ITS PURPOSE, DUTIES AND RESPONSIBILITIES

As the owner of your villa, you are a member of the RCV Horizontal Property Regime. Condominium living is *a unique combination of individual property rights, community privileges and community restrictions*. Our regime is essentially a community government which the members control. Realtors and investment analysts all agree that the value of a condominium development largely depends on the effectiveness of its regime. The success of any such regime depends on the constructive participation and contribution of all its members. You are encouraged to join with your neighbors in working toward the wellbeing of our community.

Our Regime is a non-stock corporation with certain duties and responsibilities to its members. The maintenance and regulation of common areas, which are owned in common by all members, are the responsibilities of the Regime. This includes the cost of exterior maintenance of all villas, lawn/grounds care and irrigation service, as well as maintenance and upkeep of the swimming pool facility and parking areas. Payment for taxes and insurance on the common areas, as well as other required projects, is accomplished through assessments on each villa.

The specific procedures for the Regime's operation are included in the Master Deed, Bylaws, and Rules and Regulations of Racquet Club Villas. These documents are recorded in the clerk's office of Charleston County, South Carolina. All property owners should have received a copy of this

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document when settlement was made on their homes. All governing documents are available on the community web portal: www.RavenelAssociates.com/communities > Racquet Club Villas.

B. THE BOARD OF DIRECTORS, MEETINGS, AND VOTING RIGHTS.

The Board of Directors of the Regime is a group of five (5) representatives who serve three (3) year terms. As stated in the Master Deed, the Board of Directors shall, among other things, provide the following:

1. Contracting with a management agent;
2. Providing for the surveillance of the property, the maintenance, repair and replacement of common elements, and the designation and dismissal of the personnel necessary to accomplish the same;
3. Collection of assessments from the owners;
4. Procuring and keeping in force insurance on the property;
5. Enactment of reasonable regulations governing the operation and use of the common elements;
6. Enforcement of the terms of the Master Deed, Bylaws, and any regulations promulgated pursuant thereto; and
7. Administration of the Council and the Regime on behalf of and for the benefit of all co-owners.

Annual Meetings are usually scheduled in the fall for the purpose of electing vacating Board Members, adopting an annual budget, and to discuss any other relevant business. Attendance at these annual membership meetings is strongly encouraged for all homeowners. All homeowners will receive a letter in the mail notifying them of the date, time, place, and agenda of the annual meeting.

Meetings will be conducted according to procedures outlined in the Master Deed and Bylaws of Racquet Club Villas and, in the event of a disagreement regarding meeting procedure, the Board has determined Scott Foresman *Robert's Rules of Order*, Newly Revised shall control.

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C. ASSESSMENTS AND THE BUDGET

The budget of the regime is comprised of the annual operating expenses and reserve funding. Insurance, taxes, grounds maintenance expenses (which include fertilization, aeration, shrub pruning, mowing, trimming, etc.) and building/pool maintenance expenses compose the bulk of the operating budget. Annual operating expenses also include management expenses, miscellaneous repair expenses, and legal and audit fees.

A portion of this annual budget is designated for the major replacement or maintenance costs of the Regime: painting, roof repair, deck repair, parking lot maintenance as deemed necessary by the Board. These monies are placed in an account separate from operating called a "reserve account". Interest bearing reserve accounts are needed to provide the proper funding for major expenses when necessary. Annual Assessments are levied against each homeowner to finance the budget of the Regime. Additionally, the Regime may require special assessments for specific capital improvement costs which are not provided for in its annual budget. All assessments are the personal obligation of the owners of each villa when the assessment is due.

Assessments are made on an annual basis but may be paid in equal monthly installments.

Assessments are in arrears after the 15th of the month. A late notice will be sent to the homeowner whose account is greater than thirty (30) days in arrears. Delinquent accounts will be turned over to the Regime's attorney for collection of back payments plus the remainder of the year. As stipulated in the Master Deed, a Delinquent Payment Penalty fee of two percent (2%) for each month an assessment is unpaid will be assessed on the first of each month following the unpaid portion of the assessment.

A homeowner should follow the following procedure relative to assessments when selling his or her home:

- Make sure the closing attorney is aware you live within a regime.
- Pay all assessments when due.
- Ensure the closing attorney provides the Property Management Company with a copy of the closing statement which contains the new buyer's full name, date of closing, etc. After closing the new owner will assume responsibility for assessments.

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D. ARCHITECTURAL CONTROL - GENERAL GUIDELINES

Architectural control is exercised through the RCV Board of Directors. This process is intended to ensure harmonious development and preservation of property values. Architectural control is not intended to restrict changes, but rather to provide a framework within which individuals can improve their surroundings for the enjoyment of all. It is hoped that, with the cooperation of all owners, the Board of Directors can work to provide an environment that will be enjoyed and admired by everyone. **The following guidelines shall therefore be observed:**

1. All exterior alterations require prior written approval from the regime board. A detailed plan and scope of work should be submitted to the board via regime management. Requests for changes, alterations, or additions must be submitted to the Property Manager thirty (30) days in advance of the requested start date.

All interior structural alterations and electrical, plumbing and HVAC alterations that require a town or county permit shall also seek prior written approval from the regime.

2. The Regime has the authority to remove or correct any additions or changes if an owner fails to get approval. The cost of such removal will be assessed to the responsible unit.
3. Each owner should be alert to the exterior appearance of his or her villa and surrounding area. The value of our individual investments is directly related to the cleanliness and beauty of our property. The Regime will require corrections of unbecoming features or removal of any items considered non-harmonious to the overall standards and appearance of the neighborhood. The cost of such corrections or removal will be assessed to the responsible unit. Any unauthorized items or exterior changes will be removed at the cost of the respective owner.
4. Since the Regime is responsible for all exterior maintenance, permission will not be granted for any change, alteration or additions which would increase the cost of said maintenance.

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5. Since the Regime is responsible for uniform scheme or architectural harmony and appearance, permission will not be granted for any change, alteration or addition which would adversely affect the harmony and appearance of the community.
6. Once permission for exterior alterations is secured from the RCV Regime, permission must also be secured from the Seabrook Island Property Owners Association.
7. After final permission is granted for any change, alteration, or addition, it is understood that the alteration is the sole responsibility of the homeowner. Should any owner fail to properly maintain any approved alteration, the Regime reserves the right to rescind any permission and require the owner to return the premises to their original condition.
8. Any deviation granted from specific guidelines is to be considered the exception rather than the rule, and permission granted for a deviation for one (1) unit or lot is not to be considered or construed as permission for that deviation on all units or lots.
9. Conditions currently existing in violation of the Master Deed or the specific regulations published and contained in this handbook must be corrected within thirty (30) days of notification of discrepancy.

E. VIOLATION ENFORCEMENT

1. Any Regime member who believes that another member is in violation of the governing documents may first request that the violating member comply with the Regimes governing documents.
2. If the member witnessing the violation is uncomfortable addressing the suspected violating member or the matter is not corrected, the member making the complainant should call or write the Community Manager and inform him/her of the matter. The Community Manager will then investigate the matter.

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3. Owners should review the recorded Rules and Regulations for a thorough understanding of the following governances:

- 1) Rules and Regulations
- 2) Pool Rules
- 3) Policies for Violation Enforcement and Appeals

The Rules and Regulations can be found both on the community website and recorded in the public records of Charleston County. The same can also be obtained from regime management by request.

F. RENTALS AND LEASING

1. Any owner who leases his or her home on a long-term basis (monthly rentals and longer) should notify the regime management office within ten (10) days after the commencement of such lease with the name of the tenant and other residents. Currently, a town business license is required for all short term rentals.

2. All tenants, both long and short term, are subject to the same rules and regulations as an owner and must be provided a copy of all community rules and regulations by the owner. Individual property owners will be held responsible for the assessments due on their property and the actions of their tenants.

G: MAINTENANCE REQUESTS/COMPLAINTS

A member making the request or complaint should call, email, write or use the online portal request form located at <https://www.ravenelassociates.com/communities/view/4448> and inform the Community Manager of the matter. For all emergency situations, please contact Ravenel's 24 Hour Emergency contact 843.768.9480.

Contact information for board members can be found on the community web portal.