Instrument#: 2018000145604, DEED BK: 4170 PG: 1359 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 1 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

Horry REGISTER OF DEEDS

TRANSMITTAL SHEET

TO BE FILED WITH EACH INSTRUMENT PRESENTED FOR RECORDING.
Horry REGISTER OF DEEDS,

DOCUMENT TYPE OF INSTRUMENT BEING FILED: Restrictions
DATE OF INSTRUMENT: 12/20/2018

DOCUMENT SHALL BE RETURNED TO:

Name: Mullen Wylie, LLC,
Address: 4717 Jenn Drive Suite 200, Myrtle Beach, SC 29577
TELEPHONE NUMBER:
FAX NUMBER:
E_MAIL ADDRESS:

RELATED DOCUMENT(S): LIST THE PREVIOUS BOOK AND PAGE NUMBER(S) THIS DOCUMENT PERTAINS TO IF APPLICABLE:
THIS INFORMATION MUST ALSO APPEAR CONSPICUOUSLY ON THE FIRST PAGE OF ALL SUBSEQUENT DOCUMENTS.
Book: **NA,** Page: **NA,**

BRIEF PROPERTY DESCRIPTION:

LIST ALL PARTIES TO BE INDEXED IN THIS TRANSACTION: ALL NAMES ARE TO BE BOLDED, UNDERLINED, CAPITALIZED

GRANTOR / MORTGAGOR / OBLIGOR / MAKER(FROM WHO):

LAST NAME	FIRST NAME	MIDDLE NAME

FULL BUSINESS NAME
LITTLE RIVER CORPORATION

GRANTEE / MORTGAGEE / OBLIGEE / (FROM WHOM):

LAST NAME	FIRST NAME	MIDDLE NAME

FULL BUSINESS NAME
TUPELO BAY GOLF VILLAS II
TUPELO BAY GOLF VILLAS II HORIZONTAL PROPERTY REGIME

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PORTIONS OF THIS AGREEMENT ARE SUBJECT TO ARBITRATION PURSUANT TO THE SOUTH CAROLINA UNIFORM ARBITRATION ACT IN SECTIONS 15-48-10, ET. SEQ., S.C. CODE ANN. (1976), AS AMENDED

MASTER DEED OF TUPELO BAY GOLF VILLAS II

DECLARANT

LITTLE RIVER CORPORATION
401 TWELFTH AVENUE NORTH
MYRTLE BEACH, SC 29577

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TUPELO BAY
GOLF VILLAS II

MASTER DEED
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MASTER DEED

FOR

TUPELO BAY GOLF VILLAS II HORIZONTAL PROPERTY REGIME

PREAMBLE

THIS MASTER DEED (**"Master Deed"**) is made on December 20, 2018 by **LITTLE RIVER CORPORATION**, a South Carolina corporation (**"Grantor"** or **"Declarant"**), to establish a horizontal property regime to be known as **Tupelo Bay Golf Villas II Horizontal Property Regime** (the **"Regime"** or **"Condominium"**).

Declarant is the fee simple owner of the real property, buildings and improvements located in the Garden City Beach community of Horry County, South Carolina, more particularly described on **Exhibit "A-1"** to this Master Deed. By this Master Deed, Declarant desires to submit such property to the provisions of the South Carolina Horizontal Property Act, S.C. Code Ann. (1976), §§27-31-10 et seq, as amended (the **"Act"**).

Declarant, for itself and its successors and assigns, subject to matters set forth herein, does hereby submit the property described in **Exhibit "A-1"**, together with all the improvements located thereon, to the condominium form of ownership and to the provisions of the Act. From and after the date on which this Master Deed is recorded in the Office of the Registrar of Deeds of Horry County, South Carolina (the **"ROD"**), the real property described on **Exhibit "A-1"**, and all of the improvements located thereon, shall be owned, held, transferred, sold, conveyed, used, occupied, mortgaged, or otherwise encumbered, subject to the terms, provisions, covenants, easements, restrictions, reservations, rights and obligations of this Master Deed for **TUPELO BAY GOLF VILLAS II HORIZONTAL PROPERTY REGIME** and the Act, **INCLUDING, BUT NOT LIMITED TO, THE RIGHT TO EXPAND THE REGIME BY ADDING LAND AND UNITS PURSUANT TO ARTICLE 16**.

Article 1
Definitions

Generally, the terms used in the Governing Documents, as defined below, shall have their common, generally accepted meanings unless otherwise specifically defined in this Master Deed, the Act, the Articles, the By-Laws, or the South Carolina Nonprofit Corporation Act. Unless the context otherwise requires, the following capitalized terms used in the Governing Documents shall be defined as follows:

"Act" means the Horizontal Property Act of South Carolina, Title 27, Chapter 31 of the South Carolina Code of Laws, 1976, as amended.

"Apartment, Villa or Unit" means a part of the property intended for separate, individual ownership and use for residential occupancy, including one or more rooms or enclosed spaces located in a Building and with a direct exit to a public street or to a common area leading to such a street as shown in the Exhibits hereto, together with an undivided share of the Common Elements, vote, Common Surplus and liability for Common Expenses and other assessments appurtenant thereto. Each Unit is depicted by its identifying number on the Plans and referred to accordingly in the Exhibits.

"Assessment" means a Co-Owner's pro rata share of the Common Expenses from time to time as assessed against a Co-Owner and such Co-Owner's Unit by the Association.

"Assigned Value" means the statutory value assigned to each Unit in accordance with the attached Exhibit "C" to this Master Deed, utilized for the purposes of computing the Percentage Interest appurtenant to such Unit, which Assigned Value will not constitute the sales price of the Unit or be relied upon as a representation of the actual value of the Unit.

"Association" means the Council of Co-Owners as defined by the Act and also the Tupelo Bay Golf Villas II Condominium Association, a South Carolina nonprofit, non-stock membership association incorporated under the Act and in accordance to Articles of Incorporation attached as Exhibit "D" to this Master Deed (the **"Articles"**).

"Board of Directors" or ***"Board"*** means the Board of Directors and the body responsible for the general governance and administration of the Association.

"Building" means a structure which is constructed within the Regime, consisting of one or more Units, as defined in the Act.

"By-Laws" mean the By-Laws of the Tupelo Bay Golf Villas II Condominium Association, a copy of which is attached as Exhibit "E", as may be amended from time to time.

"Common Elements" or ***"Common Areas"*** means that area and property within the Condominium which is not included within the boundaries of the Units, including any "Limited Common Elements" assigned to the Condominium under this Master Deed.

"Common Expenses" means the expenses for which the Association incurs in exercising its powers and performing its responsibilities incident to the administration of the Association, and maintenance, repair and replacements of the Common Areas under the Governing Documents, including allocations to reserve funds for such purposes and such other expenses as may be designated as Common Expenses pursuant to the Act and the Governing Documents, for which the Owners are responsible and liable.

"Common Surplus" means the excess of all receipts of the Association, including but not limited to Assessments over the amount of

Common Expenses, and not otherwise reserved or designated for a specific use.

"Condominium" or "Regime" means the Tupelo Bay Golf Villas II Horizontal Property Regime and the Property and Units included as shown in this Master Deed and the Exhibits hereto. The Condominium is sometimes referred to as the **"Project."**

"Condominium Ownership" means the individual ownership of an individual Unit within a Building structure and a common right to share, with other Co-Owners, in the General and Limited Common Elements of the Property.

"Co-Owner" or ***"Owner"*** shall mean a person, firm, corporation, partnership, limited liability company, association, trust, or other legal entity (or any combination) who is the record titleholder of a Unit in a Building (sometimes referred to as ***"Unit Owner"***).

"Council of Co-Owners" means all the Co-Owners as defined in the Act.

"Declarant" means Little River Corporation, a South Carolina corporation, or any successor, successor-in-title, or assign, who takes title to any portion of the Condominium for the purposes of development or sale and who is designated as Declarant hereunder in a recorded instrument executed by the immediately preceding Declarant.

"Documents" mean this Master Deed and all Exhibits annexed hereto as they may be amended from time to time.

"Eligible Holder" means a first mortgagee of a Unit which has made written request to the Association to receive notice of certain items as set forth in the Master Deed.

"Exhibits" mean the exhibits to this Master Deed, as they may be amended from time to time.

"General Common Elements" means and includes (a) the land in fee simple on which the Buildings stand; (b) the foundations, main walls, roof, halls, stairways, entrance, and exits, elevators, or communication ways; (c) the yards and landscaped areas, (d) all unnumbered parking spaces, if any, all compartments or installments of central services such as power, lights, cold water, refrigeration, water tanks, pumps, sewage lines, and the like that serve two or more Units; and (e) all other elements of the Property rationally of common use or necessary to its existence, upkeep, and safety.

"Golf Course" means any parcel of land adjacent to the Property which is privately owned or operated by Southside, LLC, a South Carolina Limited Liability Company, its successors, successors-in-title, or assigns, and which is operated as a golf course, and all related and supporting facilities and improvements operated in connection with such golf course.

"Governing Documents", "Project Documents" **or** ***"Condominium Instruments"*** means the basic documents creating and governing the Project, including, but not limited to, this Master Deed, the Exhibits, the Articles, the Bylaws, the Master Declaration, and any procedures, rules, regulations or policies adopted under such documents by the Association, the Board, or the Master Association and its authorized committees, as amended from time to time.

"Grantor" means Little River Corporation, a South Carolina corporation, doing business in Horry County, South Carolina, its successors and assigns (sometimes referred to as **"Developer"**).

"Land" means the land which is described in **Exhibit "A-1"** attached to this Master Deed, as may be amended from time to time.

"***Limited Common Elements***" means and includes those Common Elements reserved for the exclusive or primary use of one or more, but less than all, Units to the exclusion of other Units, as more particularly described in Article 8.

"***Majority of Co-Owners***" means fifty-one (51%) percent or more of the basic value of the Property as a whole.

"***Master Association***" or "***CSA***" means Tupelo Bay Community Services Association, a South Carolina nonprofit corporation, and any successor or assign as the corporate entity responsible for the administration of the planned unit development known as Tupelo Bay, pursuant to the Master Declaration.

"***Master Declaration***" or "***CCRs***" shall mean that certain Declaration of Covenants, Conditions and Restrictions for Tupelo Bay, a planned unit development, dated May 22, 2006, recorded May 25, 2006, in Deed Book 3102, at Page 289, Horry County, South Carolina records, as amended.

"***Master Deed***" means this document, including Exhibits, establishing the Regime, as amended from time to time.

"***Mortgagee***" means a bank, savings and loan, or an insurance company, or a title insurance company, or pension trust and real estate investment trust, or other private and governmental institutions which are regularly engaged in the business of mortgaging, and/or financing, or a subsidiary of any of the foregoing or a designee of any of the foregoing, owning an institutional mortgage or mortgages on one or more Units and/or any of the foregoing which acquires an institutional mortgage herein defined by assignment or those mesne assignments from a non-institutional mortgagee. (Mortgagee is sometimes referred to as Institutional Mortgagee).

"***Nonprofit Corporation Act***" means the South Carolina Nonprofit Corporation Act of 1994, S.C. Code Ann., §§33-31-101, et seq., as amended.

"***Occupant***" means any person or persons residing in a Unit.

"***Period of Declarant Control***" shall mean the period during which Declarant (or any Successor Declarant) may appoint and remove the Directors and officers of the Association as permitted under the Act. The Period of Declarant Control will begin on the date this Master Deed is first recorded in the Office of the Registrar of Deeds for Horry County, South Carolina, and will expire upon the first to occur of the following: (i) December 31, 2028; (ii) after conveyance by Declarant, in the ordinary course of business to persons other than a Successor Declarant, of one hundred percent (100%) of the maximum number of Units to be contained in all Phases of the Project; or (iii) the date the Declarant surrenders such right by amendment to the Master Deed executed and filed of record by Declarant. After the termination of the Period of Declarant Control, Declarant, if still an Owner, will have all the rights and duties ordinarily given to Members under this Master Deed.

"***Percentage Interest***" means each Owner's undivided percentage interest in the Common Areas equal to the percentage of the Owner's Assigned Value to such Owner's Unit to the Assigned Value of all Units within the Regime as a whole, as further described in Article 7. "**Total Percentage Interest**" means the aggregate of all the Percentage Interests.

"***Person***" (whether or not in capitalized form) means a natural person, corporation, partnership, limited liability company, limited partnership, association, trust, or any other entity or combination thereof.

"Phases" shall have the meaning set forth in Article 16 of this Master Deed.

"Plans" means and includes the plat(s) of survey, the site plans, and the floor plans of the Project which are filed as attachments to this Master Deed in **Exhibit "B"**, showing the boundaries of the Land, the horizontal and vertical location of the improvements, Common Areas and Limited Common areas of the Regime thereon, and certified in accordance with the provisions of the Act. The Plans shall be amended by amendments to this Master Deed as future Phases are added to the Regime, if any.

"Property" means and includes that property shown as contained within the Regime and includes the Land, the Buildings, all improvements and structures thereon and all easements, rights and appurtenances belonging thereto and subject to all easements, rights of way and rights of use as described in the Master Deed, the Exhibits, or are of record, (sometimes called **"Condominium Property"**).

"Record" shall mean to enter of record in the office of the Registrar of Deeds for Horry County, South Carolina.

"Rules and Regulations" means the rules and regulations from time to time promulgated by the Board of Directors governing the uses of the Common Areas and Units (sometimes, **"Rules"**).

"Special Assessment" means an assessment levied pursuant to these Governing Documents.

"Special Declarant Rights" is defined as set forth in Article 21.

"Special Declarant Rights Period" means the period beginning the date this Master Deed is first recorded in the Office of the Register of Deeds for Horry County, South Carolina, and ending the date on which Declarant shall have conveyed to parties (other than a Successor Declarant) all units, as defined in the Act, originally owned by Declarant in the Project.

"Successor Declarant" means any party or entity to whom Declarant assigns any or all of its rights, obligations, or interest as Declarant, as permitted by Section 31.12, and evidenced by an assignment or deed of record in the ROD, designating such party as a Successor Declarant, signed by the transferor and the transferee, and otherwise complying with the requirements of the Act. Upon such recording, Declarant's rights and obligations under the Master Deed shall cease and terminate to the extent provided in such document.

Article 2
Name

The name of the Condominium is **TUPELO BAY GOLF VILLAS II HORIZONTAL PROPERTY REGIME.**

Article 3
Property Rights

Section 3.1 Identification of Units. The Condominium initially consists of twelve Units in one building designated as **Building #900** located at 1029 Ray Costin Way in Murrells Inlet, Horry County, South Carolina, other improvements and certain lands as described in the Exhibits, designated as Phase "K". Seven additional Buildings numbered 400, 500, 600, 700, 800, 1000 and 1100, land and improvements, may, in the Declarant's discretion, be constructed and be made a part of the Condominium as herein described, designated as Phase "L" through Phase "R", inclusive. For the purposes of identification, each Unit in the Condominium is identified by number and delineated and described in the Exhibits which are made a part of this Master Deed. No two Units have the same identifying number. The identifying

number of each Unit is also the identifying number of the Unit (comprising both the Unit and the undivided share of the Common Elements, vote, Common Surplus and obligation for Common Expenses and other assessments appurtenant thereto). The Exhibits contain a survey of the land, a graphic description of the improvements showing where the Buildings are located and the location of the Units within, and together with this Master Deed, set forth the location, dimensions and size of the Common Elements and of each Unit.

The aforesaid Buildings and Units therein and other improvements are constructed substantially in accordance with such plot plans, descriptions and surveys contained in the Exhibits.

Section 3.2 Ownership of a Unit. Ownership of a Unit includes title to a Unit and an undivided interest in the Common Elements and the Common Surplus (if any). Any attempt to divide a Unit by separating title to a Unit from the undivided interest in the Common Elements and the Common Surplus (if any) shall be void. A transfer of ownership of a Unit shall be a transfer of the Unit of which the Unit is a part. The Unit Owner has an unrestricted perpetual right of ingress and egress to his, her or its unit. Any conveyance, encumbrance, judicial sale, or other transfer (voluntary or involuntary) of an individual interest in the common elements will be void, unless the unit to which that interest is allocated is also transferred.

The undivided interests in the Common Elements and the Common Surplus (if any) which the Owners of the Units in Condominium are acquiring are set forth, as percentages, in the Exhibits. In the event that additional Common Elements and Units are made a part of the Condominium, such undivided interest will be adjusted as provided in the Exhibits.

In addition, each Owner, by acceptance of a deed to a Unit, acknowledges that, in addition to being subject to and bound by the Governing Documents, he or she is subject to the Master Declaration that each Owner in the Association is a member of and subject to assessment by the Master Association, and that the Association (and not individual Unit Owners), by and through the Association's representatives or Voting Members on the Master Association's board of directors, is entitled to vote on Master Association matters as provided in the Master Declaration, the By-Laws of Tupelo Bay Community Services Association, and the Articles of Incorporation of Tupelo Bay Community Services Association.

Section 3.3 The Common Elements. Neither the Association, any Co-Owner, the Declarant, nor any other party who owns an interest in the Common Elements shall have the right to bring any action for partition or division of the Common Elements.

Article 4
Survey, Site Plan, and Floor Plans

The plat of survey and site plan showing the location of the Buildings and other improvements and certified to by a registered land surveyor licensed to practice in the State of South Carolina is attached in Exhibit "B" and incorporated herein by reference. The floor plans of the Buildings showing graphically the dimensions, area, and location of each Unit to be sold in fee simple and the dimensions, area, and location of the General Common Elements and Limited Common Elements affording access to each Unit and certified to by an engineer or architect licensed to practice in the State of South Carolina are also attached in Exhibit "B". The area of each Unit to be sold in fee simple is also shown in the description of Units in Exhibit "B", attached hereto and incorporated by reference.

Article 5
Description of Units

A general description of the twelve Units which are to be sold in fee simple and the designation of said Units by numbers together with an expression of their location, area, and other data necessary for their identification is set forth in Exhibit "B" attached hereto and incorporated herein by reference. The Units are more particularly located, described, and designated on the set of Plans attached in Exhibit "B" and incorporated herein by reference, and include the foundation, main walls, roof, all exterior finishes and interior as hereinafter described.

In addition to the description of each Unit as may be seen by reference to Exhibits attached hereto, including, without limitation, Exhibit "B", the interior of each Unit is described as being bound by the unfinished surface by its lower most floor, upper most ceiling, and parametric walls. Specifically included in each Unit are the finished surfaces of the Unit, paint, plaster, wallpaper (if any), tiles, paneling (if any), finished surfaces of sheetrock or other drywall material, acoustic or ceiling tile, carpeting, wood flooring, tile, and interior non-load-bearing walls contained within the boundaries of each Unit as shown on the floor plans attached hereto, together with all interior doors, the main entrance door, windowpanes, window frames, sliding glass doorframes, sliding glass panels, window screen, frames, light fixtures, installed bathroom and kitchen appliances, piping in connection therewith and installed heating and air conditioning devices and attachments measured from the interior of the Unit up to, but not including the point at which the unfinished surface of the lower most floor, upper most ceiling, and parametric walls of the Unit is reached. Specifically excluded in each Unit are the load-bearing columns (if any) located within the area bound by the parametric walls of the Unit. The owner of each Unit shall be responsible for maintenance, repair, and upkeep of the Unit and its appurtenances subject to rules, regulations, covenants, and conditions set forth or incorporated herein by reference. Notwithstanding ownership of the Units, no Unit Co-Owner may do anything or take any action which does or might change the exterior appearance of the Property without the consent of the Association and/or the Board of Directors as more fully described in this Master Deed and the By-Laws for the Association, attached in Exhibit "E".

Article 6
Description of Common Elements

The description of the Common Elements of the Regime includes both the General Common Elements and the Limited Common Elements, as defined herein, and in the Act, as follows:

(a) The parcel of Land described in Exhibit "A-1" and shown in Exhibit "B" attached hereto; and

(b) those portions of the Property not otherwise herein defined as being embraced within the individual Units, including but not limited to foundations (Building Structure), roof, floors, ceilings, perimeter walls, load bearing interior walls, partitions, walls enclosing common pipes, and other common facilities, slabs, stairways, elevators, riser rooms, entrances and exits or communication ways, pipes, wires, conduits, public utility lines (including the space actually occupied by the above outside of the building), and all as are more particularly shown in the attached Exhibits; and

(c) all improvements to the premises constructed or to be constructed such as utilities, walkways, plants, trees, shrubs, lawns, gardens, fencing, etc., located on said parcels of land; and

(d) parking facilities; and

(e) all other elements of the Buildings not included within the Units constructed or to be constructed on the aforesaid parcel of land rationally of common use or necessary to their existence, upkeep, and safety and in general all other devices or installations existing for the common use, and

(f) all other Property of the Regime whether land, building, improvement, personal property, or otherwise included in the twelve Units as more particularly described in Article 5 and which will be sold to the individuals in fee simple; and

(g) all assets of the Tupelo Bay Golf Villas II Condominium Association (a nonprofit association organized for the purposes of carrying out the powers, common duties, and obligations of the Owners as defined in the Act); and

(h) easements through Units for conduits, ducts, plumbing, wiring, and other facilities for the furnishing of utility services to Units and the General Common Elements; and

(i) an easement of support in every portion of a Unit which contributes to the support of the Building; and

(j) easements through the Units and Buildings and General or Limited Common Elements; and

(k) installation for the furnishings of utility services to more than one Unit and/or Building or to the General Common Elements or to a Unit and/or Building other than the one containing the installation, which installation shall include conduits, ducts, plumbing, wiring, and other facilities for the rendering of such services.

Article 7
Percentage Interest in the Common Elements

The ownership of each Unit shall include an undivided share in and to the Common Elements as defined herein and as set forth in Exhibit "C" attached hereto and incorporated by reference herein. The Common Elements in the Regime shall be owned by the Owners of the Units as tenants in common, with each Unit having appurtenant thereto, the Percentage Interest in the Common Elements as set forth on Exhibit "C". The Percentage Interest appurtenant to each Unit has been determined by dividing the Assigned Value of the respective Unit as shown on Exhibit "C" by the aggregate Assigned Value of all Units as shown on Exhibit "C". The value assigned to any Unit in Exhibit "C" does not represent the sales price or market value of the Unit and will only be divided for purposes of computing the Percentage Interest appurtenant to the respective Unit.

The Association shall have the power to determine the use to be made of the Common Elements from time to time provided that such shall not discriminate against any Owner. The Association, through its Board, may establish reasonable charges to be paid to the Association for the use of Common Elements not otherwise inconsistent with the Act or other provisions of this Master Deed or any exhibits hereto. The General and Limited Common Elements are shown graphically in the attached Exhibits referred to in this Master Deed.

Article 8
Limited Common Elements

Portions of the Common Elements are hereby set aside and reserved for the restricted use of certain Units to the exclusion of other Units, and such portions shall be known and referred to herein as Limited Common Elements. The Limited Common Elements restricted to the use of certain Units are (i) those portions of any walls deemed to be Common Elements and which are within the

individual Units, (ii) individual storage units designated by the same identifying number as each Unit, (iii) any balcony, porch, or patio adjacent to and designed to serve a single Unit, (iv) air conditioning compressors on the outside of each Building limited to the use of the Unit it serves, (v) mail boxes for each Unit, and (vi) certain other areas so designated pursuant to Article 25.

Article 9
Assessments

Except as otherwise specifically provided in this Article 9 or elsewhere in the Governing Documents, each Unit is allocated liability for Common Expenses in accordance with its undivided Percentage Interest set forth on Exhibit "C". The making and collection of Assessments against Owners for Common Expenses shall be pursuant to the following provisions:

Section 9.1 Annual Budget. Each year, and no later than the beginning of a fiscal year, the Board shall prepare and adopt a budget for review by the Association.

Section 9.2 Budget Elements. A general budget for the Condominium should be prepared containing an estimate of the total amount it considers necessary to pay the cost of utility services, maintenance, management (if any), operation, repair and replacements of the Limited and General Common Elements and those parts of the Units as to which it may from time to time be the responsibility of the Board of Directors to maintain, repair, and replace, and the cost of wages, materials, insurance premiums, services, supplies, and any other expenses that may be declared to be Common Expenses by the Act, by the Master Deed, by the Articles, by these By-Laws, or a resolution of the Association, and which will be required during the ensuing fiscal year for the administration, operations, maintenance, and repair of the Condominium and the rendering to the Owners of all related services. The general budget may also include:

(a) The cost of the maintenance or repair of any Unit in the event such maintenance or repair is reasonably necessary in the discretion of the Board of Directors to protect the Common Elements or to preserve the appearance or value of the project or is otherwise in the interest of the general welfare of all Owners; provided, however, that no such maintenance or repair shall be undertaken without a resolution by the Board of Directors and not without reasonable written notice to the Owner of the Unit proposed to be maintained and provided further that the cost thereof shall be assessed against the Unit on which such maintenance or repair is performed and, when so assessed, a statement for the amount thereof shall be rendered promptly to the then owner of said Unit at which time the assessment shall become due and payable and a continuing lien and obligation of said owner in all respects as provided in these By-Laws.

(b) Any amount necessary to discharge any lien or encumbrance levied against the project, or any portion thereof, which may, in the opinion of the Board of Directors, constitute a lien against the Common Elements rather than the interest therein of the owner of any individual Unit.

(c) The Board of Directors may also include in the budget such reasonable amounts as the Board of Directors considers necessary to provide working funds for the Association, a general operation reserve, or reserve for contingency or such other reserves as may be established by the Board of Directors.

Section 9.3 Initial Budget and Capital Payment.

(a) Upon taking office, the first Board elected or designated pursuant to the By-Laws

shall determine the budget, as defined in this Article 9, for the period commencing thirty (30) days after such selection and ending on the last day of the fiscal year in which such selection occurs. Assessments shall be levied and become a lien against each Owner during such period as provided in Section 9.10.

(b) The Declarant, as the agent of the Board, will collect from each initial purchaser at the time of settlement an "initial capital payment" (sometimes referred to as a **"Working Capital Contribution"**) equivalent to twice the estimated monthly assessment for Common Expenses for such purchaser's Unit. The Declarant will deliver the funds so collected to the Board to provide the necessary working capital for the Association. Such funds may be used for certain prepaid items, initial equipment, supplies, organizational costs and other start-up costs, and for such other purposes as the Board may determine, but said amounts are not to be considered as advance payments of regular assessments. The Declarant may not use said funds for its own benefit or expenses or to decrease any amount due from it while it is in control of the Association.

(c) **Initial Capitalization Fee.** At the time of closing of the re-sale of each Unit (subsequent to the initial sale from the Declarant), a sum equal to at least two months' assessment for each Unit shall be collected and transferred to the Association for use as working capital and shall be secured by the Association's lien for Assessments under this Article 9 (the **"Initial Capitalization Fee"**). The purpose of said Initial Capitalization Fee is to ensure the Association will have adequate cash available to satisfy its expenses and/or acquire additional equipment or services deemed necessary or desirable. Amounts paid into this fund shall not be considered advance payment of regular or general assessments.

Section 9.4

(a) **Effect of Failure to Prepare or Adopt Budget.** The failure or delay of the Board to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of an Owner's obligation to pay his, her or its allocable share of the Common Expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Owner shall continue to pay each monthly installment at the monthly rate established for the previous fiscal year until notified of the monthly payment which is due more than ten (10) days after such new annual or adjusted budget is adopted.

(b) **Accounts.** All sums collected by the Board with respect to Assessments against the Owners, or from any other source, shall not be commingled but shall be separated into operating and reserve accounts held for each Owner in accordance with his, her or its Percentage Interest.

Section 9.5 Notice of Assessment. The Board shall send to each Owner a copy of the budget or budgets, in a reasonably itemized form which sets forth the amount of the Common Expenses payable by each Owner, at least ten (10) days prior to the beginning of the fiscal year to which the budget applies. The said budget shall constitute the basis for determining each Owner's contribution for the Common Expenses of the Association.

Section 9.6 Payment of Assessments.

(a) The total amount of the estimated funds required for the operation of the Property set forth in the general budget for the fiscal year adopted by the Board shall be assessed against each Owner in proportion to his, her or its respective Percentage Interest in the Common Elements as set forth on Exhibit "C" of this Master

Deed, and shall be a lien against each Owner's Unit as follows: All sums assessed by the Board of Directors or the management agent, if any, as specified in these By-Laws, but unpaid, for a share of Common Expenses chargeable to any Unit shall constitute a lien on such Unit prior to all other liens except only (i) tax liens on Units and, (ii) mortgage or other liens duly recorded covering the Unit. Such lien may be foreclosed by suit by the Board or its agent as specified in the By-Laws and acting on behalf of the Association, in like manner as a mortgage of real property. In any foreclosure, the Board or its agent, acting on behalf of the Association, shall have the power to bid on the Unit at foreclosure sale and to acquire, lease, or mortgage and convey the same.

Where the Mortgagee of any mortgage of record or other purchaser of a Unit obtains title at the foreclosure sale of such a mortgage, such acquirer of title, his successors and assigns shall not be liable for the share of Common Expenses of assessments by the Owners chargeable to such Unit accruing after the date of recording such mortgage but prior to the acquisition of title to such Unit by such acquisition. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectable from all of the Unit Owners, including such acquirer, its successors and assigns. Future assessments will be the responsibility of purchaser of the Unit at the foreclosure sale.

On or before the first day of each fiscal year, and the first day of each of the succeeding eleven months in such fiscal year, such Owner shall be obligated to pay to the Board or the management agent (as determined by the Board), one-twelfth of the Assessment for such fiscal year made pursuant to the foregoing provisions. The Board may also collect Assessments on a quarterly or annual basis as it determines from time to time. Any amount accumulated in excess of the amount required for actual expenses and reserves may, if the Board deems advisable, be credited according to each Owner's Percentage Interest in the Common Elements pursuant to Exhibit "C" of the Master Deed to the installments due in the succeeding months of that fiscal year.

(b) All Owners shall be obligated to pay the Common Expense assessed by the Board. No Owner may exempt himself or herself from liability of Assessments or carrying charges by waiving the use or enjoyment of any of the Common Elements or by abandoning any Unit he, she or it owns. The Assessments shall be made prorata according to the value of the Unit as stipulated in the Master Deed.

(c) The Board shall make reasonable efforts to fix the amount of the Assessment against each Unit for each Assessment period at least ten (10) days in advance of such date or period and shall, at that time, prepare a roster of the membership and Assessments applicable thereto which shall be kept by the Treasurer of the Association. The omission of the Board, before the expiration of any Assessment period, to fix Assessments for that or the next period shall not be deemed a waiver or modification in any respect of the provisions of this Article, or a release of any Owner from the obligation to pay the Assessment. The Assessment fixed for the preceding period shall continue until a new Assessment is fixed.

Section 9.7 Declarant's Unsold Units. Despite anything to the contrary in this Article 9 (or elsewhere in the Master Deed), until such time as Declarant has sold and closed all of the Units in a particular Phase of the Condominium, Declarant may annually elect either to pay the regular Assessment for each such Unit or to pay the difference between the amount of Assessments collected on all other Units not owned by the Declarant and the sum of (a) the amount of actual operating expenditures by the Association during the fiscal year, and (b) the amount of reserves

budgeted to be funded during the year, but not in a sum greater than its regular Assessment; provided, however, that the Declarant guarantees to be responsible for any deficit in funding the maintenance fees collected from Owners based on the budget adopted by the Association. Declarant additionally agrees that of the Assessments collected from each Owner, including the Declarant's unsold Units, that the proportionate amount which is attributable to the reserves per the budget will be subtracted from the Assessments which are collected from each Owner to be set aside in a reserve account. The remaining amount will be utilized for the operating and maintenance costs of the Condominium with any deficit to be made up by Declarant until the sale and closing of all the Units in said phase.

Section 9.8 Special Assessments for Capital Improvements. This section shall apply solely to capital improvements to be made on the Condominium and shall not be applied towards reserve line items. In addition to the regular Assessments authorized by this Article, the Association may levy in any Assessment year a special Assessment or Assessments for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement located upon the project, including the necessary fixtures and personal property related thereto, provided that any such Assessment shall have the assent of the Owners representing fifty-one percent of the total value of the Regime. A meeting of the Owners shall be duly called for this purpose; notice of which shall be sent at least seven days but not more than thirty days in advance of such meeting, which notice shall set forth the purpose of the meeting.

Section 9.9 Reserves. Beginning in the second full calendar year following recording of the Master Deed, the Board shall build up, maintain and periodically review reasonable reserves for working capital, operations, and replacements. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against reserves. If the reserves are inadequate for any reason, including non-payment of any Owner's Assessment, the Board may at any time levy a further Assessment, which shall be assessed against the Owners according to their respective Percentage Interest in the Common Elements, and which may be payable in a lump sum or in installments as the Board determines. The Board shall serve notice of any such further Assessment on all Owners by a statement in writing giving the amount and reason therefor, and such further Assessment shall, unless otherwise specified in the notice, become effective with the next monthly amount. The payment and collection of the Assessment made pursuant to the foregoing provisions shall be in accordance with the terms providing for payment and collection of Assessments in these By-Laws and the Act, including, without limitation, the right reserved to the Board to accelerate payment of Assessments and the right to recover attorney's fees and costs.

Section 9.10 Collection of Assessments and Default.

(a) The Board may take prompt action to collect any Assessments for Common Expenses due from any Owner which remain unpaid for more than ten days from the date due to payment thereof.

(b) Any regular or special Assessment, or fine, levied pursuant to this Master Deed or the By-Laws, or any installment thereof, which is not paid on the first day of each month, shall be in default. The Assessment shall, together with interest thereon and the cost of collection thereof, as hereinafter provided, thereupon become a continuing lien upon the Unit belonging to the Owner against whom such Assessment is levied.

The Assessment shall bind such Unit in the hands of the then Owner, his/her/its heirs, successors, devisees, personal representatives and assigns. The sale or transfer of the Unit would have no effect on the lien, unless foreclosure of the first mortgage is involved. The personal obligations of the Owner to pay such Assessment shall, however, remain his/her or its personal obligation for the statutory period and a suit to recover a money judgment for non-payment of any Assessment levied pursuant to this Master Deed or the By-Laws, or any installment thereof, may be maintained without foreclosing or waiving the lien herein pursuant to the Master Deed or these By-Laws, and any installment thereof, which is not paid within ten days after it is due, may, upon resolution of the Board, bear interest at the prevailing rate not to exceed the lawful rate of interest according to South Carolina law. The member obligated to pay this delinquent Assessment may, by resolution of the Board, be subject to such "late charge" as the Board may fix prior to the fiscal period in which nonpayment occurs and the Board may suspend the voting right of the Owner during any period of delinquency. Additionally, the Board may authorize the suspension of cable television, use of recreational facilities, or other utilities or services provided in common to Owners. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose and/or enforce the lien against the Unit then belonging to said Owner in the manner now or hereinafter provided for the foreclosure of mortgages or other liens on real property in South Carolina, and subject to the same requirements, both substantive and procedural, or as may otherwise from time to time be provided by law, in either of which events interest, costs and reasonable attorney's fees shall be added to the amount of each Assessment. Upon the sale or conveyance of a Unit, all unpaid Assessments against an Owner for his, her or its prorata share in the Common Expenses shall be paid out of the sales price or by the acquiescence in preference over any other Assessments or charges of whatever nature except the following:

(l) Assessments, liens, and charges for taxes past due and unpaid on the Unit.

(2) Payments due under mortgage instrument or encumbrances duly recorded.

In the event any proceeding to foreclose the lien for any Assessment due the Association pursuant to this Article is commenced with respect to any Unit, upon resolution of the Board, the Owner may be required to pay a reasonable rental for such Unit and the Association shall be entitled to the appointment of a receiver to collect the same.

(c) Upon default in the payment of two or more monthly installments in succession of any Assessment levied for the Assessment year pursuant to the Master Deed and/or the By-Laws, or any other installment thereof, the entire balance of said yearly or other Assessment may be accelerated at the option of the Board and be declared due and payable in full.

Section 9.11 Additional Default. Any recorded first mortgage secured by a Unit in the Condominium shall provide that any default by the mortgagor in the payment of any Assessment levied pursuant to the Master Deed or the By-Laws, or any installment thereof shall likewise be a default in such mortgage (or the indebtedness secured thereby). Failure to include such a provision in any such mortgage shall not affect the validity or priority thereof and the protection extended to the holder of such mortgage (or the indebtedness secured thereby) by reason of such failure shall not be altered, modified or diminished by reason of such failure.

Section 9.12 Default Assessments. All monetary fines, penalties, interest or other charges

or fees levied against an Owner pursuant to the Governing Documents, or any expense of the Association which is the obligation of an Owner or which incurred by the Association on behalf of the Owner pursuant to the Governing Documents, and any expense (including without limitation attorneys' fees) incurred by the Association as a result of the failure of an Owner to abide by the Governing Documents, constitutes a Default Assessment, enforceable as provided in this Master Deed and in accordance with the Act, including foreclosure.

Section 9.13 Failure to Assess. The omission or failure of the Board to fix the assessment amounts or rates or to deliver or mail to each Owner an Assessment notice will not be deemed a waiver, modification, or release of any Owner from the obligation to pay Assessments. In such event, each Owner will continue to pay Annual Assessments on the same basis as for the last year for which an Assessment was made until a new Assessment is made, at which time any shortfalls in collections may be assessed retroactively by the Association in accordance with any budget procedures as may be required by the Act, this Master Deed, or the By-Laws.

Section 9.14 Protection of Association's Lien. With approval of the Board, the Association may protect its lien for Assessments against any Unit by submitting a bid at any sale held for delinquent taxes payable with respect to the Unit.

Section 9.15 Inadequate Funds After Storms or Hurricanes. Each Owner, in accepting a deed to a Unit from the Declarant or any other person, hereby acknowledges that the Regime budget and annual Assessment thereunder initially established by the Declarant, and as may be modified or amended by the Board, may be inadequate to fund, as may be needed, the costs and expenses of preparing the Property for an impending hurricane or storm, including, but not limited to, securing the Common Areas or any personal property located within the Common Areas. In the event the costs and expenses preparing, repairing, or restoring the Common Areas from a hurricane or storm exceeds the amount budgeted for a particular year, the Association may levy a Special Assessment under, Section 9.8 above to raise the required funds to pay such excess costs and expenses.

EACH OWNER FURTHER ACKNOWLEDGES THAT THE ASSOCIATION SHALL HAVE NO RESPONSIBILITY TO PREPARE ANY UNIT FOR AN IMPENDING HURRICANE OR STORM, INCLUDING, BUT NOT LIMITED TO, INSTALLING AND REMOVING STORM SHUTTERS. THE RESPONSIBILITY FOR AND COSTS AND EXPENSES OF WHICH ARE SOLELY THOSE OF THE UNIT'S OWNER.

Article 10
Compliance and Default

Section 10.1 In the event of a violation (other than non-payment of an Assessment or fine) by an Owner of the provisions of the Act, this Master Deed, or the By-Laws, as amended from time to time, the Association may notify the Owner and its Mortgagee, if any, in writing of said default and if such violation shall continue for a period of thirty days from the date of notice, the Association shall have the election to file (a) an action at law to recover damages on behalf of the Association and/or the remaining Owners; (b) an action to enforce performance on the part of the defaulting Owner; or (c) an action for such relief as may be necessary. If the Court decides in favor of the Association, the defaulting Owner shall reimburse the Association reasonable attorney's fees, court costs, and expenses incurred in bringing the action. Failure of the Association to file any such action within thirty days from the date a written request therefor from any Owner shall authorize any Owner to bring action in the manner aforesaid on behalf of the Association. Any

violation which the Board may find to be a hazard to the health or peace of the Owners may be corrected immediately as an emergency by the Association and the cost thereof, including a reasonable fine, shall be charged to a Co-Owner as an Assessment which shall be a lien against said Unit to the same extent, force and effect as if the charge were a part of the Common Expenses.

Section 10.2 Each and every Owner shall be responsible for the expenses of any maintenance, repair, or replacement rendered necessary by his act, negligence or carelessness, or that of any member of his family or their guests, employees, licensees, or invitees, but only to the extent that such expenses are not met by proceeds of insurance carried by the Association. Such liability shall include without limitation any increase in insurance rates occasioned by use, misuse, occupancy, or abandonment of any Apartment by an Owner.

Section 10.3 The termination of ownership of a Unit in the Condominium shall not relieve or release the former Owner from any liability or obligation incurred under or in any way connected with the Unit during the period of ownership or impair any rights or remedies of the Association against such former Owner arising out of or in any way connected with such ownership and/or the obligations incidental thereto.

Article 11
Insurance and Casualty Losses

Section 11.1. Insurance. The Board or its duly authorized agent shall have the authority to and shall obtain insurance for all Limited and General Common Elements and all Units against loss or damage by fire or other hazards, including extended coverage, all risk, vandalism and malicious mischief, in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any hazard; provided, however, the Association has the right to require each Owner to have the responsibility for said insurance. The Association shall also obtain a public liability policy covering all the Limited and General Common Elements and all damage or injury caused by the negligence of the Association or any of its agents, which public liability policy shall have at least $1,000,000 single-limits coverage as respects bodily injury and property damage, $2,000,000 limit per occurrence, and $50,000 minimum property damage limit. In addition, except as herein set forth, premiums for all such insurance shall be Common Expenses of the Association. The policies whether obtained by the Association or the Owner as the case may be, may contain a reasonable deductible and the amount thereof shall be added to the face amount of the policy in determining whether the insurance equals at least the full replacement cost. The Board may obtain such other insurance as the Board shall from time to time determine to be desirable for the Condominium.

Each Owner shall also have the responsibility for insuring against loss or damage by fire or other casualty for all personal property and liability within his or her Unit. All such insurance shall be for the full replacement cost, but allow for a reasonable deductible. All such policies shall provide for certificates of insurance to be furnished to the Association and shall further provide that the policy may not be cancelled or terminated except upon at least thirty days written notice to the Association and to the respective Mortgagees, if any.

All such insurance coverage obtained by the Board shall be written in the name of the Association as Trustee for each of the Owners through the Board. Such insurance shall be governed by the provisions hereinafter set forth:

(a) All policies shall be written

with a company licensed to do business in South Carolina unless otherwise approved by the Association's Board or holding a rating of AA or better in the financial category as established by Best's Insurance Reports if such company is available and, if not available, the best rating possible or its equivalent rating.

(b) All policies shall be for the benefit of the Owners and their Mortgagees as their interests may appear and shall name said Mortgagee as loss payee.

(c) Provision shall be made for the issuance of a certificate of insurance to each Owner and his, her or its Mortgagee, if any, which shall specify the amount of such insurance attributable to the particular Owner's interest in the Limited and General Common Elements.

(d) Exclusive authority to adjust losses under policies hereafter in force on the property obtained by the Association shall be vested in the Association's Board.

(e) In no event shall the insurance coverage obtained and maintained by the Board hereunder be brought into contribution with insurance purchased by individual Owners or their mortgagees.

(f) The Board shall conduct at least once every three years an insurance review which shall include a replacement cost appraisal, without respect to depreciation, of all insurable improvements on the Limited and General Common Elements.

(g) The Board shall be required to make every reasonable effort to secure insurance policies that will provide for the following:

(1) A waiver of subrogation by the insurer as to any claims against the Board, its manager, the Owners, and their respective servants, agents, and guests;

(2) A waiver by the insurer of its right to repair, and reconstruct instead of paying cash;

(3) That no policy may be canceled, invalidated or suspended on account of any one or more Owners;

(4) That no policy may be canceled, invalidated or suspended on account of the conduct of any Director, officer or employee of the Association, or its duly authorized management without prior demand in writing delivered to the Association to cure the defect and a copy of such demand on the Association be delivered to the Mortgagee and the allowance of a reasonable time thereafter within which the defect may be cured by the Association, its manager, any Owner or Mortgagee;

(5) That any "other insurance" clause in any policy exclude individual Owners' policies from consideration.

Section 11.2 Insurance Trustee.

(a) The Board may have the right to designate any bank, trust company, management agent, savings bank, building loan association, insurance company, any institutional lender, or itself, as the Insurance Trustee, and all parties beneficially interested in such insurance coverage shall be bound thereby. The Insurance Trustee at the time of the deposit of such policies and endorsements shall acknowledge that the policies and any proceeds thereof will be held in accordance with the terms of these By-Laws.

(b) The duty of the Trustee shall be to

receive such proceeds as are paid and to hold the same in trust for the purposes elsewhere stated herein for the benefit of the Owners and their mortgagees, in the following shares, but which shares need not be set forth on the records of the Trustee:

(1) Proceeds on account of damage to Common Elements shall consist of an undivided share for each Owner, such share being the same as the undivided share of such Owner in the Common Elements appurtenant to his or her Unit.

(2) Proceeds on account of damage to building and Units whether said damage is repaired or not shall be held for the Owners thereof in proportion to the cost of repairing the damage suffered by each Owner, which costs shall be determined by the Association, whether or not said insurance has been purchased by the Association or the Owners.

(3) In the event a Mortgagee endorsement has been issued as to a Unit, the share of the Owner shall be held in trust for the Mortgagee and the Owner as to their interests may appear; provided, however, that no Mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired.

(c) Proceeds of insurance policies including policies purchased by the Association or Owners received by the Trustee shall be distributed to or for the benefit of the beneficial Owners in the following manner:

(1) All expenses of the Trustee shall be paid or provisions made for payment.

(2) If the damaged property for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds after repairs shall be paid to defray the costs thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by it.

(3) If it is determined in a manner elsewhere provided, that the damage for which the proceeds are paid shall not be reconstructed or repaired, the proceeds remaining after repairs shall be distributed to the beneficial owners, remittances to Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by it.

(d) **Reconstruction or Repair after Casualty.**

(1) In the event of fire or other disaster or casualty resulting in damage to the buildings and other improvements of the Regime which the Board shall determine to be two-thirds (2/3) or less of the then total value of the Property of the Regime (excluding land), the net proceeds of all insurance collected shall be made available for the purpose of restoration or replacement. When such insurance proceeds are insufficient to cover the cost of such reconstruction or replacement, the balance of such costs shall be assessed against the Owners in the case of damage to Common Elements and against the Owners who own the damaged Units in the case of damage to Units. Such assessments on account of damage to Common Elements shall be in proportion to the Owner's share in the Common Elements, and assessments against Owners for damage to Units shall be in proportion to the costs of reconstruction and repair of their respective Units.

(2) In the event the Buildings and other improvements of the Regime are damaged or

destroyed, if more than two-thirds (2/3) of the then total value of the Property of the Regime (excluding land) as determined by the Board, the members of the Association shall be polled in writing via United States mail by the Association as to whether the Regime shall be waived or the damaged property reconstructed and repaired. The Regime shall be waived unless within sixty days after the mailing of such notices all of the Co-Owners, as well as all of the record owners of encumbrances, agree in writing to repair and reconstruct the Building and other improvements of the Regime. If the election is to reconstruct or replace, payment of the costs thereof shall be made as provided for in Section 11.2. If the decision is to waive the Regime and not to reconstruct and replace, all sums recovered from insurance shall be paid over to the Owners in the proportion in which they own the Common Elements and to their respective mortgagees as their interest may appear.

(3) The Trustee (if any) may rely upon a certificate of the Association to determine whether or not the damaged property is to be reconstructed or repaired or whether the Regime is to be waived.

(4) If the damage is only to those parts of a Unit for which the responsibility of maintenance and repair is that of the individual Owner, then the Owner shall be responsible for reconstruction and repair after casualty. In all other instances, the responsibility of reconstruction and repair after casualty shall be that of the Association.

(5) Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair so as to place the damaged property in condition as good as that before the casualty.

(6) Any reconstruction or repair must be substantially in accordance with the plans and specifications of the original improvements which are shown on the exhibits attached to the Master Deed; or if not, then according to plans and specifications approved by the Board, and if the damaged property is the Building, also by the Owners who own at least seventy-five percent of the Common Elements, including the Owners of all damaged Units. The approvals herein required shall not be unreasonably withheld.

Article 12
Maintenance

Section 12.1 Owner Responsibilities. Every Owner must perform promptly all maintenance and repair work within his Unit which, if omitted, would adversely affect the Regime in its entirety or in a part belonging to other Owners, and is expressly responsible for the damage and liability which his failure to do so may engender. The Owner of each Unit shall be liable and responsible for the maintenance, repair, and replacement, as the case may be, of all air conditioning and heating equipment located within the Unit or which services the Unit, hot water heaters, stoves, refrigerators, garbage disposals, dishwashers, fans, other appliances or equipment, including any fixtures and/or their connections or receptacles required to provide water, light, power, telephone, television, and sewerage and sanitary service to his Unit and which may now or hereafter be situated in his Unit including toilets, lavatories, sinks, tubs, and showers. Such Owner shall further be responsible and liable for maintenance, repair, and replacement of any and all window glass, glass doors, wall, ceiling and floor surfaces or coverings, painting, decorating and furnishings, and all other accessories which such Owner may desire to place or maintain in his Unit. Whenever the maintenance, repair, and replacement of any items for which the Owner of a Unit is obligated to maintain, repair, or replace at his own expense is

occasioned by any loss or damage which may be covered by any insurance maintained in force by the Association, the proceeds of the insurance received by the Association, or the Insurance Trustee hereinafter designated, shall be used for the purpose of making such maintenance, repair, and replacement. Any costs of maintenance, repair, or replacement, by reason of the applicability of any deductibility provision of such insurance which is not paid by the insurance of the Association, shall be paid by such Owner. Reference is made to S.C. Code Ann. §27-31-250 (1976), as amended, which is controlling of insurance proceeds use when said code section is applicable by its terms.

If a Unit or any portion thereof is damaged by another Owner's Unit, whether due to the other Owner's failure to maintain their Unit or not, the Association shall be responsible for repairing the damage and fixing the cause of the problem. If the damage was caused by the other Owner's failure to properly maintain their Unit in accordance with the provisions of this Master Deed or By-Laws, the Association shall have the authority to assess a Special Assessment against the negligent Owner, which shall be a lien on said Owner's Unit until paid in full along with all accrued interest, costs, and attorney's fees related to collection in accordance with Article 9 of this Master Deed. If the Unit damage was caused by a problem with the Common Elements, the Association shall be responsible for the cost of the repairs.

Owners are hereby notified of the following Unit temperature control recommendations in order to insure proper humidity levels to protect woodwork, furniture and electronic equipment in the Units: the Unit's thermostat should never be set higher than 79-degrees nor lower than 70-degrees in the cooling mode; in the heating mode, the thermostat should never be set lower than 55-degrees nor higher than 75-degrees. **UNDER NO CIRCUMSTANCES SHOULD THE AIR CONDITIONING OR HEATING SYSTEM FOR THE INDIVIDUAL UNIT BE TURNED OFF.** Owners are responsible for any damage to their Units or to the contents of their Units if these temperatures control recommendations are not adhered to.

Section 12.2 Association Responsibilities. The Association, at its expense, shall be responsible for the maintenance, repair, and placement of all of the General and Limited Common Elements, including those portions which contribute to the support of the building, and all conduits, ducts, plumbing, wiring, and other facilities located in the General or Limited Common Elements for the furnishing of utility services to the Units and said General and Limited Common Elements. Should any incidental damage be caused to any Unit by virtue of any work which may be done or caused to be done by the Association in the maintenance, repair, or replacement of any General or Limited Common Elements, the Association shall, at its expense, repair such incidental damage. Excepted herefrom, however, are the maintenance of the floor and interior walls of the balcony or balconies, if applicable, attached to the Unit, which shall be maintained by the Owner at his expense.

The Association is responsible for insuring that the Regime's management company conduct, or have conducted at the Association's expense, a visual inspection of the exterior Common Elements of each building a minimum of twice a year or as necessary for the purpose of determining needed repairs and maintenance and to ensure that the Buildings do not deteriorate and compromise the water tightness of the exterior skins. Said visual inspection shall include, but not be limited to, the following: (1) exterior siding, stucco or brickwork; (2) sealant around doors, windows, and all dissimilar materials; (3) water proof membrane on the balcony concrete slabs, if applicable, and breezeways; (4) roofing materials and related

flashing; (5) roof penetrations at mechanical units, supports, etc.; (6) stairways, protective covering on steps, handrail sleeves and anchorage; (7) expansion joint assemblies; (8) ventilation equipment and louvers; and (9) elevator equipment and related items. Further, the Association is responsible for ensuring that the Regime's management company performs properly any maintenance around the Buildings and to the Common Elements.

Section 12.3 Manner of Repair and Replacement. All repairs and replacements shall be substantially similar to the original construction and installation and shall be of first-class quality, but may be done with comparative building materials and equipment. The method of approving payment vouchers for all repairs and replacements shall be determined by the Board.

Article 13
Architectural Control

Section 13.1 Architectural Control Committee. Except for the original construction and except for purposes of proper maintenance and repair, or as otherwise stated in this Master Deed or the By-Laws, it shall be prohibited to install, erect, attach, apply, paste, hinge, screw, nail, build, alter, plant, remove or construct any lighting, shades, screens, awnings, patio covers, decorations, walls, aerials, antennas, radio or television broadcasting or receiving devices, or make any change or otherwise alter (including any alteration in color) in any manner whatsoever the exterior of his/her or its Unit or upon any of the General Common Elements or Limited Common Elements within the Regime or to combine or otherwise join two or more Unit, or to partition the same after combination, or to remove or alter any windows or exterior doors of any Unit, or to make any change or alteration within any Unit which will alter the structural integrity of the Building or otherwise affect the property, interest or welfare of any other Owner, materially increase the cost of operating or insuring the Condominium or impair any easement, until the complete plans and specifications, showing the location, nature, shape, height, form of change (including without limitation, any other information specified by the Board or its designated committee) shall have been submitted to and approved in writing as to safety, the effect of any alterations on the cost of maintaining and insuring the Condominium and harmony of design, color and location in relation to surrounding structures and topography, by the Board, or by an architectural control committee designated by it.

Section 13.2 Architectural Control Committee - Operation. The Architectural Control Committee shall be composed of three or more natural persons designated from time to time by the Board and such persons shall serve at the pleasure of the Board. In the event the Board fails to appoint an Architectural Control Committee, then the Board shall constitute the Committee. The affirmative vote of a majority of the members of the Architectural Control Committee shall be required in order to adopt or promulgate any rule or regulation, or to make any finding, determination, ruling or order, or to issue any permit, consent, authorization, approval or the like pursuant to the authority contained in this Article. In no event shall the powers and duties herein provided in any way alter or affect the ultimate control or powers of the Board as provided in this Master Deed or in the By-Laws.

Section 13.3 Approvals, Etc. Upon approval by the Architectural Control Committee of any plans and specifications submitted pursuant to the provisions of this Article, a copy of such plans and specifications, as approved, shall be deposited among the permanent records of such Committee and a copy of such plans and specifications bearing such approval, in writing, shall be returned to the applicant submitting the

same. In the event the Architectural Control Committee fails to approve or disapprove any plans and specifications which may be submitted to it pursuant to the provisions of this Article within ninety days (other than those requiring Association approval) after such plans and specifications (and all materials and information required by the Architectural Control Committee) have been submitted to it in writing, then approval will not be required and this Article will be deemed to have been fully complied with.

Section 13.4 Limitation on Liability. The Board shall use its judgment in accepting or disapproving all plans and specifications submitted to it. Neither the Board nor any individual Board member shall be liable to any person for any official act of the Board in connection with submitted plans and specifications, except to the extent the Board or any individual Board member acted with malice or wrongful intent. Approval by the Board does not necessarily assure approval by the appropriate governmental board or commission for Horry County. Despite approval of plans and specifications by the Board, neither the Board nor any of its members shall be responsible or liable to any Owner or contractor with respect to any loss, liability, claim or expense which may arise by reason of such approval of the construction of the improvements. Neither the Board nor any agent thereof, nor Declarant, nor any of its members, shareholders, officers, partners, employees, agents or consultants shall be responsible in any way for any defects in any plans or specifications submitted, revised or approved in accordance with the provisions of the Governing Documents, nor for any structural or other defects in any work done according to such plans and specifications. In all events, the Board shall be defended and indemnified by the Association in any such suit or proceeding which may arise by reason of the Board's decision. The Association, however, shall not be obligated to indemnify each member of the Board to the extent any such member of the Board is adjudged to be liable for gross negligence or willful misconduct in the performance of his duty as a member of the Board, unless and then only to the extent that the court in which such action or suit may be brought determines upon application that despite the adjudication of liability, but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expense as such court shall deem proper.

Section 13.5 Enforcement and Inspection. Any member or authorized consultant of the Board, or any authorized officer, Director, employee or agent of the Association may enter upon any Unit at any reasonable time after notice to the Owner, without being deemed guilty of trespass, in order to inspect improvements constructed or under construction in the Unit to determine whether the improvements have been or are being built in compliance with the Governing Documents and the plans and specifications approved by the Board.

Section 13.6 Deemed Nuisances. Every violation of the covenants in this Article is hereby declared to be, and shall constitute, a nuisance, and every public or private remedy allowed by such violation by law or equity against a Member shall be applicable. Without limiting the generality of the foregoing, the covenants of this Article may be enforced as provided below:

(a) The Board may adopt a schedule of fines for failure to abide by the Board's rules and regulations, including fines for failure to obtain any required approval from the Board, which fine(s) shall become a lien against the applicable Unit and be enforceable as a Default Assessment.

(b) Subject to the requirements of this Master Deed and the By-Laws, the Association, upon request of the Board and after reasonable notice to the offender and, if different, to the Owner, may enter upon any Unit at any reasonable

time after notice to the Owner, without being deemed guilty of trespass, and remove any improvement constructed, reconstructed, refinished, altered or maintained in violation of these covenants. The Owner of the improvement shall immediately reimburse the Association within 30-days after the Association gives the Owner notice of the expenses. the sum owed to the Association shall bear interest at the Default Rate from the date of the advance by the Association through the date of reimbursement in full, and all such sums and interest shall be a Default Assessment enforceable as provided in this Master Deed.

Section 13.7 Continuity of Construction. All improvements commenced on the Property shall be prosecuted diligently to completion and shall be completed within six months after commencement, unless an exception is granted in writing by the Board. If an improvement is commenced and construction is then abandoned for more than 30 days, or if construction is not completed within the required six-month period, then after notice and opportunity for hearing as provided herein or the Bylaws, the Association may impose a fine in an amount established from time to time by the Board to be charged against the Owner of the Unit until construction is resumed. or the improvement is completed, as applicable, unless the Owner can prove to the satisfaction of the Board that such abandonment is for circumstances (other than the Owner's failure or refusal to pay money) beyond the Owner's control. Such charges shall be a Default Assessment and lien as provided herein.

Article 14
Parking Spaces

Except as provided in Article 21, parking spaces shall not be reserved solely for the use of the Occupants of particular Units nor shall they be numbered unless otherwise agreed upon by all Co-Owners and the Mortgagees of their Units (in which case such reserved parking spaces shall be Limited Common Elements); provided, however, the Occupants of each Unit shall be entitled to the use of at least one parking space and such additional parking spaces as may be determined by the Board of Directors. The Master Deed is subordinate to applicable Federal and State Fair Housing Laws.

Article 15
Administration of the Regime

Section 15.1 The Regime shall be administered by its Council of Co-Owners organized and being the Association, having its principal office in Horry County, South Carolina, which shall act by and on behalf of the Co-Owners of the Units in the Regime in accordance with this instrument, the By-Laws of the Association annexed hereto as Exhibit "D" and in accordance with the Act, as amended. The Master Deed is subordinate to applicable Federal and State Fair Housing Laws. The By-Laws and the Articles attached as Exhibit "D" and Exhibit "E" form an integral part of the plan of ownership herein described and shall govern the conduct and affairs of the Co-Owners of the Regime (who are the members of the Association) and shall be construed in conjunction with the provisions of the Master Deed. The management and representation of the Association shall be delegated to the Board as is more fully described in Exhibit "D" and Exhibit "E" of this Master Deed.

Section 15.2 Pursuant to the Act, the Association is hereby designated as the form of administration of the Regime and the Association is hereby vested with the rights, powers, privileges and duties necessary or incidental to the proper administration of the Regime, the same being more particularly set forth in the By-Laws and Articles of Incorporation of the Association, attached in Exhibits "F" and Exhibit "G". The Association

shall also be empowered and is hereby empowered to exercise any of the rights, powers, privileges or duties which may, from time to time, be established by law or which may be delegated to it by the Co-Owners of Units in the Regime.

Section 15.3 The Co-Owner of a Unit shall automatically, upon becoming the Co-Owner of a Unit, be a member of the Association and shall remain a member of said Association until such time as his, her or its ownership ceases for any reason, at which time, his, her or its membership in said Association shall automatically cease. Other than as an incident to a lawful transfer of the title to a Unit, neither membership in the Association nor any share in the assets of the Association shall be transferable, and any attempted transfer shall be null and void.

Section 15.4 The Board will be entitled to make, enact and amend reasonable rules and regulations from time to time, which will be binding on the Association and all Owners and lessees of Owners, their families, invitees and guests, regarding the use and enjoyment of the Units and Common Areas. Copies of such rules, regulations and amendments shall be furnished by the Association to all Owners of Units, lessees of Owners, and residents of the Condominium upon request.

Section 15.5 Despite the duty of the Association to maintain and repair parts of the Condominium, the Association shall not be liable to Co-Owners for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the Property to be maintained and repaired by the Association, or caused by the elements or other Co-Owners or persons.

Article 16
Development Plan

Section 16.1 Building 900. The Regime as initially constituted (sometimes referred to herein as "Phase K") is depicted on Exhibit "B" and contains twelve Units in a three-story Building, designated as Building #900, and the Common Area, as more fully described on Exhibit "B" attached hereto. The Units in Building #900 of the Regime as initially constituted are numbered as follows: First floor: 901, 902, 903, 904, Second Floor: 905, 906, 907, 908; Third Floor: 909, 910, 911, and 912.

The ownership of each Unit shall include an undivided share in and to the Common Elements as defined herein and as set forth in Exhibit "C" attached hereto and incorporated herein by reference. Voting rights and values shall also be determined by reference to the percentage set forth for each Unit as shown in Exhibit "C".

Section 16.2 Reservation of Right to Expand. Anything to the contrary contained in this Master Deed notwithstanding, at any time on or before December 31, 2028, the Declarant will be entitled, but not obligated, to expand the Regime during the Period of Developer Control up to a total of seven additional Buildings, with a total of up to 140 Units through a maximum of seven additional phases (**"Phases"**), designated as Buildings 400, 500, 600, 700, 800, 1000, and 1100, designated as Phase "L" through Phase "R", inclusive, as provided in this Article by: (i) constructing additional Buildings on all or any portion of the Common Elements, and by (ii) adding nearby land to the Regime described in the attached **Exhibit "A-2"** (**"Regime Expansion Area"**) for the development of additional Buildings, Units, and Common Elements. Each additional Phase of the Project may contain up to twenty Units in each Building. In accordance with §27-31-100(g)(2), S.C. Code Ann. (1976), as amended, Declarant shall elect to either proceed or not proceed with submission of each additional Building of the Project no later than December 31, 2028.

Section 16.3 Method of Expansion. The Declarant shall be entitled to expand the Regime by submitting additional Buildings comprising Phase "L" through Phase "R" land (or a portion thereof) and all improvements constructed thereon, to the Regime by filing one or more supplements or amendments to this Master Deed (**"Expansion Amendments"**), as long as all said improvements are (i) substantially complete prior to submission to the Regime, and (ii) consistent with the initial improvements in structure type and quality of construction.

An Expansion Amendment will be effective upon recording such amendment with the ROD, which shall set forth amendments to the Exhibits where necessary, including an amended **Exhibit "A-1"** legal description of the Land, an amended Survey, Site Plan and Floor Plans consisting of amendments and/or supplements to **Exhibit "B"** showing the exact legal location of the additional Buildings, Units, and Common Areas, and an amended **Exhibit "C"** Schedule of Assigned Values and Percentage Interests to reflect any required changes in the Percentage Interests pursuant thereto and this Article 16. Such **Exhibit "C"**, and any amendments thereto, shall show how existing Percentage Interests shall be affected as additional Buildings are submitted to the Regime.

All additional Buildings, Units and Phases of additional Buildings, shall be submitted prior to the expiration of the Period of Developer Control. Multiple Phases, and thereby multiple Buildings, may be submitted to the Regime within one or more Expansion Amendments to this Master Deed at any one time. The Building improvements, as shall be so constructed by the Developer, shall be consistent with the quality and structure type of construction existing within the Regime at the time this Master Deed is filed of record in the ROD, although the dimensions of additional Buildings, and Units constructed within the Buildings, may be laid out in different configurations than those shown on the Site Plan or Floor Plans for Building #900. Expansion Amendments will be executed solely by the Developer for itself and as attorney in fact for all Owners. Each Expansion Amendment will be effective upon the recording of such an Expansion Amendment in the ROD.

Section 16.4 Assignability of Rights. The Declarant will be entitled to assign the rights reserved in this Article to any person or entity by an instrument recorded in the ROD.

Section 16.5 Application of Master Deed. Upon the filing of the supplement or amendment prescribed by Section 3 hereof, all definitions contained in this Master Deed will be deemed amended to the extent necessary to cause the additional real property and the improvements described in such supplement or amendment to be treated as fully an integral part of the Regime as if said real property and improvements constituted a portion of the Regime as of the effective date hereof.

Section 16.6 Annual Assessments for Additional Units and Working Capital Reserve. The annual Assessment with respect to the Units added to the Regime pursuant to this Article 16 will be equal to the then current annual Assessment applicable to existing Units with equivalent percentage interests as set out in Exhibit "C" (showing the addition of each Phase "L" through "R", inclusive), prorated on a per diem basis; provided, however, that as to any type of Unit being added to the Regime for which there is currently no annual Assessment, the annual Assessment will be proportionately increased or decreased based upon the percentage interest of such Units. Assessments regarding all of the additional Units will commence upon the recording of the amendment prescribed by Section 16.3 hereof.

All obligations with respect to working capital assessments provided for in the Master Deed will be applicable upon the transfer of the additional Units by the Declarant as well as the sale or resale of a Unit thereafter.

Section 16.7 No Consent Required. Subject to the time limits set forth in Section 2 hereinabove, the Declarant, its successors and assigns, will, have the absolute right to expand the Regime in accordance with this Article and to file the supplements or amendments prescribed in Section 3 hereof without any action or consent on the part of any Owner or Mortgage holder; *provided, however,* that to the extent any action on the part of any Owner is required by any third party to secure the expansion of the Regime as provided in this Article, each Co-Owner, in accepting a deed to an Unit, agrees to undertake such actions and/or to provide such consents as are reasonably requested, and expressly appoints the Declarant as his, her or its due and lawful attorney-in-fact, with full power of substitution, to execute all documents reasonably required to evidence the requisite action or consent.

Article 17
Partitioning

To further implement this plan of Condominium ownership, to make feasible the ownership and sale of Units in the Regime, to preserve the character of the Condominium and to make possible the fulfillment of the purpose of cooperative living intended, the Declarant, its successors and assigns, by reason of this Master Deed, and all future Co-Owners of Units in the Regime by their acquisition of title thereto, covenant and agree as follows: Each Unit shall, for all purposes, constitute a separate parcel of real property which may be owned in fee simple and which may be leased, conveyed, devised, inherited, transferred, or encumbered along with its allocated percentage in the Common Elements, in the same manner as any other parcel of real property, independently and all other Units, subject only to the provisions of this Master Deed, the Articles, the By-Laws of the Association, and the Act. No part of any Unit or any Common Elements shall be leased, conveyed, devised, inherited, transferred or encumbered apart from the whole of said Unit and its co-relative percentage in the Common Elements.

Article 18
Use Restrictions

Section 18.1 Rules and Regulations. The Board may from time to time adopt or amend rules and regulations governing and restricting the use and maintenance of Common Elements and Units provided, however, that copies of the rules and regulations shall be furnished each Co-Owner prior to the time the same shall become effective and that the same shall be posted in a conspicuous place in the Condominium. No amendments or changes to the rules and regulations shall be made that may be in conflict with any clauses or provisions of the Master Deed or these By-Laws. Nothing in this Article or otherwise herein set forth shall be construed from prohibiting the Declarant from the use of any Unit which Declarant owns or leases for promotion, marketing, or display purposes as model Units, or from leasing any Unit or Units which Declarant owns.

Section 18.2 Co-Owner Responsibility. The rules and regulations contained hereinafter shall be in effect until added to or amended by the Board and/or the Association and shall apply to and be binding upon any Owners and tenants or lessees or guests. The Owners, tenants, and lessees or guests shall obey the rules and regulations at all times and shall use their best efforts to see that they are observed in full by their families, guests, invitees, servants, and persons over whom they

may exercise control and supervision.

Section 18.3 Residential Use. Except for the areas of the Condominium designated for recreational use, all Condominium Units shall be used for private residential purposes exclusively except such temporary non-residential uses as may be permitted by the Board from time to time. Furthermore, no Unit may be occupied by more than the permitted number of heads of household and their family pursuant to county and state zoning regulation and law. No improper, offensive or unlawful use shall be made of the Property nor any part thereof; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies which require maintenance, modification or repair of such Property shall be the same as the responsibility for the maintenance and repair of the Property concerned.

Section 18.4 Obstruction. The entrances, passages, corridors, stairways, garage and parking area and other Limited and Common Elements of the Condominium shall not be obstructed, encumbered, or used for any purposes other than ingress and egress to and from the Condominium and/or Unit and other purposes for which they are intended and no carriages, bicycles, mopeds, motor cycles, wagons, carts, chairs, benches, tables, toys, or other objects, or things, regardless of the nature thereof shall be left or stored therein.

Section 18.5 Persons. No person shall play or loiter in the hallways, corridors, stairways, or other public areas of similar nature of the Condominium.

Section 18.6 Storage. Personal property of the Owners shall be stored in their respective Units or in the included limited common area storage area for the respective Owners.

Section 18.7 Articles. No garbage cans, supplies, no bottles, or other articles shall be placed in the corridors, on the balconies, decks, patios, on the stairways, on any other Limited or General Common Elements of the Condominium, nor shall lines, cloths, clothing, curtains, windows, doors, or balconies, patios, or exposed on any part of the windows, doors, or balconies, decks, patios, or be exposed on any part of the Limited or General Common Elements unless written permission is obtained from the Association.

Section 18.8 Debris. Limited and General Common Elements shall be kept free of rubbish, debris, garbage, or unsightly material.

Section 18.9 Safety. Owners shall take reasonable precautions not to permit anything whatsoever to fall from his/her Unit nor shall he sweep or throw from the Unit or other part of the Condominium any dirt or substance into the corridors, halls, balconies, decks, patios, or other similar areas in the Condominium.

Section 18.10 Trash. Refuse, rubbish, and garbage shall be disposed of and in a manner provided for and not placed outside in the corridors, hallways, balconies, decks, patios, or stairways, etc. at any time or for any reason.

Section 18.11 Windows. The Owners of any Unit shall, at his own expense, clean, repair and maintain both the interior and exterior surfaces of all windows. Drapes or shades, if applicable, covering the windows in individual Units shall be completely lined with white lining, except those drapes or shades used in the model units for such time as they are used as model units.

Section 18.12 Employees of the Association. Employees of the Association (if any) shall not be sent out of the Condominium by Owners at any time for any purpose other than by

the Board. Neither shall employees of the Association come in and service or repair or replace items that are the responsibility of the Owners while working for the Association.

Section 18.13 Fire Equipment. Fire prevention and fire-fighting equipment throughout the Condominium shall not be tampered with.

Section 18.14 Parking. The parking spaces and facilities shall be used exclusively for parking of automobiles except upon written consent of the Board and then only in designated areas. Except as herein provided, no trailers, tractors, campers, wagons, or trucks that exceed three-quarter ton, or other commercial-type motor vehicles shall be parked therein except vehicles while loading and unloading at any designated loading area. No repair work on motor vehicles shall be carried out in the parking spaces except emergency repair. Automobiles or other allowed motor vehicles shall not be washed in the parking spaces or upon the grounds of the Condominium except in designated areas. The Master Deed and Bylaws are subordinate to applicable Federal and State Fair Housing Laws.

Section 18.15 Noises. No Owner shall make or permit any disturbing noises in the Limited or General Common Elements and/or his Unit by the Owner, his family, servants, employees, agents, visitors, guests, invitees, licensees, tenants, or lessees, nor do or permit to be done by such persons anything that will interfere with the rights, comfort, or convenience of the remaining Owners or occupants. No Owner shall play any musical instrument, phonograph, radio, television, or sound amplifier in such a manner or volume so as to disturb or annoy any other Co-Owner or occupant.

Section 18.16 Pets. Pets shall be kept or maintained in or about the Condominium Units only if the Owner is granted a conditional license to maintain the pet by the Association. Such a license will be granted subject to the following conditions and reservations, which may include payment of a pet license fee to the Association:

(a) **Acceptable Pets:** Owners shall be permitted to keep acceptable common household pets, which include dogs, cats, small birds, and fish, within their Unit, subject to the granting of a conditional license by the Association, and subject to rules, regulations and policies adopted by the Association. The Board may, upon its sole determination, revoke or terminate the above conditional license. No Pit Bulls, Doberman Pinschers, Rottweilers, or similar aggressive dogs as determined by the Board shall be allowed.

(b) It shall be the responsibility of the Owner to pay for any and all costs involved in restoring to the original new condition any damage caused to the Condominium property by a pet.

(c) An Owner shall be financially responsible for any personal injury or personal property damage caused to any Owner, tenant, guest, employee of the Association, or to any member of the public as a result of the Owner's maintenance of a pet.

(d) Pets must be carried in arms or on a leash when taken in and out of the building.

(e) Pets shall not be permitted in the public rooms and shall not be curbed near the buildings, shrubbery, walkways, or pool areas. Owners are solely responsible for cleaning up after their pet.

(f) Guests, tenants, and visitors of an Owner shall only be permitted to bring pets onto the Condominium property when the Owner has obtained the required license from the Association, as required in this Section 16, and the pet otherwise is allowed under the Rules of the Association.

(g) The Board may, upon its sole determination, revoke or terminate the above conditional license if a pet is either vicious or is annoying other Owners or occupants or is otherwise a nuisance.

Section 18.17 Advertisements. No ads, signs, posters, or advertisement of any kind shall be posted on the walls, windows, or doors in the interior or exterior of the Limited or General Common Elements.

Under no circumstances will signs offering the Units for rent or sale be posted on the interior or exterior of the Units or upon the Limited or General Common Elements except in form and in such location as provided by the Association. The provisions of this subsection shall not be applicable to the Declarant or institutional holder of any first mortgage which comes into possession of any Unit by reason of any remedies provided by law or in such mortgage or as a result of a foreclosure.

Section 18.18 Leasing of Units. In order to promote the health, safety, and welfare of the Regime, the Owners and their rental guests, invitees and tenants, each Unit and the Common Areas are hereby restricted such that the use and/or rental of Units, and the Limited Common Areas, shall be subject to the following restrictions regarding rentals. Units may be rented according to the following provisions:

(a) An Owner of a Unit shall have the right to lease or rent his/her Unit subject to applicable local ordinances, provided, however, that no rental management activities may be conducted from the Unit, including applicable Limited Common Areas.

(b) Tenants shall abide by the Association's rules and regulations and failure to do so shall result in the immediate eviction of the offending tenant or tenants.

(c) The lease for any Unit within the Condominium shall contain provisions to the effect that the rights of the tenant to use and occupy the Unit shall be subject to and subordinate in all respects to the provisions of the Master Deed, the By-Laws and to other reasonable rules and regulations, and those of the Master Association.

(d) No portion of a Unit, other than the entire unit, may be rented.

(e) A Unit leased for a term in excess of thirty days (excluding winter rentals) shall require preapproval from the Association's management office based upon an acceptable (i) credit report, and (ii) criminal background check of the proposed Tenant, as the Tenant, at the cost of the Tenant. A copy of the rental agreement shall be furnished to the Association's management agent.

Section 18.19 Air Conditioning Units. No Owner shall install or cause to be installed window units or wall air conditioning units. Only condenser units tied into an approved system, and approved in writing by the Board, may be placed on the balconies or decks and patios.

Section 18.20 Hazard. Nothing shall be done or maintained in any Unit or upon any Limited or General Common Element which will increase the rate of insurance on any Unit or on the Limited or General Common Elements, or result in the cancellation thereof, without the prior written approval of the Board. Nothing shall be done or maintained in any Unit which would be in violation of any law. Barbecuing, grilling, deep frying and similar use of fire or cooking equipment is absolutely prohibited upon any General or Limited Common Element, balconies, decks, or patios, provided, however, barbecuing and grilling is permitted in areas designated by the Board for

same, located adjacent to the amenities. The use of lighter fluid or other highly flammable petroleum products on the balconies is prohibited.

Section 18.21 Commercial Activities. No Unit or Limited or General Common Elements shall be used for commercial activities of any character. This subsection shall not apply to the use of the Limited or General Common Elements and of Units owned or leased by Declarant for display, marketing, promotional or sales purposes or as "model" Units.

Section 18.22 Recreational Vehicle Parking. No boats or trailers shall be placed, parked, or left on the Common Elements of the Condominium thereof except as provided in Section 18.14 hereinabove.

Section 18.23 Wiring. Except as otherwise authorized by law, no radio, television, satellite or similar installation or other wiring shall be installed. Any installation or wiring made without consent is liable to be removed without notice and at the cost of the Owner for whom such wiring was installed.

Section 18.24 Exterior Walls and Balcony. No Owner shall paint, modify, attach to, or improve the exterior walls or balcony of his Unit except with previous written consent of the Board, which may be withheld in its sole and absolute discretion based on purely aesthetic reasons or otherwise.

Section 18.25 Awnings. No blinds, shades, glass, jalousies, ironwork, screen, awnings, panels, or covering shall be affixed or attached to the outside of the building or the exterior windows, doors, or balconies, decks, patios, or interior doors leading onto the corridors without the previous written consent of the Board.

Section 18.26 Time Sharing or Vacation Ownership Plan. Subject to applicable law, no time sharing or vacation ownership time sharing plans are permitted to be entered into by any Owner or their agents, tenants, guests, or invitees. Further, subject to applicable law, no Owner may sell his or her Unit on a time share or similar plan (even though the purchaser received an undivided fee simple deed) or lease his or her Unit on a vacation time share leasing plan which otherwise means arranging, planning, or similar device whereby membership agreement, lease, rental agreement, licenses, use agreement, security, or other means whereby a tenant and/or purchaser receives a right to use accommodations or Unit or facilities or any of the above, but does not receive an undivided fee simple interest in the property for a specific period of time during any given year.

Section 18.27 Right of Access to Units. The Board or its designated agent shall retain a pass key to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair, replacement of any of the Common Elements therein or accessibility therefrom, or making emergency repairs therein necessary to prevent damage to the Common Elements, Limited Common Elements, or any other Unit or Units with the Condominium. No Unit Co-Owner shall alter any lock or install new locks on any door of the premises without providing Board a key.

Section 18.28 Use of Common Elements. Each Owner, tenant, or occupant of a Unit may use the Common Elements in accordance with the purpose for which they are intended, without hindering or encroaching upon the lawful rights of the other Owners, tenants, or occupants.

Any violations of any of these preceding Rules shall be sufficient to bring judicial action against the violator, including a fine. Action can be filed by the Board on behalf of the Owners and the Board shall be entitled to recover any reasonable

court costs and attorney fees from the violator, which sum shall be charged to the same extent, force, and effect as if the charge were a part of the Common Expense. Any fine shall a lien on the Unit and be deemed a Default Assessment, enforceable as hereunder authorized.

Section 18.29 Outside Antenna. No outside television or radio aerial or antenna, or other aerial or antenna, for reception or transmission, shall be maintained upon any condominium unit or upon any common elements without the prior written consent of the Board, except as otherwise provided by law.

Section 18.30 Floor Covering. In order to protect the enjoyment of the units, 75-percent of all accessible floor area in each residential condominium Unit shall be covered with carpeting and sufficient padding, or other sound dampening material, to prevent the transmission of noise beyond the boundaries of the Unit.

(a) Units that are not located above any other residential condominium units shall be exempt from this section.

(b) Particular care shall be taken to ensure that the areas of the Unit that receive the most traffic, particularly hallways, are covered with sufficient carpeting and padding, or other sound dampening material, to prevent the transmission of noise beyond the boundaries of the Unit.

Section 18.31 Prohibition of Increases in Insurable Risks and Certain Activities. Nothing shall be done or kept in any Condominium Unit or in or on the Common Elements, or any part thereof, which would result in the cancellation of the insurance on all or any part of the Project in an increase in the rate of the insurance on all or any part of the Project over what the Association, but for such activity. would pay, without the prior written approval of the Association. Nothing shall be done or kept in any Condominium Unit or in or on the Common Elements which would be in violation of any statute, rule, ordinance, regulation, permit, or other imposed requirement of any governmental body. No damage to or waste of the Common Elements shall be committed by any Owner, or by any member of the Owner's family, or by any guest, invitee, or contract purchaser of any Owner, and each Owner shall indemnify and hold the Association and the other Owners harmless against all loss resulting from any such damage or waste caused by him, the members of his family, or his guests, invitees, tenants or contract purchasers. Failure to so indemnify shall be a default by such Owner under this Section, and such amount to be indemnified shall automatically become a Default Assessment determined and levied against such Condominium Unit. At its own initiative or upon the written request of any Owner (and if the Association determines that further action by the Association is proper), the Association shall enforce the foregoing indemnity as a Default Assessment as provided herein.

Section 18.32 Evacuation Orders. In the event an emergency evacuation order is made by the appropriate state, county or other governmental authorities, whether voluntary or mandatory, the Association may implement an emergency plan in order to protect all Owners and the Condominium Property. The emergency plan may require that Owners vacate the Condominium Property and find safer alternate accommodations, at the sole expense of each Owner and occupant. All Owners and occupants must adhere to the Association's emergency plan when implemented.

THE DECLARANT, THE ASSOCIATION, AND/OR THE MANAGEMENT COMPANY (IF ANY) WILL NOT BE CONSIDERED INSURERS OR GUARANTORS OF ANY EMERGENCY PLAN OR SAFETY MEASURES UNDERTAKEN WITH RESPECT TO AN EMERGENCY BY ANY OF THEM AND WHETHER OR NOT SUCH

ACTIVITIES OR UNDERTAKINGS ARE REFERRED TO AS "EMERGENCY PLAN" OR "SAFETY MEASURES", NOR WILL ANY OF THEM BE LIABLE FOR ANY LOSS OR DAMAGE RESULTING FROM A FAILURE OR INEFFECTIVENESS OF ANY SUCH EMERGENCY PLAN OR SAFETY MEASURES UNDERTAKEN BY ANY OF THEM. NO REPRESENTATION, WARRANTY OR COVENANT IS GIVEN TO ANY OWNER OF OCCUPANT BY THE DECLARANT, THE ASSOCIATION OR THE MANAGEMENT COMPANY (IF ANY) THAT ANY EMERGENCY PLAN OR SAFETY MEASURES WOULD, IN FACT, AVERT DAMAGE OR LOSS RESULTING FROM THAT WHICH THEY ARE DESIGNED TO PREVENT, AND EACH OWNER BY ACCEPTANCE OF A DEED TO A UNIT, AND EACH OCCUPANT THEREOF, WILL INDEMNIFY AND HOLD THE DECLARANT, THE ASSOCIATION, AND/OR THE MANAGEMENT COMPANY (IF ANY) HARMLESS FROM ANY DAMAGES, COSTS AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES, INCURRED BY ANY OF THEM AS A RESULT OF SUCH ASSERTION OR DETERMINATION. FURTHERMORE, EACH OWNER AND/OR OCCUPANT ASSUME ALL RISKS AND LIABILITIES IN CONNECTION WITH THE USE OF ANY OF THE CONDOMINIUM PROPERTY OR UNIT.

Article 19
Amendment of the Master Deed

Amendments to this Master Deed, except for Declarant amendments set forth in Article 21 and as herein provided to the contrary, may be made at any time, from time to time, at a meeting of the Association called in accordance with the By-Laws and this Master Deed upon the affirmative vote of two-thirds of all the total vote in the Association; provided, however, that this Master Deed may not be cancelled nor any amendment be made hereto having as its effect a termination of the Regime without written agreement of all of the Owners in the Condominium and all Mortgagees holding mortgages of record upon the Condominium or any portion thereof, as provided in the Act.

Despite the foregoing, Declarant has reserved the right to annex additional Phases and amend the Master Deed for the purpose of annexing additional Buildings and Phases in the manner set forth in this Master Deed and the Exhibits, which right is reserved unto it, its successors and assigns. Future improvements will be consistent with the initial improvements in terms of quality of construction and in structure type. No approval shall be required of any Owner(s) or Mortgagee(s) or other creditor or person holding any interest whatsoever in the Condominium for the Declarant or its successors and assigns to exercise such right of annexation.

All amendments hereto shall be recorded and certified as required by the Act. No amendment(s) shall change any Unit or the proportionate share of the Common Expenses or Common Surplus attributable to each Unit, nor the voting rights of any Unit, except upon addition of additional Phases as herein provided, unless all Owners of the Condominium and all Mortgagees holding any mortgages or other liens upon the Property of any part(s) thereof shall join in the execution of such amendment. No amendment shall be passed which shall impair or prejudice the rights and/or priorities of any Mortgagee or change the provision of this Master Deed with respect to Mortgagees without the written approval of all Mortgagees of record.

No amendment shall change the rights and privileges of Declarant, its successors, heirs and assigns, without written approval and consent of Declarant, or its successors, heirs or assigns.

Despite the foregoing provisions of this Article, the Declarant reserves the right to alter the

interior design and arrangement of all Units and to alter the boundaries between Units as long as the Declarant owns all the Units so altered; however, no such change shall increase the number of Units nor alter the boundary of the Common Elements except the party wall between any Units, without amendment of this Master Deed in the manner herein set forth. If the Declarant shall make any changes in Units as provided in this paragraph, such changes shall be reflected by an amendment of this Master Deed with a survey and plot plan attached reflecting such authorized alteration of Units and said amendment need only be executed and acknowledged by the Declarant and any holder of mortgage(s) encumbering the said altered Units. Such survey shall be certified in the manner required by the Act.

Despite the foregoing provisions of this Article, it is understood and agreed that as of the time this Master Deed is dated and recorded in the public records of Horry County, South Carolina, all of the improvements shown on the Exhibits may not be completed; however, said improvements shall be as and located as described and shown in the Exhibits; provided, however, that all improvements within any Phase must be completed within fourteen months of the inclusion of that Phase within the Condominium; provided, however, said time may be extended by virtue of delays caused by acts of God, acts of governmental authorities, strikes, labor conditions or any other condition(s) beyond the Developer's control.

Article 20
Easements

Section 20.1 Each Person who acquires an interest in an Unit shall be deemed, thereby, to agree that (i) if any portion of a Unit shall encroach upon any portion of the Common Elements or another Unit or any portion of the Common Elements shall encroach upon any Unit, there shall exist a valid easement for such encroachment and for the maintenance and repair of the same so long as it stands; and (ii) in the event a Building or other improvement or a Unit is partially or totally destroyed and the reconstruction thereof shall create an encroachment on portions of the Common Elements or on any Unit, there shall exist a valid easement for such encroachment and the maintenance thereof.

The Property submitted to a horizontal property regime hereby and to be subsequently so submitted is subject to all conditions, limitations, restrictions, reservations and all other matters of record, the rights of the United States of America, the State of South Carolina and any governmental authority or agency, including those pertaining to the use and ownership of any submerged lands and any lands lying below the natural high water line of the surrounding bodies of water, any taxes, applicable zoning ordinances which now exist or are hereafter adopted and easements for ingress and egress, for pedestrian and vehicular purposes and for utility services and drains which now exist or are hereafter granted by the Declarant for the benefit of such persons as the Declarant designates. The Declarant shall have the right to grant easements and designate the beneficiaries thereof for such time as it determines in its sole discretion. When the Declarant relinquishes such right, the Association shall be empowered to grant such easements. While the Declarant has the right to grant easements, the consent and approval of the Association to the granting thereof shall not be required. No easement shall be granted by the Declarant or the Association if as a result thereof any Buildings or other improvement in the Condominium would be structurally weakened or the security of any mortgages of record would be adversely affected without the affected Mortgagee or Mortgagees written consent.

Those easements of ingress and egress across the Property which are of record are shown in the Exhibits or in the records of the Registrar of Deeds

for Horry County, South Carolina. The rights of all Owners shall be subject to all such easements as presently exist or as are hereinafter granted.

Section 20.2 The Association, all present and future Owners and Occupants, the Declarant and their respective heirs, successors, assigns and designees are granted an easement over, through and across and a license to use the paved areas of the Common Elements in Phase K and subsequent Phases, and are further granted a pedestrian easement over, through and across the Common Elements upon such paths and ways as are suitable for pedestrian traffic and a license to use the same in Phase J and subsequent Phases.

Section 20.3 Easements for Golf Course.

(a) Every Unit and the Common Areas of the Association are burdened with an easement permitting golf balls unintentionally to come upon such Common Areas or Units, and for golfers at reasonable times and in a reasonable manner to come upon the Common Areas or the exterior portions of a Unit to retrieve errant golf balls; provided, however, if any Unit is fenced or walled, the golfer shall seek the Owner's permission before entry. The existence of this easement shall not relieve golfers of liability for damage caused by errant golf balls. Under no circumstances shall any of the following Persons be held liable for any damage or injury resulting from errant golf balls or the exercise of this easement: the Declarant; the Association or its Members (in their capacity as such); Southside, LLC or Myrtlewood Realty Associates, L.P., their successors, successors-in-title to the Golf Course, or assigns; any successor Declarant; any builder or contractor (in their capacities as such); any officer director or partner of any of the foregoing, or any officer or director of any partner.

(b) The owner of the Golf Course, its respective agents, successors and assigns, shall at all times have a right and non-exclusive easement of access and use over those portions of the Common Areas reasonably necessary to the operation, maintenance, repair and replacement of the respective areas of the Golf Course.

(c) The Property immediately adjacent to the Golf Course are hereby burdened with a non-exclusive easement in favor of the Golf Course for overspray of water from any irrigation system serving the Golf Course. Under no circumstances shall the Association or the owners of the Golf Course be held liable for any damage or injury resulting from such overspray or the exercise of this easement.

(d) The owner of the Golf Course, its respective successors and assigns, shall have a perpetual, exclusive easement of access over the Property for the purpose of retrieving golf balls from bodies of water within the Common Areas lying reasonably within range of golf balls hit from the Golf Course.

(e) The Declarant and the owner of the Golf Course, their respective successors and assigns, shall have a perpetual, nonexclusive easement of access, ingress, and egress over the roadways, streets and the Properties for the purpose of accessing the maintenance and supply facilities and buildings of the Declarant and Golf Course.

Article 21
Special Declarant Rights And Additional Reserved Rights

Section 21.1 Despite any other provisions herein, prior to the expiration of the Special Declarant's Rights Period, so long as Declarant continues to own any of the Units, the following provisions shall be deemed to be in full force and effect, none of which shall be construed so as to relieve the Declarant from any obligations as a Co-

Owner to pay Assessments as herein set forth as to each Unit owned by the Declarant after the construction on said Unit has been completed and it is included in the Condominium.

(a) Construction and Completion of Project. The right to construct and complete the Project.

(b) Development Rights. The right to exercise all "development rights," as defined from time to time in the Act (referred to here as **"Development Rights"**) with respect to all of the Property, including without limitation the right or combination of rights hereby reserved by Declarant, as follows:

(i) The right to create Condominium Units and Common Elements, including General Common Elements and Limited Common Elements on the Property, subject to the limitations of the Act.

(ii) The right to subdivide Condominium Units and convert Condominium Units into Common Elements on any part of the Property and the right to convert General Common Elements into Limited Common Elements and the right to convert Limited Common Elements into General Common Elements, subject to the limitations of the Act. This right will specifically include, without limitation, the right to convert parking spaces that are designated as General Common Elements to Limited Common Elements and the right to convert parking spaces that are designated as Limited Common Elements to General Common Elements.

(iii) The right to allocate subsequent Limited Common Elements in accordance with Section 25.1.

(c) Right to Sell, Transfer, Lease or Relet Units. The Declarant shall have the right at any time to sell, transfer, lease or relet any Unit(s) which the Declarant continues to own after this Master Deed has been recorded, without regard to any restrictions, if any, relating to the sale, transfer, lease or form of lease of Units contained herein and without the consent or approval of the Association or any other Owner being required.

(d) Period No Dues are Charged. During the period of time in which structures within the Regime are under construction by the Declarant and not completed, no dues shall be charged against the Declarant as the Owner of Units until both the completion of said Units and its inclusion in the Condominium and the dues shall be assessed against the Owners (including the Declarant) of those Units in that Phase which shall have been completed, proportionately, inter se, as herein set forth.

(e) Amendment of Master Deed by Declarant. Without limiting the foregoing, the Declarant shall have the power, but not the obligation, acting alone, at any time (and from time to time) so long as the Declarant owns at least one Unit to amend the Master Deed if such amendment is (1) necessary to bring any provision hereof into compliance with any applicable governmental statutes, rule or regulation, or judicial determination; (2) necessary to enable any reputable title insurance company to issue title insurance coverage on the Units; (3) required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Units; or (4) necessary to enable any governmental agency or reputable private insurance company to guarantee or insure mortgage loans on the Units; provided, however, any such amendment shall not adversely affect the title to any Unit unless the Owner shall consent thereto in writing.

So long as the Declarant owns property described in Exhibit "A-1" or in Exhibit "A-2" for development as part of the Regime, it may unilaterally amend this Master Deed for any other purpose, provided the amendment has no material adverse effect upon any right of any Owner.

(f) Rights of Declarant. The Declarant shall have the rights (i) to use or grant the use of a portion of the Common Elements for the purpose of aiding in the sale or rental of Units; (ii) to use portions of the Property for parking for prospective purchasers or lessees of Units and such other parties as the Declarant determines; (iii) to erect and display signs, billboards and placards and store and keep the same on the Property; (iv) to distribute audio and visual promotional material upon the Common Elements; and (v) to use any Unit which it owns or leases as a sales and/or rental office, management office or laundry and maintenance facility.

(g) Relocation Rights of Declarant. The offices, model Unit and signs will be of sizes and styles determined by Declarant and may be relocated by Declarant from time to time. At all times, the offices, model Unit and signs will remain the property of Declarant and may be removed from the Project by Declarant at any time during or promptly after the expiration of the Special Declarant Rights Period.

(h) Order of Exercise of Declarant's Rights. The fact that Declarant may exercise one or more of Declarant's Development Rights or other Special Declarant Rights on one portion of the Property will not operate to require Declarant to exercise a Development Right or other Special Declarant Right with respect to any other portion of the Property.

(i) Supplemental Provisions Regarding Declarant's Rights. Without limiting the generality of the foregoing, certain of these Special Declarant Rights are explained more fully in this Article below. Further, Declarant reserves the right to amend this Master Deed and any Map in connection with the exercise of any Development Rights or any other Special Declarant Rights to the extent permitted by the Act, and Declarant also reserves the additional rights retained for the benefit of Declarant in this Article and in other provisions of this Master Deed.

(j) Declarant's Right to Contract For Services. In order to provide the Condominium with, among other things, adequate and uniform water service, sewage disposal service, utility services and television reception, the Declarant reserves the exclusive right to contract for the provision of such services. The Declarant, as agent for the Association and the Owners, has entered into or may enter into arrangements, binding upon the Association and the Owners, with governmental authorities or private entities for furnishing such services. The charges therefor will be Common Expenses.

(k) Utility Easements. Declarant reserves for itself and its successors and assigns a general easement upon, across, over, in and under the Property for ingress and egress and for installation, replacement, repair and maintenance of all utilities, including but not limited to water, sewer, gas, telephone, and electrical, cable and other communications systems and indoor sprinkler systems. By virtue of this easement, it shall be expressly permissible and proper for the companies providing such services to install and maintain necessary equipment wires, circuits, and conduits under and over the Property. No water, sewer, gas, telephone, electrical, communications, sprinkler systems or other utility or service lines, systems or facilities may be installed or relocated on the surface of the Property unless approved by Declarant prior to the expiration of the Special Declarant Rights Period, or by the Association after such expiration. These items may be temporarily installed above ground during

construction, if approved by Declarant, or after the Special Declarant Rights Period, if approved by the Association, subject to the requirements, if any, of the County of Horry or any other authority having jurisdiction over the Property.

(l) Drainage and Irrigation Easements. Declarant reserves for itself, and its successors and assigns, and for the Association, and its officers, agents, employees, and successors and assigns, an easement to enter on, across, over, in and under any portion of the Property for the purpose of modifying the grade of any drainage channels on the Property to improve the drainage of water. Declarant also reserves the right to use or delegate the use of any irrigation ditches existing on the Property on the date this Master Deed is recorded, and Declarant reserves for itself and its successors and assigns the right to construct, access and maintain additional irrigation ditches and lines on the Property for the maintenance of the Common Elements and for such other purposes as Declarant may from time to time deem appropriate.

(m) General Provisions. Any entity using these general easements provided under Sections (k) and (l) above shall use its best efforts to install and maintain the easements for utilities, drainage, or irrigation ditches without disturbing the uses of the Owners, the Association and Declarant; shall prosecute its installation and maintenance activities as promptly and as reasonably possible; and in the case of utility work, shall restore the surface to its original condition as soon as possible after completion of its work. Should any entity furnishing a service covered by these general easements request a specific easement by separate recordable document, either Declarant or the Association shall have, and are hereby given the right and authority to grant such easement upon, across, over or under any part or all of the Property without conflicting with the terms of this Master Deed. This general easement shall in no way affect, avoid, extinguish, or modify any other recorded easement affecting the Property.

(n) Declarant's Rights Incident to Construction. Declarant, for itself and its successors and assigns, hereby reserves an easement for construction, utilities, drainage, ingress and egress over, in, upon, under, and across the Common Elements, together with the right to store materials on the Common Elements and to make such other use of the Common Elements as may be reasonably necessary or incident to the construction of Units on the Property. However, no such rights shall be exercised by Declarant in a way which unreasonably interferes with the occupancy, use, enjoyment, or access to the Project by the Owners.

(o) Reservation for Construction. Declarant hereby reserves for itself and its successors and assigns and for Owners of the Project a perpetual easement and right-of-way over, upon, and across the Property for construction, utilities, drainage, and ingress and egress. The location of these easements and rights-of-way may be made certain by Declarant and the Association by instruments recorded in the ROD. Declarant further reserves the right to establish from time to time, by dedication or otherwise, utility and other easements, reservations, exceptions and exclusions necessary or convenient for the development, use and operation of any other property of Declarant, as long as such action does not hamper the enjoyment of the Project by the Owners.

(p) Reservation of Easements, Exceptions, and Exclusions. Declarant reserves for itself, its successors and assigns, and hereby reserves for itself, its successors and assigns, and hereby grants to the Association, the concurrent right to establish from time to time, by declaration or otherwise, utility and other easements, permits, or licenses over the Common Elements, for purposes including but not limited to streets, paths,

walkways, drainage, recreation areas, parking areas, ducts, shafts, flues, conduit installation areas, and to create other reservations, exceptions, and exclusions for the best interests of all the Owners and the Association, in order to serve the Owners within the Project.

(q) Maintenance Easement. An easement is hereby reserved to Declarant, and granted to the Association and any member of the Board or the Manager, and their respective officers, agents, employees, and assigns, upon, across, over, in, and under the Property and a right to make such use of the Property as may be necessary or appropriate to make emergency repairs or to perform the duties and functions which they are obligated or permitted to perform pursuant to the Governing Documents, including the right to enter upon any Condominium Unit for the purpose of performing maintenance of the Common Elements.

(r) Right of Declarant and Association to Own Units and to Use Common Elements. An easement is hereby reserved by Declarant for itself and its successors and assigns and granted to the Association and its officers, agents, employees, successors and assigns to maintain offices, storage areas, conference areas, and recreational areas for use by the Association with the General Common Elements, subject to all rules and regulations established under this Master Deed. The Association shall also have the right (but not the obligation) to purchase and own any Condominium Unit for the purpose of maintaining an office for the Association or for any other use which the Association determines is consistent with the operation of the Project. The costs and carrying charges incurred by the Association in purchasing and owning any such Condominium Unit shall be part of the Common Expenses.

(s) Remodeling Easement. Declarant, for itself and its successors and assigns, including Owners, retains a right and easement in and about the Building for the construction and installation of any duct work, additional plumbing, or other additional services or utilities in the Common Elements in connection with the improvement or alteration of any Condominium Unit, including the right of access to such areas of the Common Elements as is reasonably necessary to accomplish such improvements. In the event of a dispute among Owners with respect to the scope of the easement reserved in this Section, the decision of the Board shall be final.

(t) General Reservations. Declarant reserves (1) the right to dedicate any access roads and streets serving the Property for and to public use, to grant road easements with respect thereto and to allow such street or road to be used by owners of adjacent land; and (2) the right to enter into, establish, execute, amend, and otherwise deal with contracts and agreements for the use, lease, repair, maintenance, or regulation of parking and/or recreational facilities, which may or may not be a part of the Property for the benefit of the Owners, and/or the Association.

(u) Restrictions on Easement Holder. Nothing herein shall be construed to allow any easement holder to permit any third party to utilize such easements, whether by assignment, transfer, sublease, sharing or otherwise. All easements are personal to the easement holder. No easements are divisible or apportionable. No easement may be used for any purpose other than the limited purpose for which it is granted, regardless of the existence of any burden on the Declarant arising from such additional usage.

(v) Easements Deemed Created. Any and all conveyance made by Declarant to the Association or any Owner shall be conclusively deemed to incorporate these reservations of rights and easements, whether or not set forth in such grants.

(w) Reservation of Rights – Declarant. Subject to the approval of the Association, the Declarant reserves the right to enter into, on behalf of and as agent for the Association and the Owners, agreements with other Persons for the benefit of the Condominium, the Association and the Owners. The provisions of any such Agreement shall bind the Association and Owners.

Section 21.2 Subject to applicable law, Declarant acknowledges that all contractual warranties in its favor set forth in the building construction contracts are limited warranties for material and equipment in the Unit and shall accrue to the benefit of the Owner of such Unit along with all limited warranties, if any, provided by the manufacturer or supplier of appliances, air conditioning, heating utility systems in the Unit.

SUBJECT TO APPLICABLE LAW, THE CLOSING OF TITLE OR OCCUPANCY OF THE UNIT SHALL CONSTITUTE ACCEPTANCE AND ACKNOWLEDGMENT BY UNIT OWNER THAT DECLARANT MAKES NO OTHER IMPLIED OR EXPRESSED WARRANTIES OF ANY KIND RELATING TO THE UNIT AND/OR THE COMMON AREAS AND FACILITIES EXCEPT FOR SUCH LIMITED WARRANTY AS MAY BE SET FORTH IN A SEPARATE WRITTEN INSTRUMENT.

Article 22
Provisions Respecting Construction Lender

Despite anything to the contrary in this Master Deed, until the satisfaction of record of any construction mortgage given by Declarant upon the Property as presently constituted to secure a loan with which to develop the improvements for the Property such as would be commonly classified as a construction loan mortgage (the "**Construction Mortgage**"), the following provisions shall be a part of this Master Deed and shall supersede any inconsistent provisions contained heretofore in this Master Deed:

(a) Whenever the consent of the Declarant is required under this Master Deed, the written consent of the holder of the Construction Mortgage (the "**Construction Mortgagee**") shall also be required.

(b) In the event that the Declarant shall violate any of its obligations as an Owner, the Association shall be required to give Construction Mortgagee written notice of such failure or violation, and the Association shall be prohibited from instituting any suit or exercising any other remedy against the Declarant for any such failure or violation until it has given Construction Mortgagee at least ten days' prior written notice of its intention to file such suit or exercise such remedy, during which time Construction Mortgagee shall have the right to cure any such failure or violation.

(c) Construction Mortgagee shall be given written notice by the Association of any meeting of the Co-Owners together with the agenda of such meeting.

(d) No amendment shall be made to this Master Deed or to the By-Laws of the Association which would alter the rights of Construction Mortgagee or in any other way affect the security of Construction Mortgagee without its joinder and written consent to such amendment.

(e) If Construction Mortgagee either assumes possession of any portion of the Property or Common Elements upon which said Construction Mortgage is a lien or acquires title to unsold Property upon foreclosure of the Construction Mortgage, by purchase of the unsold Property at foreclosure sale, or by deed in lieu of foreclosure, Construction Mortgagee and its successors and assigns shall have and enjoy all of the rights,

privileges, and exemptions granted to Declarant by this Master Deed and/or by the By-Laws.

Article 23
Rights of Lender

Section 23.1. Despite any provision herein, any mortgagee of record, (including, but not limited to, the Construction Mortgagee while such construction mortgage shall remain unsatisfied), shall:

(a) Upon request, be permitted to inspect the books and records of the Association, during normal business hours;

(b) Upon request, receive a copy of any audit performed for the Association;

(c) Upon request, receive written notice of all meetings of the Association, and be permitted to designate a representative to attend and observe all such meetings;

(d) Receive written notification from the Association of any default by any of its mortgagors in the performance of his obligations to the Association which is not cured within thirty (30) days;

(e) Consent to any changes in the provisions of the Master Deed and/or By-Laws that raise previously assessed amounts by fifty percent;

(f) Consent to change in the provisions of the Master Deed and/or By-Laws that pertain to reduction of reserves for maintenance.

(g) Consent to any changes in the provisions of the Master Deed and/or By-Laws governing fidelity insurance.

(h) Consent to any changes in the provisions of the Master Deed and/or By-Laws governing imposition of any restrictions on the leasing of units; and

(i) Consent to any changes in the provisions of the Master Deed and/or By-Laws governing decision by the Association (if said Regime consists of 50 or more units) to establish self-management if professional management has otherwise been required.

Section 23.2 Notice to the Board of Directors. An Owner who mortgages his Unit shall notify the Board of Directors of the name and address of his Mortgagee and shall file a conformed copy of the Mortgage with the Board of Directors.

Article 24
Expenses and Common Surplus

The Common Expenses of the Condominium and the monetary obligations of the Owners under any agreements entered into by the Association shall be shared by the Owners in the percentages set forth in Exhibit "C". Such percentages shall not be altered because of any increase or decrease in the purchase price or square footage of a Unit or because of its location but shall be adequate only upon the inclusion of an additional section in the condominium and then in the manner set forth in the Exhibits.

Each Owner's interest in the Common Surplus (if any) shall be equal to his interest in the Common Elements.

Article 25
Redesignation and Restriction of Common Elements

Section 25.1 Assignment of Limited Common Elements. A portion of the Common

Elements may be marked on the Plans as "Common Elements which may be assigned as Limited Common Elements." Declarant may assign such a Common Element as a Limited Common Element by unilaterally executing and recording an appropriate amendment to this Master Deed or to the Plans. If an Owner acquires the right to the exclusive use of such a Limited Common Element prior to settlement on the Unit, the Declarant shall evidence the Owner's right to such an assignment in the deed to the Unit. The Declarant may, but need not, evidence the Owner's right to such an assignment in a separate written agreement with the Owner.

Section 25.2 Designation of Reserved Common Elements. The Board shall have the power in its discretion to: (a) designate from time to time certain Common Elements as Reserved Common Elements; (b) grant reserved rights thereon to the Association or to any or less than all of the Owners for the use and maintenance thereof. Such designation by the Board shall not be construed as a sale or disposition of the Common Elements.

Article 26
Golf Course and Related Facilities

Section 26.1 Ownership and Operation of Golf Course and Related Facilities. All persons, including all Owners, are hereby advised that no representations or warranties have been or are made by the Declarant or any other Person with regard to the continuing existence, ownership or operation of the Golf Course or related facilities, if any, and no purported representation or warranty in such regard, either written or oral, shall ever be effective without an amendment to this Declaration executed or joined into by the Declarant. Further, the ownership and/or operation of the Golf Course or related facility, if any, may change at any time and from time to time by virtue of, but without limitation, (a) the lease to or sale to or assumption of operations of the Golf Course and/or related facilities by an independent entity or entities; (b) the creation or conversion of the ownership and/or operating structure of the Golf Course and/or related facilities to an "equity" club or similar arrangement whereby the Golf Course and/or related facilities or the rights to operate it are transferred to an entity which is owned or controlled by its members; or (c) the transfer of ownership or control of the Golf Course and/or related facilities to one or more affiliates, shareholders, employees, or independent contractors of the Declarant. No consent of the Association nor any Owner shall be required to effectuate such transfer or conversion.

Section 26.2 Right to Use. Neither membership in the Association nor ownership or occupancy of a Unit shall confer any ownership interest in or right to use the Golf Course and/or its related facilities. Rights to use the Golf Course and/or its related facilities will be granted only to such persons, and on such terms and conditions, as may be determined from time to time by the owner of the Golf Course and/or its related facilities. The owner of the Golf Course shall have the right, from time to time in its sole and absolute discretion and without notice, to amend or waive the terms and conditions of use of the Golf Course and/or its related facilities, including, without limitation, eligibility for and duration of use rights, categories of use and extent of use privileges, and number of users, and shall also have the right to reserve use rights and to terminate use rights altogether, subject to the provisions of any outstanding membership documents.

Section 26.3 View Impairment. Neither the Declarant, the Association, nor the owner or operator of the Golf Course guarantees or represents that any view over and across the Golf Course, from adjacent Units will be preserved without impairment. The owner of the Golf Course, if any, shall have no obligation to prune or

thin trees or other landscaping, and shall have the right, in its sole and absolute discretion, to add trees and other landscaping to the Golf Course from time to time. In addition, the owner of the Golf Course may, in its sole and absolute discretion, change the location, configuration, size and elevation of the tees, bunkers, fairways and greens on the Golf Course from time to time. Any such additions or changes to the Golf Course may diminish or obstruct any view from the Units and any express or implied easements for view purposes or for the passage of light and air are hereby expressly disclaimed.

Section 26.4 Limitations on Amendments. In recognition of the fact that the provisions of this Article are for the benefit of the owner of the Golf Course, no amendment to this Article, and no amendment in derogation of any rights reserved or granted to the owner of the Golf Course by other provisions of this Declaration, may be made without the written approval of the owner of the Golf Course. The foregoing shall not apply, however, to amendments made by the Declarant.

Article 27
Dispute Resolution and Limitation On Litigation

Section 27.1 Agreement to Avoid Costs of Litigation and to Limit Right to Litigate Disputes. The Association, Declarant, Owners, all Persons subject to this Master Deed, and any Person not otherwise subject to this Master Deed who agrees to submit to this Section (collectively called the **"Bound Parties"**) agree to encourage the amicable resolution of disputes involving the Property, and to avoid the emotional and financial costs of litigation if at all possible. Accordingly, each Bound Party covenants and agrees that all claims, grievances or disputes between such Bound Party and any other Bound Party involving the Properties, including, without limitation, claims grievances or disputes arising out of or relating to the interpretation, application or enforcement of this Master Deed, the By-Laws, the Association rules, or the Articles of Incorporation (collectively **"Claim"**), except for those Claims authorized in Articles 9, 10 and 12 of this Master Deed, shall be subject to the procedures set forth in said Articles.

Section 27.2 Exempt Claims. The following Claims (**"Exempt Claims"**) shall be exempt from the provisions of Section 27:

(a) any suit by the Association against any Bound Party to enforce the provisions of Articles 9, 10 and 12 of this Master Deed;

(b) any suit by the Association to obtain a temporary restraining order (or equivalent emergency equitable relief) and such other ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of Articles 9, 10 and 12 of this Master Deed; and

(c) any suit between Owners (other than the Declarant) seeking redress on the basis of a Claim which would constitute a cause of action under the laws of South Carolina in the absence of a claim based on the Master Deed, By-Laws, Articles or rules of the Association, if the amount in controversy exceeds $5,000.00.

Any Bound Party having an Exempt Claim may submit it to the alternative dispute resolution procedures set forth in Section 27.3, but there shall be no obligation to do so.

Section 27.3 Mandatory Procedures for All Other Claims. Any Bound Party having a Claim ("Claimant") against any other Bound Party ("Respondent"), other than a Claim exempted from this provision by Section 27.2, shall not file suit in any court or initiate any proceeding before any

administrative tribunal seeking redress or resolution of such Claim until it has complied with the following procedures:

(a) Notice. The Claimant shall notify each Respondent in writing of the Claim (the "**Notice**"), stating plainly and concisely:

1. The nature of the Claim, including date, time, location, persons involved, Respondent's role in the Claim and the provisions of this Master Deed, the By-Laws, the Rules, the Articles of Incorporation or other authority out of which the Claim arises;

2. The basis of the Claim (i.e., the provision of the Master Deed, By-Laws, rules or Articles triggered by the Claim);

3. What Claimant wants Respondent to do or not do to resolve the Claim; and

4. That Claimant wishes to resolve the Claim by mutual agreement with Respondent and is willing to meet in person with Respondent at a mutually agreeable time and place to discuss in good faith ways to resolve the Claim.

(b) Negotiation.

1. Each Claimant and Respondent (the "**Parties**") shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation.

2. Upon receipt of a written request from any Party, accompanied by a copy of the Notice, the Board may appoint a representative to assist the Parties in resolving the dispute by negotiation, if in its discretion it believes its efforts will be beneficial to the Parties and to the welfare of the community.

(c) Mediation.

1. If the Parties do not resolve the Claim through negotiation within 30 days of the date of the Notice (or within such other period as may be agreed upon by the Parties) ("**Termination of Negotiations**"), Claimant shall have 30 additional days within which to submit the Claim to mediation under the auspices of the American Arbitration Association, or such other independent agency providing similar services upon which the Parties may mutually agree.

2. If Claimant does not submit the Claim to mediation within 30 days after Termination of Negotiations, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to Persons not a Party to the foregoing proceedings.

(d) Final and Binding Arbitration.

1. If the Parties do not resolve the Claim through mediation, the Claimant shall have 30 days following termination (as determined by mediator) of mediation proceedings ("**Termination of Mediation**") to submit the Claim to arbitration in accordance with the applicable Rules of Arbitration of the American Arbitration Association or the Claim shall be deemed abandoned, and Respondent shall be released and discharged from any and all liability to Claimant arising out of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to Persons not a Party to the foregoing proceedings.

2. This subsection (d) is an agreement of the Bound Parties to arbitrate all Claims except Exempt Claims and is specifically enforceable under the applicable arbitration laws of South

Carolina. The arbitration award (the "**Award**") shall be final and binding, and judgment may be entered upon it in any court of competent jurisdiction to the fullest extent permitted under the laws of South Carolina.

Section 27.4 Allocation of Costs of Resolving Claims.

(a) Each Party shall bear all of its own costs incurred prior to and during the proceedings described in Section 27.3 (a), (b) and (c), including the fees of its attorney or other representative. Each Party shall share equally all charges rendered by the mediator(s) pursuant to Section 27.3(c).

(b) Each Party shall bear all of its own costs (including the fees of its attorney or other representative) incurred after the Termination of Mediation under Section 27.3(c) and shall share equally in the costs of conducting the arbitration proceeding (collectively called "**Post Mediation Costs**"), except as otherwise provided in this subsection; provided, however, if the Claim is rejected in whole or in part, the Claimant shall pay all Post Mediation costs, including the costs incurred by the Respondent.

Section 27.5 Enforcement of Resolution. If the Parties agree to resolve any Claim through negotiation or mediation in accordance with Section 27.3 and any Party thereafter fails to abide by the terms of such Agreement, or if the Parties agree to accept the Award following arbitration and any Party thereafter fails to comply with such Award, then any other Party may file suit or initiate administrative proceedings to enforce such agreement or Award without the need to again comply with the procedures set forth in Section 27.3. In such event, the Party taking action to enforce the agreement or Award shall be entitled to recover from the non-complying Party (or if more than one non-complying Party, from all such Parties pro rata) all costs incurred in enforcing such agreement or Award, including, without limitation, attorney's fees and court costs.

Article 28
Limited Warranty

DECLARANT ASSIGNS TO THE ASSOCIATION ALL ITS RIGHTS UNDER THE LIMITED WARRANTIES BY W. R. HALL CONSTRUCTION, LLC, OR ANY OTHER CONTRACTOR (COLLECTIVELY, "CONTRACTOR"), AND MORE FULLY DESCRIBED IN ARTICLE 9 AND ARTICLE 18 OF THE CONTRUCTION AGREEMENT BETWEEN DEVELOPER (DECLARANT) AND CONTRACTOR, DATED MAY 25, 2017, AS AMENDED ("CONTRACT") FOR THE CONSTRUCTION OF THE CONDOMINIUM IN ACCORDANCE WITH FLOOR PLANS, SPECIFICATIONS, AND DRAWINGS BY WARD L. AYRES, AIA, AYRES & ASSOCIATES, INC. ("ARCHITECT") FOR THE CONDOMINIUM. THIS WARRANTY IS LIMITED TO THE WORK PERFORMED BY THE CONTRACTOR PURSUANT TO THE PLANS AND DOES NOT APPLY TO ANY PORTION OF THE COMMON ELEMENTS WHICH HAVE NOT BEEN CONSTRUCTED BY THE CONTRACTOR.

DECLARANT'S, CONTRACTOR'S, AND ARCHITECT'S SOLE OBLIGATION, TO THE EXCLUSION OF ALL OTHER REMEDIES, IS LIMITED TO THE REPAIR OR REPLACEMENT, AT DECLARANT'S, CONTRACTOR'S, AND ARCHITECT'S OPTION, OF THE DEFECTIVE CONDITION OF THE WORK PURSUANT TO THE PLANS ("WORK") RELATING TO THE GENERAL AND LIMITED COMMON ELEMENTS.

FOR A PERIOD OF ONE (1) YEAR FROM THE DATE OF ISSUANCE BY HORRY

COUNTY, SOUTH CAROLINA, OF THE OCCUPANCY PERMIT FOR THE CONDOMINIUM, DECLARANT OR CONTRACTOR WILL, AT NO COST TO THE CONDOMINIUM OR ASSOCIATION, REPAIR OR REPLACE ANY PORTION OF THE GENERAL AND LIMITED COMMON ELEMENTS, EXCEPT FIXTURES, FURNITURE, ACCESSORIES OR APPLIANCES COVERED BY A WARRANTY OF A MANUFACTURER AND DEALER, WHICH ARE DEFECTIVE AS TO MATERIAL OR WORKMANSHIP. THE LIABILITY OF THE DECLARANT IS EXPRESSLY LIMITED TO SUCH REPAIRS OR REPLACEMENT AND DECLARANT MAKES NO OTHER WARRANTIES EXPRESSED OR IMPLIED (INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, SOUNDNESS, QUALITY, WORKMANLIKE SERVICE, VALUE, SUITABILITY, FITNESS, HABITABILITY, OR FITNESS FOR A PARTICULAR PURPOSE).

THIS LIMITED WARRANTY IS NON-TRANSFERABLE AND IS PERSONAL ONLY TO THE ASSOCIATION.

AS TO PERSONAL PROPERTY (INCLUDING, WITHOUT LIMITATION, FAN COIL UNIT(S), MOTORIZED DAMPERS, AND HEATING, VENTILATING AND COOLING CONTROL(S) CONVEYED ALONG WITH THE GENERAL AND LIMITED COMMON ELEMENTS BY THE DECLARANT TO THE ASSOCIATION, AND AS TO ANY "CONSUMER PRODUCT" (AS THAT TERM MAY BE DEFINED UNDER APPLICABLE FEDERAL LAW OR IMPLEMENTING REGULATIONS, OR AS A TERM OF SIMILAR MEANING MAY BE DEFINED UNDER STATE OR LOCAL LAWS, OR THEIR IMPLEMENTING REGULATIONS) WHICH MAY BE CONTAINED IN THE COMMON ELEMENTS, THE DECLARANT NEITHER MAKES NOR ADOPTS ANY WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, AND SPECIFICALLY EXCLUDES EXPRESS OR IMPLIED WARRANTIES OF ANY NATURE INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE. ADDITIONALLY, DECLARANT EXCLUDES ALL WARRANTIES OF SOUNDNESS, QUALITY, WORKMANLIKE SERVICE, VALUE, SUITABILITY, FITNESS, OR OF HABITABILITY.

ADDITIONAL WARRANTY EXCLUSIONS:

1. Nail or screw pops of cracks in the walls and ceiling of the General and Limited Common Elements which do not result from faulty workmanship or defective materials but are the result of the natural shrinkage and drying of building materials, or of normal settlement of the building, wind loads or other normal movement of the building components. To the extent that the Declarant may elect at its sole discretion to perform repairs for the above conditions, provided that notice of such condition in writing is received by Declarant, Contractor and Architect during the Warranty period, Declarant, Contractor and Architect will not be liable for repainting, wallpapering or refinishing any repaired areas.

2. Ordinary wear and tear, or damage due to misuse or neglect, negligence, or the Association's failure to provide proper maintenance to the general and Limited Common Elements or the Association's failure to perform maintenance as required by the manufacturer.

3. This Limited Warranty does not cover the individual commercial and residential Units.

4. Any item which has been modified or

repaired by the Association, or any items which are installed or constructed pursuant to a separate contract or agreement between the Association and any party other than Declarant.

5. Any and all secondary, incidental or consequential damages caused by any defect or breach hereof.

6. No steps taken by Declarant, Contractor, and Architect to correct defects shall act to extend the scope or duration of this Limited Warranty beyond the Warranty period.

7. No representative of Declarant, Contractor, and Architect has the authority to expand or extend the scope of this Limited Warranty or to make verbal agreements with respect thereto.

8. All requests for correction pursuant to this Limited Warranty must be in written form and delivered to the Declarant, Contractor, and Architect, or their designated representatives.

Article 29
South Carolina Notice and Opportunity to Cure Construction Dwelling Defects Act

South Carolina law contains important requirements you must follow before you may file a lawsuit or other action for defective construction against the Contractor who constructed, improved, or repaired your Condominium Unit. Owners and Declarant acknowledge and agree that this Master Deed, the Work performed by Contractor pursuant to its Contract, and the rights and liabilities of the Owners and Contractor pursuant to this Master Deed are subject to the terms and provisions of the "South Carolina Notice and Opportunity to Cure Construction Dwelling Defects Act" under Section 40-59-810, et seq., S.C. Code Ann., 1976, as amended.

Article 30
Violations of Governing Documents and Remedies

Section 30.1 Violations Deemed a Nuisance. Every violation of this Master Deed or any other of the Governing Documents is deemed to be a nuisance and is subject to all the remedies provided for the abatement or correction of the violation. In addition, all public and private remedies allowed at law or equity against anyone in violation of these covenants will be available.

Section 30.2 Compliance. Each Owner or other occupant of any part of the Property will comply with the provisions of the Governing Documents as the same may be amended from time to time.

Section 30.3 Failure to Comply. Failure to comply with the Governing Documents will be grounds for an action to recover damages or for injunctive relief to cause any such violation to be remedied, or both. Reasonable notice and an opportunity for a hearing as provided in the Bylaws will be given to the delinquent party prior to commencing any legal proceedings.

Section 30.4 Who May Enforce. Any action to enforce the Project Documents may be brought by Declarant, the Board or the Manager in the name of the Association on behalf of the Owners or any aggrieved Owners. Such an action may be brought against the Declarant, the Board, the Manager, the Association or any Owner.

Section 30.5 Remedies. In addition to the remedies set forth above in this Article, any violation of the Governing Documents shall give to the Board, the Manager or Declarant, on behalf of the Owners, the right to enter upon the offending premises or take appropriate peaceful action to abate, remove. modify or replace at the expense of

the offending Owner, any structure, thing or condition that may exist thereon contrary to the interest of the Owners and meaning of the Project Documents. If the offense occurs in any easement, walkway, Common Elements or the like, the cure shall be at the expense of the Owner or other person responsible for the offending condition.

Section 30.6 Nonexclusive Remedies. All the remedies set forth herein are cumulative and not exclusive.

Section 30.7 No Waiver. The failure of the Board, Declarant. the Manager, or any aggrieved Owner to enforce the Governing Documents will not be deemed a waiver of the right to do so for any subsequent violations or of the right to enforce any other part of the Governing Documents at any future time.

Section 30.8 No Liability. No member of the Board, the Declarant, the Manager or any Owner will be liable to any other Owner for the failure to enforce any of the Governing Documents at any time.

Section 30.9 Recovery of Costs. If legal assistance is obtained to enforce any of the provisions of the Governing Documents, or in any legal proceeding (whether or not suit is brought)for damages or for the enforcement of the Governing Documents or the restraint of violations of the Governing Documents, the prevailing party will be entitled to recover all costs incurred by it in such action, including reasonable attorneys' fees (and legal assistants' fees) as may be incurred, or if suit is brought. as may be determined by the court.

Article 31
Disclosures

Section 31.1 Mold and Mildew. Mold and/or mildew can grow in any portion of the Condominium that is exposed to elevated levels of moisture. The Association and each Owner shall: (i) regularly inspect the parts of the Condominium that they respectively maintain, and which are visible and accessible without having to first conduct invasive testing, for the existence of mold, mildew, and/or water intrusion and/ or damage; (ii) upon discovery, immediately repair in a good and workmanlike condition the source of any water intrusion in the parts of the Condominium that they respectively maintain; (iii) remediate or replace any building material located in the parts of the Condominium that they respectively maintain that has absorbed water or moisture as a result of water intrusion; and (iv) promptly and regularly remediate all mold and/ or mildew discovered in the parts of the Condominium that they respectively maintain in accordance with current industry-accepted methods. No window or sliding door should be opened for an extended period of time as a preventative measure against mold growth.

In addition, the Association shall notify the Owners, and each Owner shall notify the Association of the discovery of mold, mildew, and/or water intrusion and/or damage in the parts of the Condominium that they respectively maintain.

Section 31.2 Views. Each Owner and Occupant acknowledges and agrees that no representations or guarantees are made as to the nature or extent of views from any Unit or any other portion of the Condominium nor are any representations or guarantees made that the view from the Unit or any other portion of the Condominium, as it presently exists or as it exists on the date of Closing, will be maintained or unobstructed.

Future development in the vicinity of the Condominium could obstruct views from the Unit

Section 31.3 Neighboring Properties.

Every neighborhood is impacted by conditions which different people may find objectionable. Each Owner and Occupant acknowledges and agrees that there may be conditions outside of the Condominium which he or she may find objectionable and that it shall be the Owner's or Occupant's sole responsibility to be acquainted with neighborhood conditions which could affect the use and enjoyment of his or her Unit. No representations are made regarding the zoning of adjacent property, or that the category to which adjacent property is zoned may not change in the future.

The Condominium is located near thoroughfares that may be affected by traffic and noise from time to time and may be improved or widened in the future. In addition, neighboring uses, including commercial uses on adjacent tracts of land near the Condominium (which may include schools, restaurants, bars, and other uses) may create noises and odors which are apparent within the Unit and other portions of the Condominium. There is no guarantee of retailers or types of businesses near or adjacent to in the Condominium.

Section 31.4 Telecommunications Agreement. Declarant on behalf of the Association has received and may continue to receive consideration for having entered into an agreement relating to the installation and provision of community cable, internet and television systems.

Section 31.5 Use of Name. "Tupelo Bay Golf Villas" and "Tupelo Bay" are commonly used words and may have been used by third parties in connection with many different types of real estate properties. As a result, there is a risk that one or more third parties may assert that the name "Tupelo Bay" has trademark significance and may assert claims for trademark infringement against Declarant claiming a likelihood of confusion and may attempt to force Declarant to change the name or recover for damages for trademark infringement.

In any event (i) Declarant shall have no liability should the Condominium or the Master Association be forced to change its name; (ii) Declarant shall have no duty to contest any claim asserting that the name should be changed; and (iii) each Owner, by taking title to a Unit, acknowledges that the name "Tupelo Bay Golf Villas" was in no way an inducement to purchase, to not sell after purchase, or to expend funds in detrimental reliance on the name remaining "Tupelo Bay Golf Villas."

During the "Period of Declarant Control" under this Master Deed or under the Master Declaration, Declarant shall have the right in its sole discretion to change the name of the Condominium and/or the Master Association without notice to any Person.

Section 31.6 Other Disclosures. Each Owner and Occupant further acknowledges the following:

(a) No representations are made regarding the schools that currently or may in the future serve the Condominium.

(b) No representations are made that any Unit is or will be soundproof or that sound may not be transmitted from one Unit to another.

(c) Exposed concrete surfaces that are not heated and cooled are subject to cracking due to (i) water penetration, (ii) expansion and contraction of the concrete with temperature changes, and (iii) building settlement. Building settlement also may cause concrete surfaces in heated and cooled areas to crack.

(d) Units may trap humidity created by

everyday living (cooking, bathing, laundering, etc.). As a result, condensation may appear on the interior portion of windows and glass surfaces and fogging of windows and glass surfaces may occur due to temperature disparities between the interior and exterior portions of the windows and glass. If left unattended and not properly maintained by the Unit Owner, the condensation may increase, resulting in staining, damage to surrounding seals, caulk, paint, woodwork, and sheetrock, and potentially mold and/or mildew.

(e) Portions of the exterior of the building(s) comprising Tupelo Bay Golf Villas II are fiber cement HardiePlank® or similar lap siding. Other portions of the exterior of the building comprising the Condominium will be constructed with brick or brick veneer.

The Condominium does not contain any exterior wood studs, but the Association shall be responsible for developing and implementing a regular maintenance program to insure that all exterior joints and penetrations in the exterior siding or brick, if any, remain properly sealed and caulked to prevent moisture infiltration and damage and to repair cracks that may develop. If cracking occurs, the Association shall be responsible for immediately performing necessary repairs.

(f) The Condominium is covered by a gable roof system. Rainwater and refuse should not accumulate on the building's roof system and are not anticipated. The Association shall be responsible for minimizing water intrusion and water penetrations by properly maintaining the roof system.

(g) Traffic noise and odor and other noise and odor related to retail services and other businesses which may be developed on adjacent properties may emanate from retail and commercial spaces located near or in the vicinity of the Condominium.

(h) A certain amount of ponding of water may occur on balconies.

(i) Soil erosion and flooding problems around site walls may naturally occur over time.

(j) The Units may be subject to water infiltration, particularly along foundation walls, during intense or prolonged periods of rain and/or wind.

(k) Windows, exterior doors and louvers may leak during or after storms with high winds and/or heavy rain.

(l) Hardwood flooring in Units, if installed, is subject to nicks, dents, scars, scuffs, and scrapes.

(m) Smooth finish on walls and ceilings is subject to imperfections and may chip or crack when hanging pictures, mirrors, or any other objects.

(n) Corridors providing access to the Units are open and may experience hot and cold temperatures. They also may contain odors from surrounding Units.

(o) The exterior of the Condominium will be lit at night. There is no guarantee against light infiltration into the Units.

(p) There is no guarantee that elevators will be of sufficient size to move over- sized pieces of furniture.

(q) There may be periodic plumbing noises from water descending through waste lines.

(r) HVAC and hot water leaks can occur if an Owner does not keep pans cleaned out and

maintained. HVAC equipment will operate to manufacturer's specifications; there is no guarantee of comfort.

(s) Shower pans and tubs may leak if not properly maintained. The Owner of any Unit from which leaks occur is responsible for damages to vertically adjacent units.

(t) Slight variations in paint colors may exist within and among Units. Owners should anticipate some fading or yellowing of paint with time. Painted walls should not be washed or scrubbed.

(u) Materials used for fixtures in Units (including brass/ chrome plumbing, bathroom, and lighting fixtures) are subject to discoloration and/or corrosion with time.

(v) Natural wood contains considerable color variation. Grain patterns and textures will vary from consistent to irregular and wood from different trees or different areas of the same tree may contain such variations. Cabinet finishes (including gloss and/or matte finishes) may not be entirely consistent and irregularities are normal. Wood and wood products may be subject to warping, splitting, swelling, and/or delamination.

(w) Marble and granite are natural pieces of stone, which may contain colors and grains that vary significantly from piece to piece. Chips and shattering veins may appear as scratches in marble and granite. The thickness of the joints between marble, granite, or other materials against which they have been laid will vary and there will be irregularities in surface smoothness. Marble, granite, and other stone surfaces may scratch, chip, or stain easily.

Each Owner is responsible for maintaining marble, granite, and other materials within his or her Unit. Periodic use of professionally approved and applied sealant is needed to ensure proper maintenance of marble and granite. Marble and granite may flex or move slightly in order to absorb impacts. Such movement may in turn cause grout to crack or loosen or cause some cracking in bordering materials, which Unit Owners may need to repair as part of normal Unit maintenance.

Article 32
Miscellaneous

Section 32.1 Invalidity. The invalidity of any part of the Master Deed or exhibits attached hereto shall not impair or affect the validity or enforceability of the remainder of the Master Deed and in such event all the other provisions of this Master Deed shall continue in force and effect as if such invalid provision shall have never been included.

Section 32.2 Waiver. No provisions of the Master Deed shall be deemed to have been abrogated or waived by reason of any failure to enforce the same irrespective of the number of violations or breaches which may occur. Law controlling the Master Deed and By-Laws attached hereto shall be construed under and controlled by the laws of the State of South Carolina.

Section 32.3 Severability. It is the intention of the Declarant that the provisions of this Master Deed and its exhibits are severable so that if any provision, condition, covenant or restriction thereof shall be invalid or void under any applicable federal, state, or local law, the remainder shall be unaffected thereby.

Section 32.4 Captions. Captions in this document are inserted as a matter of convenience and for reference only, and in no way define, limit, extend or describe the scope of this document or the intent of any provision hereof.

Section 32.5 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 32.6 Termination. All the Owners or the sole Owner of the Property may waive the Regime and regroup the records of the Condominium with the Common Elements, provided that the Condominium is unencumbered or, if encumbered that all the creditors on whose behalf the encumbrances are recorded agree to accept as security the undivided portions of the Property owned by the debtors.

Any action to terminate the legal status of the regime and project other than after substantial destruction or condemnation must be agreed to and approved by Unit Owners who represent sixty-seven percent of the allocated vote in the Association.

Said consent must also be approved by sixty-seven percent of the votes of the unit estate subject to mortgages.

Section 32.7 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 the Unit which shall be carried on the tax books as separate and distinct entities for that purpose, and not on the buildings or Property as a whole.

Section 32.8 Condemnation.

(a) **General.** Whenever all or any part of the property shall be taken by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice thereof and to participate in the proceedings incident thereto unless otherwise prohibited by law. The award made for such taking shall be payable to the Insurance Trustee. Unless otherwise required by law at the time of such taking, any award made therefore shall be disbursed by the Insurance Trustee, as hereinafter provided in this Section 8.

(b) **Common Area.** If the taking is confined to the Common Area and Facilities on which improvements shall have been constructed and if at least seventy-five percent of the total vote of the Association shall decide within 60-days after such taking to replace said improvements, or any part thereof, on the remaining land included in the Common Area and Facilities and according to plans therefore to be approved by the Association, then the Board shall arrange for such replacement and the Trustee shall disburse the proceeds of such award in the same manner as they are required to disburse insurance proceeds where damage or destruction to the property is to be repaired or reconstructed as provided for in Article 11 of the this Master Deed; subject, however, to the right hereby reserved to the Association which may be exercised by a majority of the total vote thereof to provide for the disbursement by the Trustee of the remaining proceeds held by it (after payment of all costs incident to such replacement) to the Owners or any one or more of them in amounts disproportionate to the Percentage Interest appurtenant to their Units established herein, which disproportionate amounts shall correspond with the disproportionate damages sustained by the Owners or any one or more of them and their respective mortgagees as their interest may appear as the Association may determine. If at least seventy-five percent of the total vote of the Association shall not decide within 60-days after such taking to replace such improvements or if the taking is confined to the Common Area and Facilities on which no improvement shall have been constructed, then the Association or the Trustee, as the case may be, shall disburse the proceeds of the award in the manner hereinabove provided for the disbursement of the remaining proceeds of an award after payment of all costs

incident to replacement of the improvements taken, including the right reserved to the Association to provide for the disbursement by the Trustee of the remaining proceeds held by it to the Owners in disproportionate amounts and their respective mortgagees as their interest may appear.

(c) **Units.** If the taking includes one or more Units, any part or parts thereof or the Limited Common Area and Facilities, or parts thereof, to which an Unit has exclusive use then the award shall be disbursed and all related matters, including, without limitation, alteration of the Percentage Interest appurtenant to each Unit shall be handled pursuant to and in accordance with the consent of all Owners expressed in a duly recorded amendment to this Master Deed. In the event that such an amendment shall not be recorded within 90-days after the taking, then such taking shall be deemed to be and shall be treated as damage or destruction which shall not be repaired or reconstructed as provided for in Article 11 of this Master Deed, whereupon the Condominium will be terminated in the manner therein prescribed, provided, however, in the event the Condominium is not terminated and such Unit or Units are replaced, the proceeds shall be paid to the Unit Owner or Owners and their respective mortgagee as their interest may appear.

Section 32.9 Notices. Whenever notices are required to be sent hereunder, the same may be delivered to each Owner either personally or by mail addressed to such Owner at his place of residence in the Condominium unless the Owner has by written notice, duly receipted for, specified a different address. Proof of such mailing or personal delivery by the Association shall be given by affidavit of the person mailing or personally delivering such notice. Notices to the Association (including the Board of Directors) shall be delivered by mail to the Secretary of the Association at the Secretary's address within the Condominium or, in the case of the Secretary's absence, then to the President of the Association at his or her address in the Condominium; provided, however, that the Association may specify a different address by written notice delivered to all Owners' Institutional Mortgagees of record, and any third-parties affected thereby. Notices to the Declarant shall be sent by certified postage paid mail to Little River Corporation, 401 Twelfth Avenue North, Post Office Box 1117, Myrtle Beach, SC 29578-1117, or such other address provided in writing to the Association from time to time. All notices shall be deemed delivered when mailed. Any party may change his or its mailing address by written notice duly receipted for. The change of the mailing address of any party as specified herein shall not require an amendment to this Master Deed. Notices required to be given the personal representative of a deceased Owner may be delivered either personally or by mail to such party at his or its address appearing in the records of the probate court wherein the estate of such deceased Owner is being administered.

Section 32.10 Singular, Plural, Gender. Whenever the context so permits, the use of the plural shall include the singular, the singular the plural, and the use of any gender shall be deemed to include all genders.

Section 32.11 Approval of Master Deed. The Association by its execution of this Master Deed approves the provisions hereof and all covenants, terms, conditions, duties and obligations hereof and Exhibits hereto and the Act. Each Owner by virtue of acceptance of a deed of conveyance of an Unit and/or any portion of or interest in the Common Elements and other parties by virtue of their occupancy of Units or use of the Common Elements, hereby approve the foregoing and do agree to be bound by all the terms, conditions, duties and obligations contained herein, in the Exhibits hereto and in the Act.

Section 32.12 Assignment. Subject to the

requirements and limitations of the Act, Declarant may assign all or any part of the Special Declarant Rights or any of Declarant's other rights and reservations herein to any successor who takes title to all or part of the Property in a bulk purchase for the purpose of development and sale. Such successor will be identified, the particular rights being assigned will be specified, and, to the extent required, related obligations will be expressly assumed by such successor, all in a written instrument duly recorded with the ROD.

Section 32.13 Exhibits Attached. The following Exhibits are attached and incorporated verbatim in this Master Deed by reference as fully as if set forth herein:

Exhibit "A-1"
Exhibit "A-2"
Exhibit "B"
Exhibit "C"
Exhibit "D"
Exhibit "E"

Instrument#: 2018000145604, DEED BK: 4170 PG: 1417 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 59 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

IN WITNESS WHEREOF, the Declarant has executed this Master Deed on December 20, 2018.

SIGNED, SEALED AND DELIVERED
IN THE ~~PRESENCE~~ OF:

Maryann M. Kier

LITTLE RIVER CORPORATION,
A ~~SOUTH~~ CAROLINA CORPORATION

By: _____ [SEAL]
Dennis Permenter, President and
Sole Authorized Signatory

STATE OF SOUTH CAROLINA)
) **ACKNOWLEDGMENT**
COUNTY OF HORRY)

I, the undersigned, a Notary Public for South Carolina, do hereby certify that Dennis Permenter, as President of Little River Corporation, personally appeared before me this day and acknowledged the due execution of the foregoing instrument on behalf of the Company.

Witness my hand and official seal on December 20, 2018.

Maryann M. Kier (L.S.)
NOTARY PUBLIC FOR SOUTH CAROLINA
PRINTED NAME: MARYANN M. KIER
COMMISSION EXPIRES: January 16, 2025

MARYANN M KIER NOTARY PUBLIC SOUTH CAROLINA

Signature Page to Master Deed

Instrument#: 2018000145604, DEED BK: 4170 PG: 1418 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 60 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

JOINDER OF MORTGAGEE
CRESCOM BANK

The undersigned CresCom Bank, a South Carolina banking corporation as holder of that certain Mortgage and Security Agreement from Declarant dated June 29, 2017, and recorded July 5, 2017, in Mortgage Book 5896, at Page 2465 (the "Mortgage") in the Office of the Registrar of Deeds of Horry County, South Carolina, does hereby consent to the filing of the foregoing Master Deed and the conversion of the Land covered by its Mortgage to Units in Tupelo Bay Golf Villas II Horizontal Property Regime. The Mortgage shall henceforth encumber all of the Units in Tupelo Bay Golf Villas II Horizontal Property Regime and all interests in Common Areas and other rights appertaining to the Units.

CRESCOM BANK, a South Carolina banking corporation
["Mortgagee"]

Witness #1

Witness #2

By: _____ [L.S.]
Name: Fred W. Jasper Jr.
Title: Senior Vice President

Dated: December 20, 2018

STATE OF SOUTH CAROLINA)
) **ACKNOWLEDGMENT**
COUNTY OF HORRY)

The foregoing instrument was acknowledged before me on December 20, 2018, by Fred W. Jasper, Jr., as Senior Vice President of **CRESCOM BANK, a South Carolina banking corporation** on behalf of the banking corporation.

_____ (L.S.)
Notary Public for South Carolina
Printed Name: MARYANN M. KIER
Commission Expires: January 16, 2025

MARYANN M KIER NOTARY PUBLIC SOUTH CAROLINA

Joinder Mortgagee CresCom Bank to Master Deed

Instrument#: 2018000145604, DEED BK: 4170 PG: 1419 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 61 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

JOINDER OF SECOND MORTGAGEE
SOUTHSIDE, LLC

The undersigned Southside, LLC, a South Carolina limited liability company as holder of that certain second Mortgage of Real Estate from Declarant dated June 29, 2017, and recorded July 5, 2017, in Mortgage Book 5896, at Page 2476 (the "Second Mortgage") in the Office of the Registrar of Deeds of Horry County, South Carolina, does hereby consent to the filing of the foregoing Master Deed and the conversion of the Land covered by its Second Mortgage to Units in Tupelo Bay Golf Villas II Horizontal Property Regime. The Second Mortgage shall henceforth encumber all of the Units in Tupelo Bay Golf Villas II Horizontal Property Regime and all interests in Common Areas and other rights appertaining to the Units.

SOUTHSIDE, LLC, a South Carolina Limited Liability Company *["Second Mortgagee"]*

Witness #1

Witness #2

By: _____ [L.S.]
Name: Dennis Permenter
Title: Manager & Sole Authorized Signatory

Dated: December 20, 2018

STATE OF SOUTH CAROLINA)
)
COUNTY OF HORRY)

ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me on December 20, 2018, by Dennis Permenter as Manager of **SOUTHSIDE, LLC, a South Carolina limited liability company,** on behalf of the Second Mortgagee.

R. DEAN WELCH NOTARY PUBLIC SOUTH CAROLINA

_____ (L.S.)
Notary Public for South Carolina
Printed Name: R. Dean Welch
Commission Expires: January 5, 2028

Joinder of Second Mortgagee Southside, LLC to Master Deed

Instrument#: 2018000145604, DEED BK: 4170 PG: 1420 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 62 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

CONSENT AND ACCEPTANCE TO MASTER DEED BY TUPELO BAY GOLF VILLAS II CONDOMINIUM ASSOCIATION

FOR GOOD AND VALUABLE CONSIDERATION, the receipt whereof is hereby acknowledged, TUPELO BAY GOLF VILLAS II CONDOMINIUM ASSOCIATION hereby agrees to and does on behalf of itself and all its present and future Owners, accept all the benefits and all the duties, responsibilities, obligations and burdens imposed upon it and them by the provisions of this Master Deed together with all the Exhibits hereto and as set forth in the Act.

IN WITNESS WHEREOF, the above-named **TUPELO BAY GOLF VILLAS II CONDOMINIUM ASSOCIATION** has executed this acknowledgment and consents to the Master Deed on December 20, 2018.

Signed, Sealed & Delivered
In The Presence Of:

TUPELO BAY GOLF VILLAS II CONDOMINIUM ASSOCIATION, a South Carolina Nonprofit Corporation

By: _____ (L.S.)
Dennis Permenter, President

STATE OF SOUTH CAROLINA)
) **ACKNOWLEDGMENT**
COUNTY OF HORRY)

I, the undersigned Notary Public for South Carolina, do hereby certify that Dennis Permenter, as President, of Tupelo Bay Golf Villas II Condominium Association, personally appeared before me this day and acknowledged the due execution of the foregoing instrument, as the act and deed of said Association.

Witness my hand and official seal on December 20, 2018.

R. DEAN WELCH NOTARY PUBLIC SOUTH CAROLINA

_____ (L.S.)
NOTARY PUBLIC FOR SOUTH CAROLINA
PRINTED NAME: R. DEAN WELCH
COMMISSION EXPIRES: JANUARY 5, 2028

Consent of Tupelo Bay Golf Villas II Condominium Association

Instrument#: 2018000145604, DEED BK: 4170 PG: 1421 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 63 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

EXHIBIT "A-1"

Legal Description of The Land

[TUPELO BAY GOLF VILLAS II HPR – BUILDING #900, PHASE "K"]

ALL AND SINGULAR, those certain pieces, parcels or lots of land, together with improvements thereon, situate, lying and being in Socastee Township, Horry County, South Carolina, more particularly shown and designated as **LOT 900**, containing **19,338 SQUARE FEET**, on a plat prepared by W. B. Huntley, III, RLS, of Huntley and Associates, Inc. Land Surveying, dated March 10, 2017, and recorded May 12, 2017 in Plat Book **275**, at Page **163** in the office of the Registrar of Deeds for Horry County, South Carolina, said plat being incorporated herein by reference as part of this description.

This being the same property conveyed to Little River Corporation by deed of Southside, LLC dated June 29, 2017, recorded July 5, 2017, in Deed Book 4023, at Page 758 in the Office of the ROD for Horry County, South Carolina.

SUBJECT to a reservation by Little River Corporation, as Declarant, its successors and assigns, of an assignable, perpetual non-exclusive easement for drainage and for repair of and maintenance of same over, under and across that certain real property described above.

The aforesaid real property and the particular improvements thereon, which are hereby committed (and the location of such improvements) are shown and described on the attached surveys, plot plans and building plans, which are incorporated in the description by reference and which constitute, together with this description, Exhibit "A-1" to the Master Deed of TUPELO BAY GOLF VILLAS II HORIZONTAL PROPERTY REGIME, Building #900, Phase "K". The improvements in Building #900, Phase "K", consist of one three-story building containing twelve Units. The location of individual Units within Building #900 are located as shown and described upon the aforesaid parts to this Exhibit and the other Exhibits attached to the Master Deed, which locations and descriptions are also incorporated in this description by reference. Each Unit has appurtenant to it an undivided interest in the Common Elements as shown and described on the attached surveys, plot plans, building plans and descriptions, and as described in the Master Deed to which this is an Exhibit. All areas not contained within the Units and Buildings as the term "Unit" is defined in the Master Deed, constitute Common Elements. Improvements which constitute Common Elements are the drives, parking areas, sidewalks, all corridors and halls providing access or such halls and corridors, and all other improvements not contained within or part of any Unit(s).

This conveyance is expressly made subject to all easements, reservations, and rights-of-way of record, including those contained within the Master Deed and Exhibits thereto, as shown on this Exhibit and all other of record, including those in the Master Declaration, as amended from time to time.

Instrument#: 2018000145604, DEED BK: 4170 PG: 1422 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 64 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

EXHIBIT "A-2"

Legal Description of Regime Expansion Area

ALL AND SINGULAR, those certain pieces, parcels or lots of land, together with improvements thereon, situate, lying and being in Socastee Township, Horry County, South Carolina, more particularly shown and designated as **TRACT "DD-4"**, containing **25.45 ACRES**, more or less, and as **TRACT "DD-7"**, containing **6.08 ACRES**, more or less, on a plat prepared for Southside, LLC entitled REMAINING ACREAGE TRACT "DD" by W. B. Huntley, III, RLS, of Huntley and Associates, Inc. Land Surveying, dated March 22, 2017, and recorded June 21, 2017 in Plat Book **275**, at Page **307** in the office of the Registrar of Deeds for Horry County, South Carolina, said plat being incorporated herein by reference as part of this description.

TOGETHER with ingress, egress, and access over, across, and under the roadways, drives, and rights of way from U.S. Highway 17 Business to any and all of the aforesaid described property.

This being a portion of the property conveyed to Southside, LC by deed of Myrtlewood Realty associates, L.P., et al., dated September 4, 2003, recorded September 11, 2003, in Deed Book 2640, at Page 1267 in the Office of the ROD for Horry County, South Carolina.

Parent TMS #195-00-01-054

Instrument#: 2018000145604, DEED BK: 4170 PG: 1423 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 65 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

EXHIBIT "B"

As-Built Survey, Floor Plans & Architect's Certificate

TUPELO BAY GOLF VILLAS II
HORIZONTAL PROPERTY REGIME

UNITS #901 THROUGH #912 (PHASE "K")

NOTE

Exhibit "B" is an as-built survey showing the location of Building #900 and other improvements, a set of floor plans of the Building which shows graphically the dimensions, area and location of each Unit therein, and the dimensions, area and location affording access to each Unit. The as-built survey, prepared by W.B. Huntley, III, RLS, of Huntley and Associates, Inc., Land Surveyors, dated November 28, 2018, was recorded on December 21, 2018 in Plat Book **284** at Page **222**, and the floor plans, specifications and drawings have been recorded in Plat Book **284** at Pages **194** through **202** on December 20, 2018, in the Office of the Registrar of Deeds of Horry County, South Carolina, which is incorporated herein by reference and miniaturized copies of certain pages have been attached to this **Exhibit "B"**. This as-built survey, floor plans, and said **Exhibit "B"** further include the matters set forth below, and includes the Architect Certificate of Ward L. Ayres, AIA, of Ayres & Associates, Inc. pursuant to Section 27-31-110, S.C. Code Ann. (1976), as amended.

Building Number 900, Phase "K", consists of twelve Units located in a three-story Building. Each Unit in the Building is individually numbered and described as Units #900 through #912, inclusive. Units #901, 902, 903, and 904 are located on the first floor of Building # 900. Units #905, 906, 907, and 908 are located on the second floor of Building #900. Units #909, 910, 911, and 912 are located on the third floor of Building #900. A walk-through description of the Units are as follows:

NARRATIVE DESCRIPTION OF UNITS, GENERAL COMMON ELEMENTS, AND LIMITED COMMON ELEMENTS:

Each Unit comes equipped with basic appliance package consisting of a refrigerator, range with self-cleaning oven, microwave, range hood, dishwasher, disposal, central heating and air conditioning system, smoke alarms, and a hot water heater, with entrance doors located onto a common area covered walk.

The Units are described below. They include (a) the spaces enclosed by the unfinished surfaces of the perimeter and interior walls, ceilings and floors thereof, including vents, doors, windows and such other structural elements that ordinarily are regarded as enclosures of space; (b) interior dividing walls and partitions (including the space occupied by such walls, or partitions); (c) the decorated inner surfaces of such perimeter and interior walls, ceilings and floors, consisting (as the case may be) of paint, plaster, carpeting and all other furnishing materials and fixtures affixed or installed and for the sole and exclusive use of any unit (commencing at the point of disconnection from the structural body of the building and from utility lines, pipes, or systems serving the Unit). No pipes, wires, conduits or other public utility lines or installations

constituting a part of the overall system designated for the service of any particular Unit or building, nor any property of any kind, including fixtures and appliances within any Unit, which are not removable without jeopardizing the soundness, safety and usefulness of the remainder of the building shall be deemed to be a part of any Unit.

A walk-through description of each floor plan comprising the Units is as follows:

THREE-BEDROOM UNITS - BUILDING #900

There are two different floor plans in the three-bedroom Units, one being a reverse, or mirror-image, of the other. The six three-bedroom Units are **Units 901, 904, 905, 908, 909, and 912.** Each of these Units contains approximately 1506 square feet in heated space and in addition to three bedrooms, each has two bathrooms, a kitchen, living/dining area, utility room, closets, and entry area. These Units have a Limited Common Element covered balcony of approximately 125 square feet each. **Units 901, 905, and 909** are shown on the Floor Plans in the attached Exhibit "B", located on the left side of Building #900 as you face the front of the Building. Through the front door is a small entry area opening into a hallway. A Bedroom is located at the front of the Unit on the left side of the hallway and contains approximately 132 square feet. The hallway opens into an open-concept Kitchen on the left side of the Unit and into a Living/Dining area at the rear of the Unit, containing approximately 406 square feet. Across the hall from the Kitchen is a hall from which access to the second Bedroom, containing approximately 144 square feet, a bathroom, and a utility area, HVAC and Closet is gained. In the rear of the Unit, on the right side of the Living/Dining area, is the Master Bedroom, containing approximately 192 square feet. To the front of the Master Bedroom are two walk-in closets, a full bath, vanity and shower. At the rear of the Unit, on the left, is a covered balcony containing approximately 125 square feet, with access by a sliding glass door from the Living/Dining area.

Units 904, 908, and 912 are mirror-images of Units 901, 905, and 909 as shown on the Floor Plans in the attached Exhibit "B" and are located on the right-side of Building #900 as you face the front of the Building. These Units have the same layout and square footage of the prior identified Units above, except for being the reverse, mirror-image of the other Units.

FOUR-BEDROOM UNITS - BUILDING #900

There are two different floor plans in the four-bedroom Units, one being a reverse, or mirror-image, of the other. The six four-bedroom Units are **Units 902, 903, 906, 907, 910, and 911.** Each of these Units contains approximately 2202 square feet in heated space and in addition to four bedrooms, each has three bathrooms, a kitchen, living/dining area, sun room, utility room, closets, and entry area. These Units have a Limited Common Element covered of approximately 120 square feet each. **Units 902, 906, and 910** are shown on the Floor Plans in the attached Exhibit "B", located on the left-center side of Building #900 as you face the front of the Building. Through the front door is a small entry area opening into a hallway. A Bedroom is located at the front of the Unit on the right side of the hallway and contains approximately 143 square feet, with a separate reach-in Closet. On the right side of the hallway is a small closet. The hallway opens into an open-concept Kitchen with enclosed Pantry on the right side of the Unit and into a Living/Dining area at the rear of the Unit, containing approximately 580 square feet. Across the hall from the Kitchen is a hall from which access is gained to the second Bedroom, a full bath, utility area, HVAC and Closet. The second

Bedroom contains approximately144 square feet and a separate reach-in Closet. At the front of the Living/Dining area, on the right, is a small entryway providing access into a third Bedroom, full bath and Closet. Access to the third Bedroom, containing approximately 173 square feet, is gained through a separate door within the entryway. The third Bedroom has a separate reach-in Closet.

In the rear of the Unit, on the left side of the Living/Dining area, is the Master Bedroom, containing approximately 192 square feet. To the front of the Master Bedroom are two walk-in closets, a full bath, vanity and shower. At the rear of the Unit, on the left, is a covered balcony containing approximately 120 square feet, with access by a sliding glass door from the Living/Dining area. There is a separate Sun Room, containing approximately 112 square feet, located on the right side at the rear of the Unit.

Units 903, 907, and 911 are mirror-images of Units 902, 906, and 910 as shown on the Floor Plans in the attached Exhibit "B" and are located on the right-center side of Building #900 as you face the front of the Building. These Units have the same layout and square footage of the prior identified Units above, except for being the reverse, mirror-image of the other Units.

The Units are shown generally on the Floor Plans attached to Exhibit "B", however the Owners may have made interior alterations to the Floor Plans of a Unit, which are not shown in Exhibit "B". **THE DIMENSIONS OF THE ROOMS IN EACH UNIT ARE CALCULATED FROM EXHIBIT "B" AND MAY NOT ACCURATELY DEPICT THE DIMENSIONS OF THE UNITS AND THE ROOMS IN EACH UNIT.** The Floor Plans, Specifications and Drawings for Building #900 by Ward L. Ayres, AIA, of Ayres & Associates, Inc., dated April 1, 2017, and recorded in Plat Book **284**, at Pages **194** through **202**, on December 20, 2018, and the as-built Survey prepared by W. B. Huntley, III, R.L.S., of Huntley & Associates, Inc. Land Surveyor, dated November 28, 2018, and recorded on December 21, 2018, in Plat Book **284**, at Page **222**, in the Office of the Registrar of Deeds for Horry County, South Carolina, will control over the said descriptions herein as to actual ground location of the items shown on the plot plan.

Exhibit "B" is deemed to include the attached certification of Ward L. Ayres, AIA, of Ayres & Associates, Inc. of the above referenced plans recorded simultaneously herewith. This Exhibit "B" will be amended for each separate Building and Phase through and including Phase "R", or any of them, and become part of the Regime in accordance with the terms of this Master Deed.

SPECIFICATIONS COMMON TO ALL UNITS:

All Units are equipped with carpet or tile floor coverings, painted sheetrock walls, and a smoke alarm. Each unit is separated from other units by a one-hour rated fire separation. All Units front on a common area corridor affording direct access to and from the unit to a public right-of-way. Each Unit also has an individual storage unit that is a limited common element, which storage unit is located near the elevator and designated by the same identifying number as its respective Unit.

Instrument#: 2018000145604, DEED BK: 4170 PG: 1426 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 68 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

ARCHITECT'S CERTIFICATE

BUILDING #900 (PHASE "K")

Pursuant to Section 27-31-110, S.C. Code Ann. (1976), as amended, this is to certify that TUPELO BAY GOLF VILLAS II HORIZONTAL PROPERTY REGIME, consisting of Building #900, Phase "K", is built substantially in accordance with the Regime plans described in Exhibit "B" and the within description of the twelve Units therein, located on real estate described in Exhibit "A-1", fully depict the layout, dimensions, location, area and number identification of the Units and the General and Limited Common Elements of the Regime, except for minor variations which are customary in projects of this nature.

ARCHIECT:

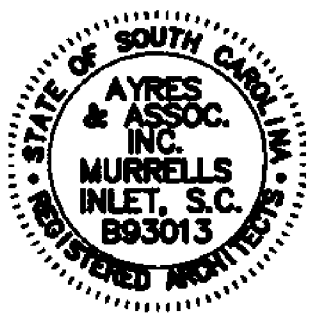
AYRES & ASSOCIATES, INC.

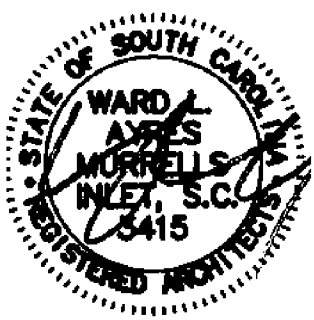
By: _____ [SEAL]
Ward L. Ayres, President and
Registered Architect

Murrells Inlet, South Carolina

December 20, 2018

Architect's Firms SC License No. B93013
Architect's SC License No. AR 3415

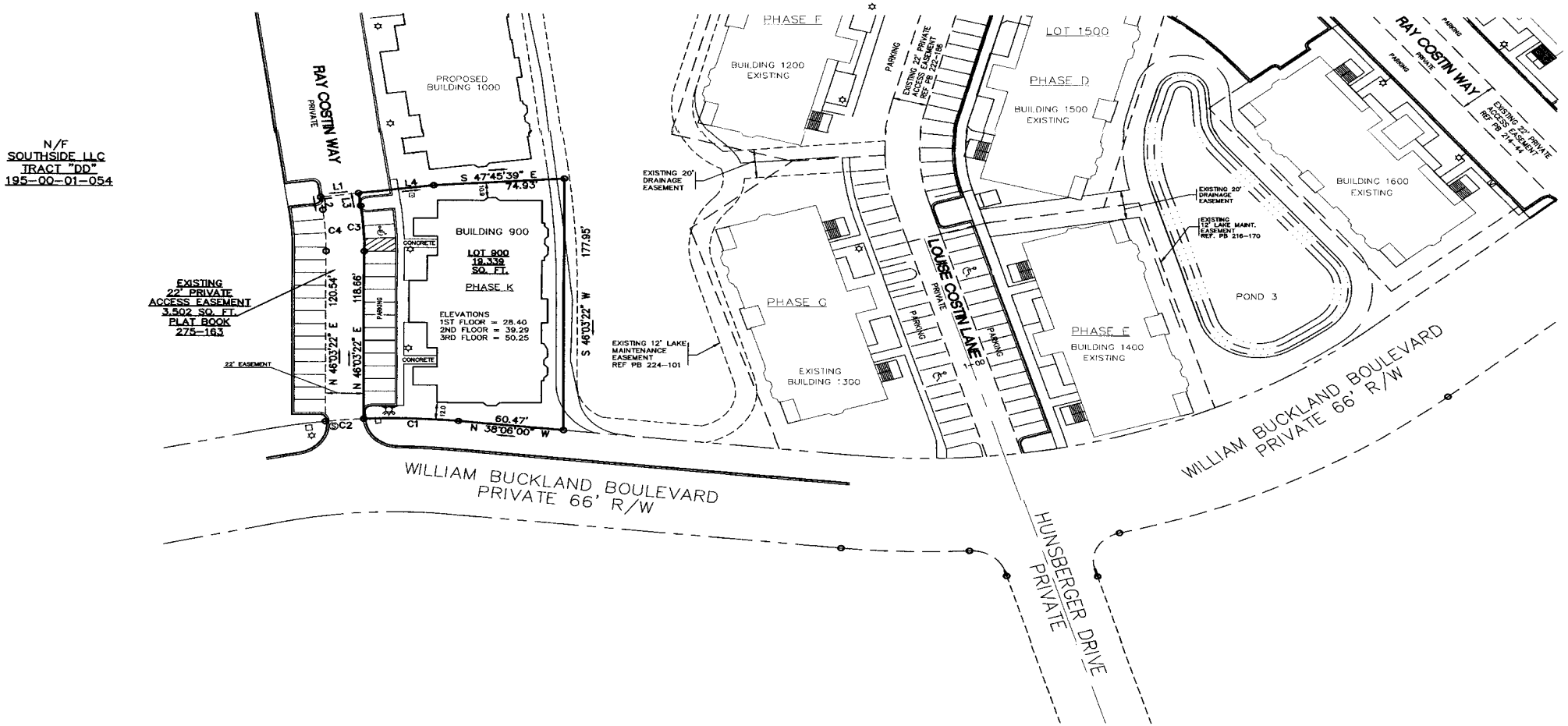




Instrument#: 2018000145604, DEED BK: 4170 PG: 1427 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 69 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

CURVE TABLE						
CURVE	RADIUS	LENGTH	TANGENT	CHORD	BEARING	DELTA
C1	350.00'	54.42'	27.26'	54.36'	N 42°33'14" W	08°54'29"
C2	350.00'	22.08'	11.05'	22.08'	N 48°48'56" W	03°36'54"
C3	241.00'	32.21'	16.13'	32.19'	N 42°13'36" E	07°39'30"
C4	219.00'	29.27'	14.66'	29.25'	N 42°13'36" E	07°39'30"

LINE TABLE		
LINE	LENGTH	BEARING
L1	22.00'	N 51°36'09" W
L2	8.99'	S 38°23'51" W
L3	8.97'	N 38°23'51" E
L4	43.47'	S 51°36'09" E

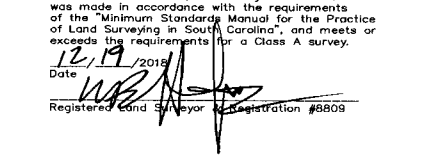


0' 50' 100' 150'
SCALE 1"= 50'

I HEREBY STATE THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF, THE SURVEY SHOWN HEREON WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE MINIMUM STANDARDS MANUAL FOR THE PRACTICE OF LAND SURVEYING IN SOUTH CAROLINA, AND MEETS OR EXCEEDS THE REQUIREMENTS FOR A CLASS "A" SURVEY AS SPECIFIED THEREIN; ALSO THERE ARE NO VISIBLE ENCROACHMENTS OR PROJECTIONS OTHER THAN SHOWN. THIS PROPERTY IS SUBJECT TO ALL EASEMENTS AND RESTRICTIONS OF RECORD. THIS SURVEY WAS COMPLETED WITHOUT THE BENEFIT OF A TITLE REPORT. NO CERTIFICATION IS MADE TO THE EXISTENCE OR NONEXISTENCE OF WETLANDS. ALL DIMENSIONS RELATING TO STRUCTURES ARE TO OUTSIDE WALLS. THIS PLAT IS THE PROPERTY OF HUNTLEY AND ASSOCIATES, INC., IS CERTIFIED ONLY TO THE PERSONS OR ENTITY NAMED HEREIN, AND MUST HAVE AN ORIGINAL SIGNATURE AND RAISED SEAL TO BE VALID.

PIN NO.
462-11-01-0078
LOT 900

FIRM MAP #: 450104-0732-H
DATED: 08-23-99 ZONE: "X"



LOCATION MAP

Instrument#: 2018000144540, PLAT BK: 284 PG: 222 DOCTYPE: 061 12/21/2018 at 11:01:08 AM, 1 OF 1 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

12/20/18
COUNTY APPROVAL

CERTIFICATION OF ACCURACY

I hereby state that to the best of my knowledge, information and belief, the survey shown hereon was made in accordance with the requirements of the "Minimum Standards Manual for the Practice of Land Surveying in South Carolina", and meets or exceeds the requirements for a Class A survey.

12/19/2018
Date

Registered Land Surveyor Registration #8809

CERTIFICATION OF OWNERSHIP AND DEDICATION

The undersigned hereby acknowledge that I am (we are) the owner(s) of the property shown and described hereon and that I (we) hereby adopt this (plan of development/plat) with my (our) free consent and that I (we) hereby dedicate all items as specifically shown or indicated on said plat.

(Name) LITTLE RIVER CORPORATION (Date) 12/19/2018
(Signed)

(Name) (Date)
(Signed)

OWNERS: LITTLE RIVER CORPORATION
P.O. BOX 1117
MYRTLE BEACH, S.C. 29578

SOUTH CAROLINA REGISTERED LAND SURVEYOR 11-28-18 NO. 8809 W.B. HUNTLEY III

RLS: W.B. HUNTLEY III
NO: 8809

STATE OF SOUTH CAROLINA
HORRY COUNTY

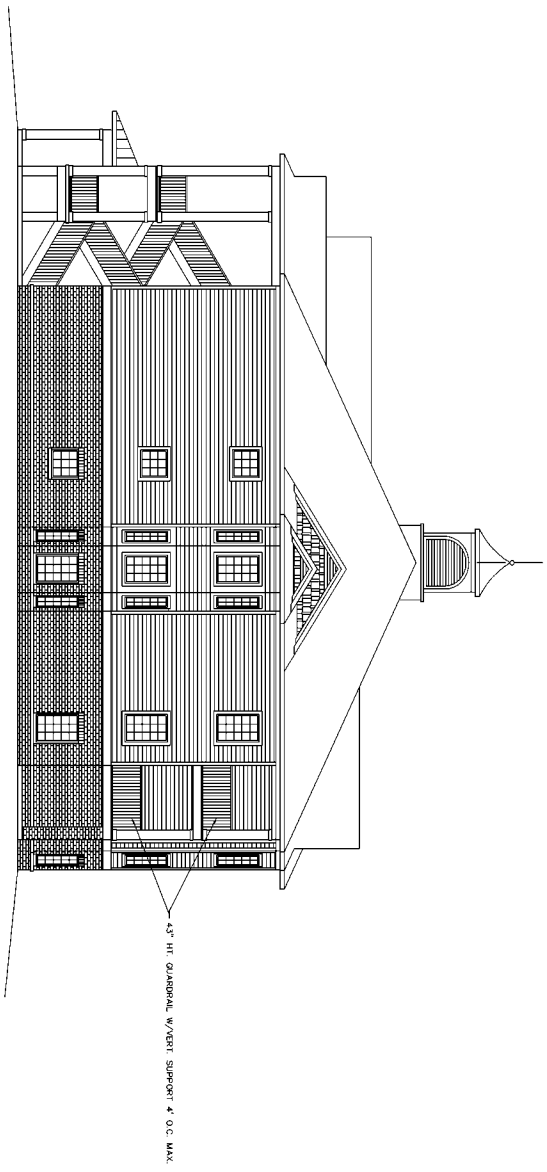
PHASE 1- PUD PLAN
LOT 900 (PHASE K)
TUPELO BAY GOLF VILLAS II HPR
SURVEY FOR
LITTLE RIVER CORPORATION

HUNTLEY & ASSOCIATES, INC.
LAND SURVEYOR
7760 FALLEN TIMBER DRIVE
MYRTLE BEACH, SC 29588
(843) 238-8745
huntleysurveying@gmail.com

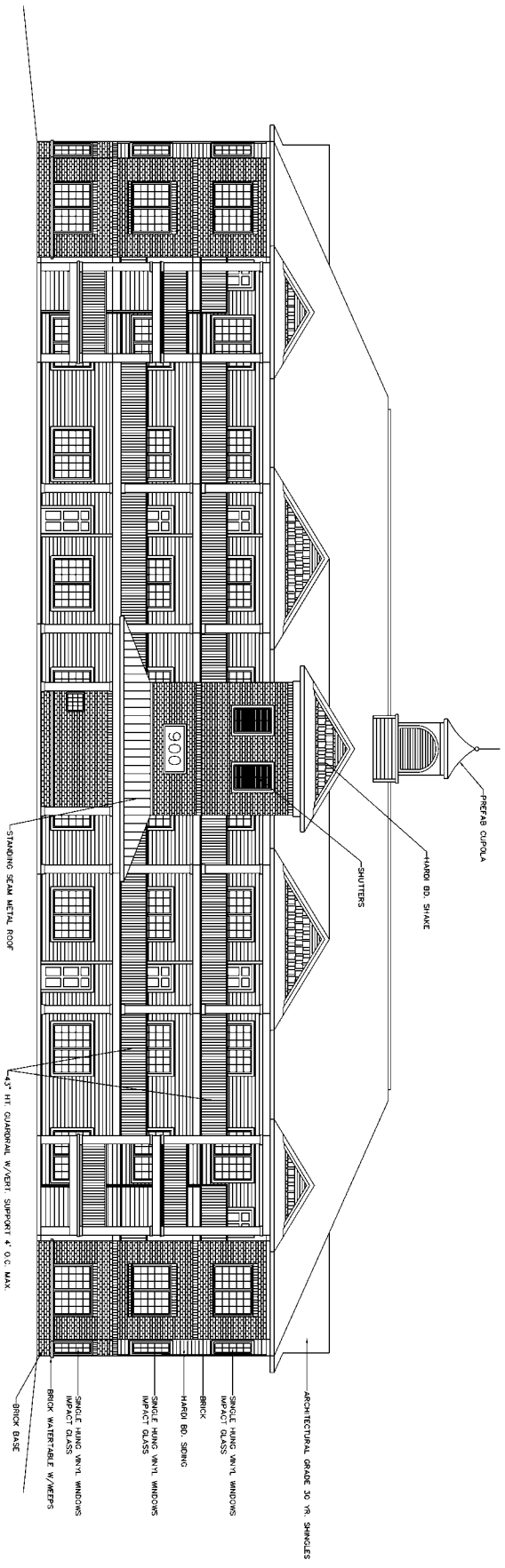
REF. PLAT BOOK	275-163
REF. DEED BOOK	4023-758
TAX MAP	SEE NOTE
PARTY CHIEF	JBH
DRAWN	WBH
DATE	11-28-18
DWG. NO.	23603

Instrument#: 2018000145604, DEED BK: 4170 PG: 1428 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 70 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

RIGHT ELEVATION



FRONT ELEVATION



ELEVATIONS

SCALE: 1/8" = 1'-0"

SHEET A-1 OF

AYRES ASSOCIATES · ARCHITECTS
P.O. BOX 1315
MURRELLS INLET, S.C.
(843) 651-5868

STATE OF SOUTH CAROLINA · REGISTERED ARCHITECT · AYRES & ASSOC. · MURRELLS INLET, S.C. · 89303

STATE OF SOUTH CAROLINA · REGISTERED ARCHITECT · WARD L. AYRES · MURRELLS INLET, S.C. · 3415

BUILDING 900
TUPELO BAY
GOLF VILLAS
HORRY COUNTY, S.C.

JOB NO.		REVISION	NO.	DATE
DATE	4-1-17			
DESIGNED BY	WFA/WAS			
DRAWN BY	WFA/WAS			
CHECKED BY	WFA			

THIS DRAWING IS THE PROPERTY OF AYRES & ASSOCIATES ARCHITECTS AND MAY NOT BE USED WITHOUT THEIR WRITTEN CONSENT.

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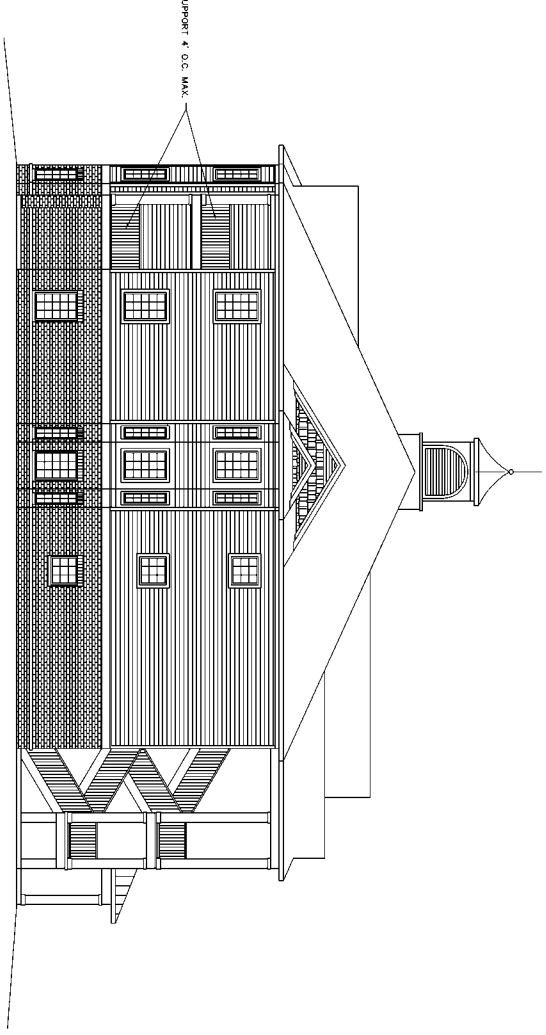
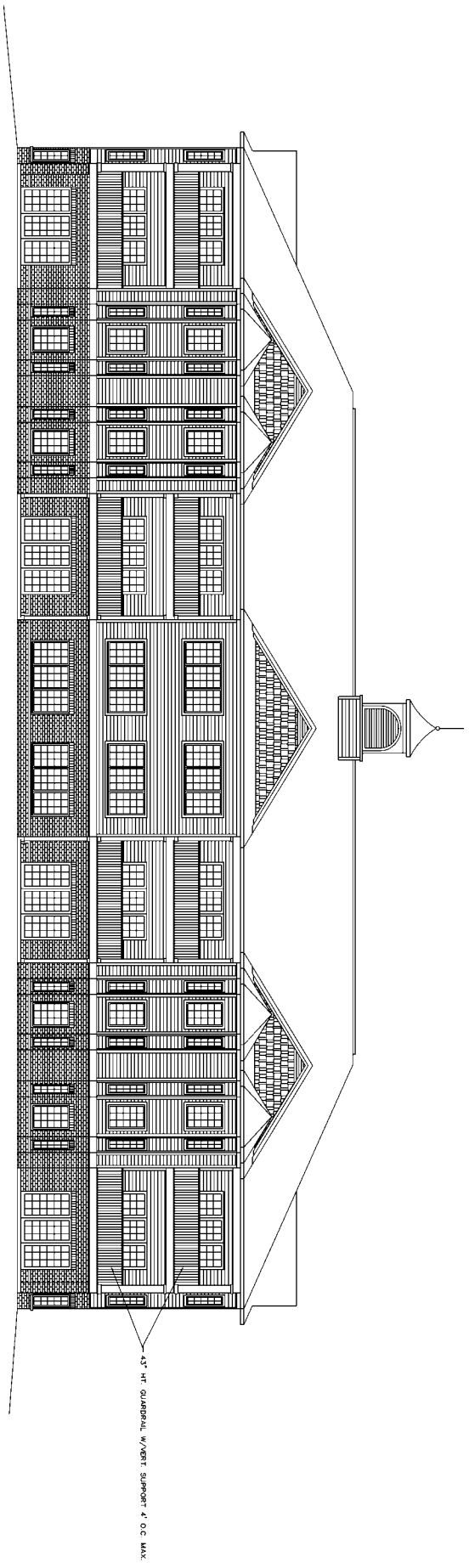
Instrument#: 2018000145604, DEED BK: 4170 PG: 1429 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 71 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

LEFT ELEVATION



REAR ELEVATION



ELEVATIONS

SCALE: 1/8" = 1'-0"

ARCHITECTS · AYRES AND ASSOCIATES · ARCHITECTS
P.O. BOX 1315
MURRELLS INLET, S.C.
(843) 651-5868

STATE OF SOUTH CAROLINA — REGISTERED ARCHITECTS — AYRES & ASSOC. INC. — MURRELLS INLET — 883013

STATE OF SOUTH CAROLINA — REGISTERED ARCHITECTS — WARD AYRES JR. — MURRELLS INLET — 3415

BUILDING 900
TUPELO BAY
GOLF VILLAS
HORRY COUNTY, S.C.

JOB NO.		REVISION	NO.	DATE
DATE	4-1-17			
DESIGNED BY	WFA/WAS			
DRAWN BY	WFA/WAS			
CHECKED BY	WFA			

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SHEET A-2 OF

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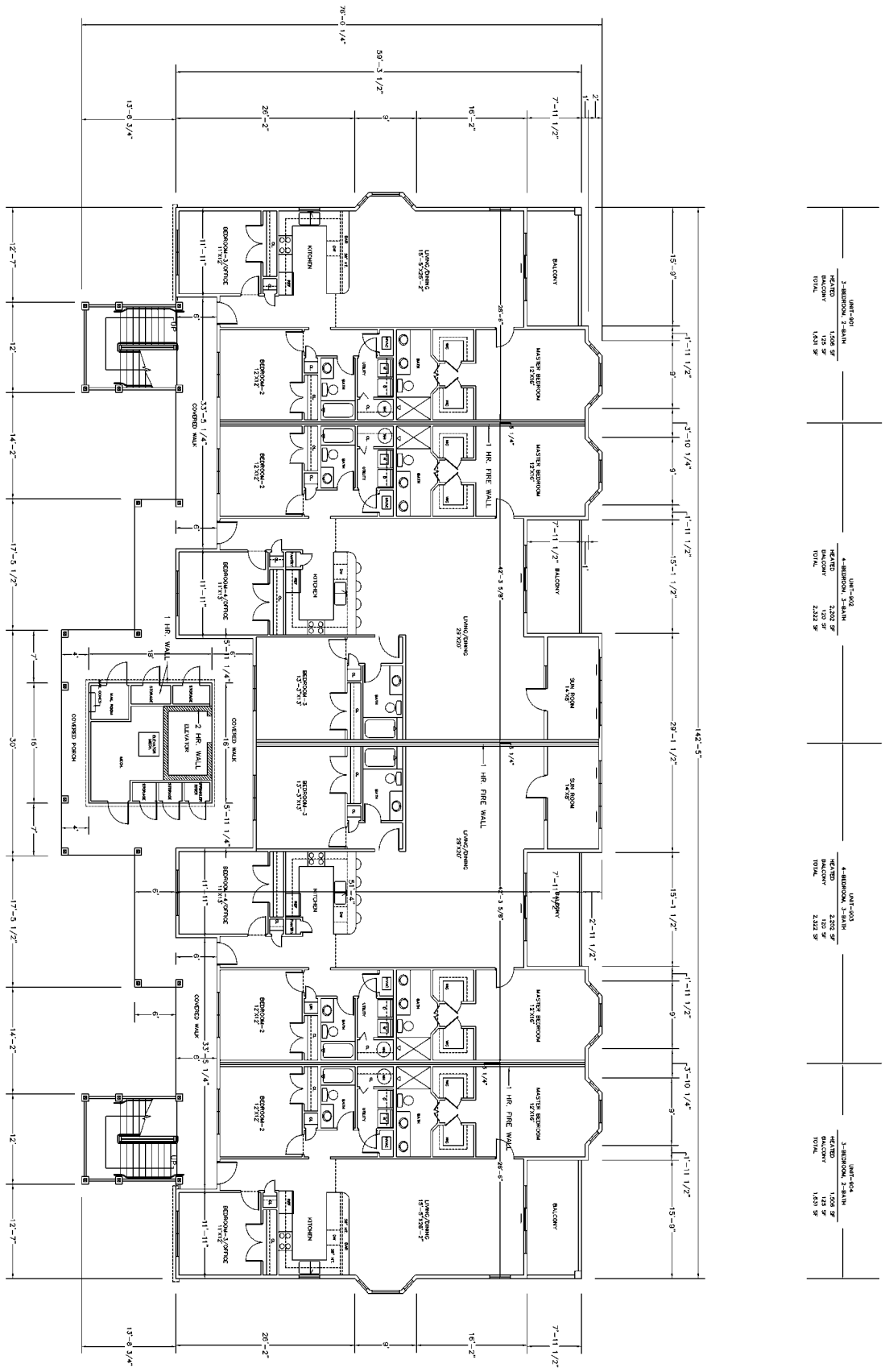

AREA COVERED 9,684 S.F.

1ST FLOOR PLAN

SCALE: 1/8" = 1'-0"

SHEET A-3	P.O. BOX 1315 MURRELLS INLET, S.C. (843) 651-5868	AYRES AND ASSOCIATES · ARCHITECTS ·	STATE OF SOUTH CAROLINA · AYRES & ASSOC. INC. MURRELLS INLET, S.C. 89301 3 · REGISTERED ARCHITECTS	BUILDING 900 TUPELO BAY GOLF VILLAS HORRY COUNTY, S.C.	JOB NO.	REVISION	NO. / DATE
			STATE OF SOUTH CAROLINA · WARD L. AYRES MURRELLS INLET, S.C. 3415 · REGISTERED ARCHITECTS		DATE 4-1-17		
					DESIGNED BY WFA/WAS		
					DRAWN BY WFA/WAS		
					CHECKED BY WFA		

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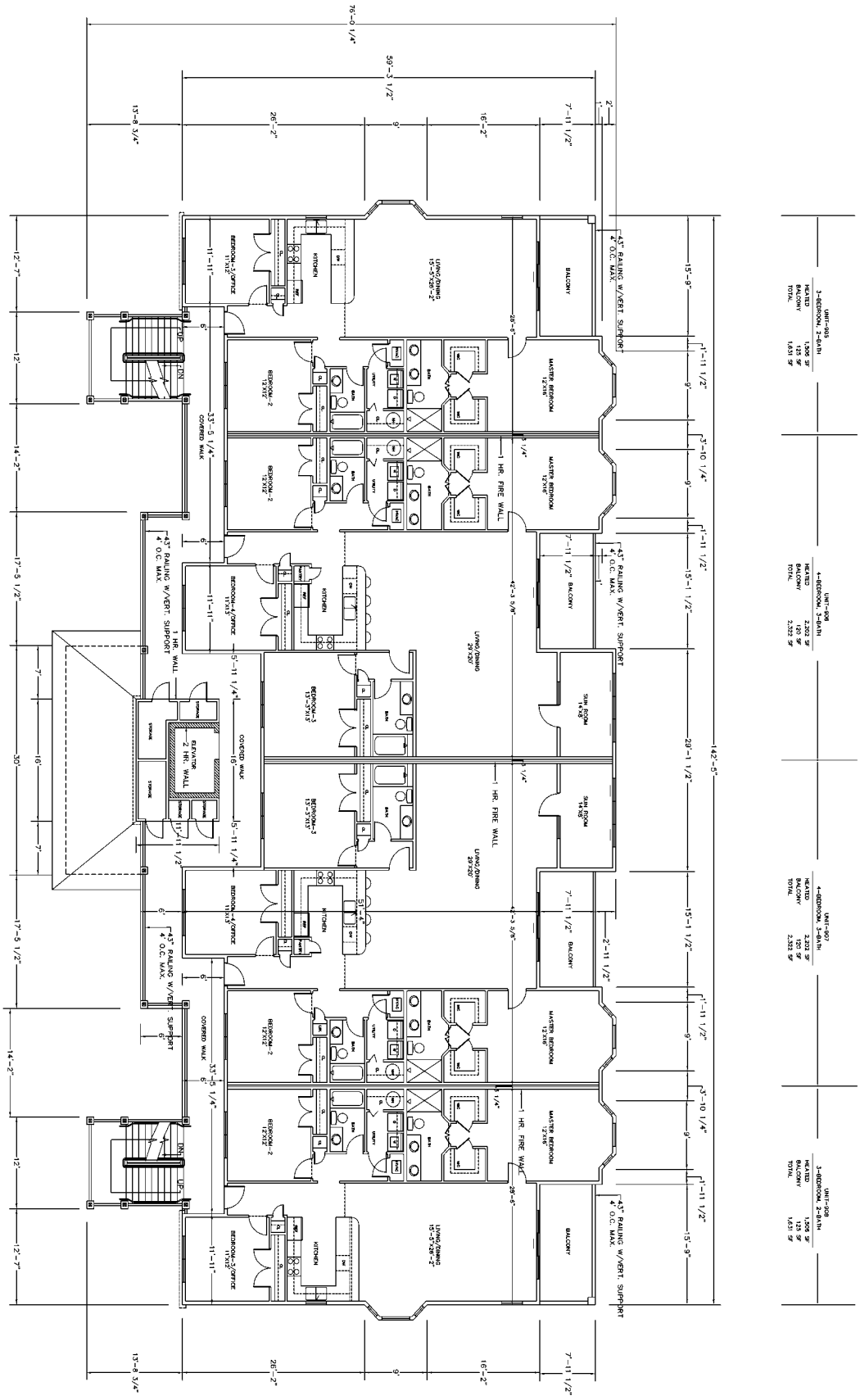

2ND FLOOR PLAN

SCALE: 1/8" = 1'-0"

AREA COVERED 9,264 S.F.

SHEET A-4 OF	P.O. BOX 1315 MURRELLS INLET, S.C. (843) 651-5868	AYRES AND ASSOCIATES ARCHITECTS	BUILDING 900 TUPELO BAY GOLF VILLAS HORRY COUNTY, S.C.	JOB NO.	REVISION	NO. / DATE
				DATE 4-1-17		
				DESIGNED BY WFA/WAS		
				DRAWN BY WFA/WAS		
				CHECKED BY WFA		

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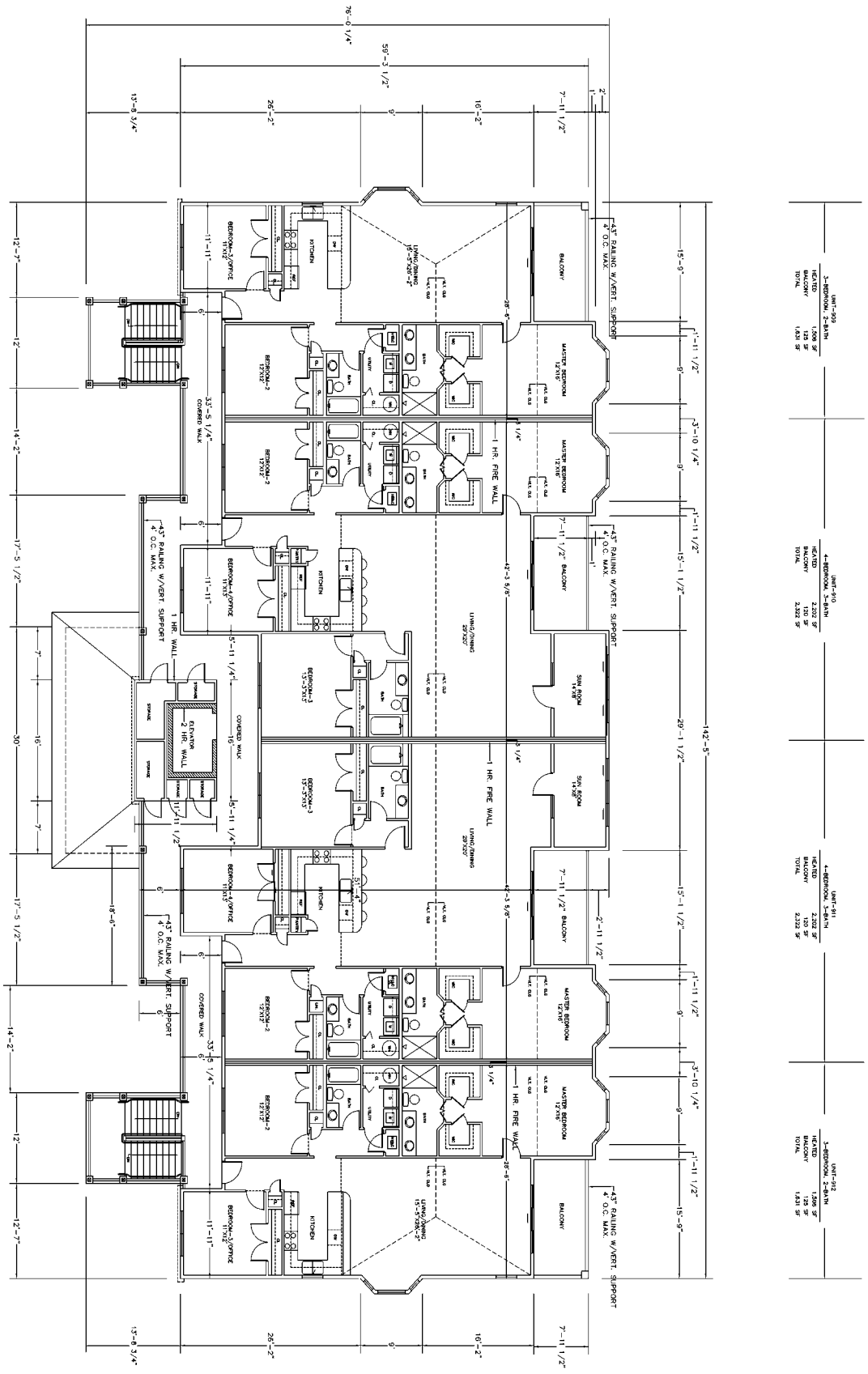

3RD FLOOR PLAN

SCALE: 1/8" = 1'-0"

AREA COVERED 9,264 S.F.

SHEET A-5 OF	P.O. BOX 1315 MURRELLS INLET, S.C. (843) 651-5868	AYRES AND ASSOCIATES · ARCHITECTS ·	STATE OF SOUTH CAROLINA · AYRES & ASSOC. INC. MURRELLS INLET, S.C. B93013 · REGISTERED ARCHITECTS	BUILDING 900 TUPELO BAY GOLF VILLAS HORRY COUNTY, S.C.	

JOB NO.		REVISION	NO.	DATE
DATE	4-1-17			
DESIGNED BY	WFA/WAS			
DRAWN BY	WFA/WAS			
CHECKED BY	WFA			

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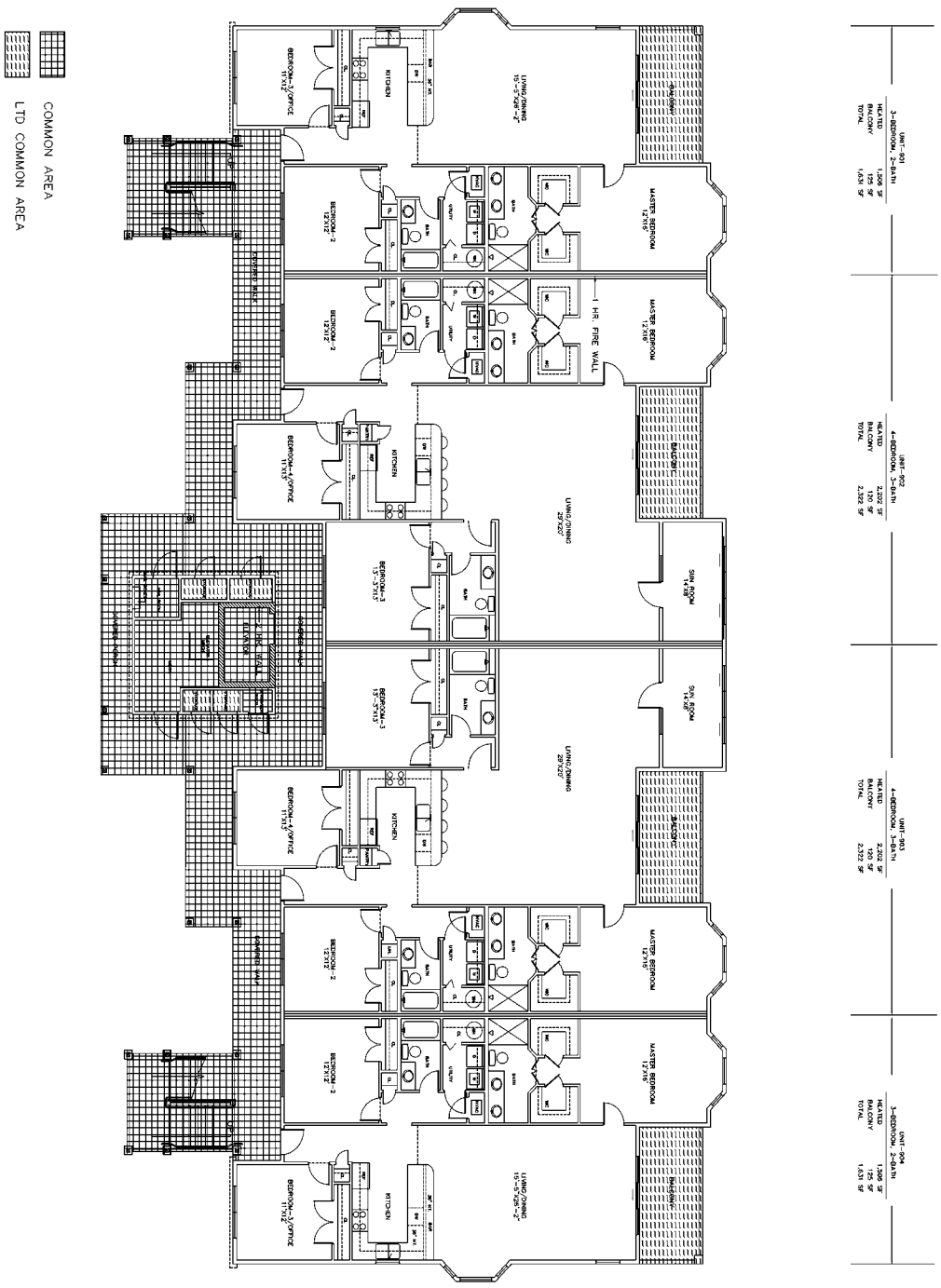

1ST FLOOR PLAN

SCALE: 1/8" = 1'-0"

AYRES AND ASSOCIATES · ARCHITECTS

P.O. BOX 1315
MURRELLS INLET, S.C.
(843) 651-5868

SHEET A-3 OF

STATE OF SOUTH CAROLINA · AYRES & ASSOC. INC. · MURRELLS INLET, S.C. · 893013 · REGISTERED ARCHITECTS

STATE OF SOUTH CAROLINA · WARD L. AYRES · MURRELLS INLET, S.C. · 3415 · REGISTERED ARCHITECTS

BUILDING 900
TUPELO BAY
GOLF VILLAS
HORRY COUNTY, S.C.

JOB NO.		REVISION	NO.	DATE
DATE	4-1-17			
DESIGNED BY	WFA/WAS			
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CHECKED BY	WFA			

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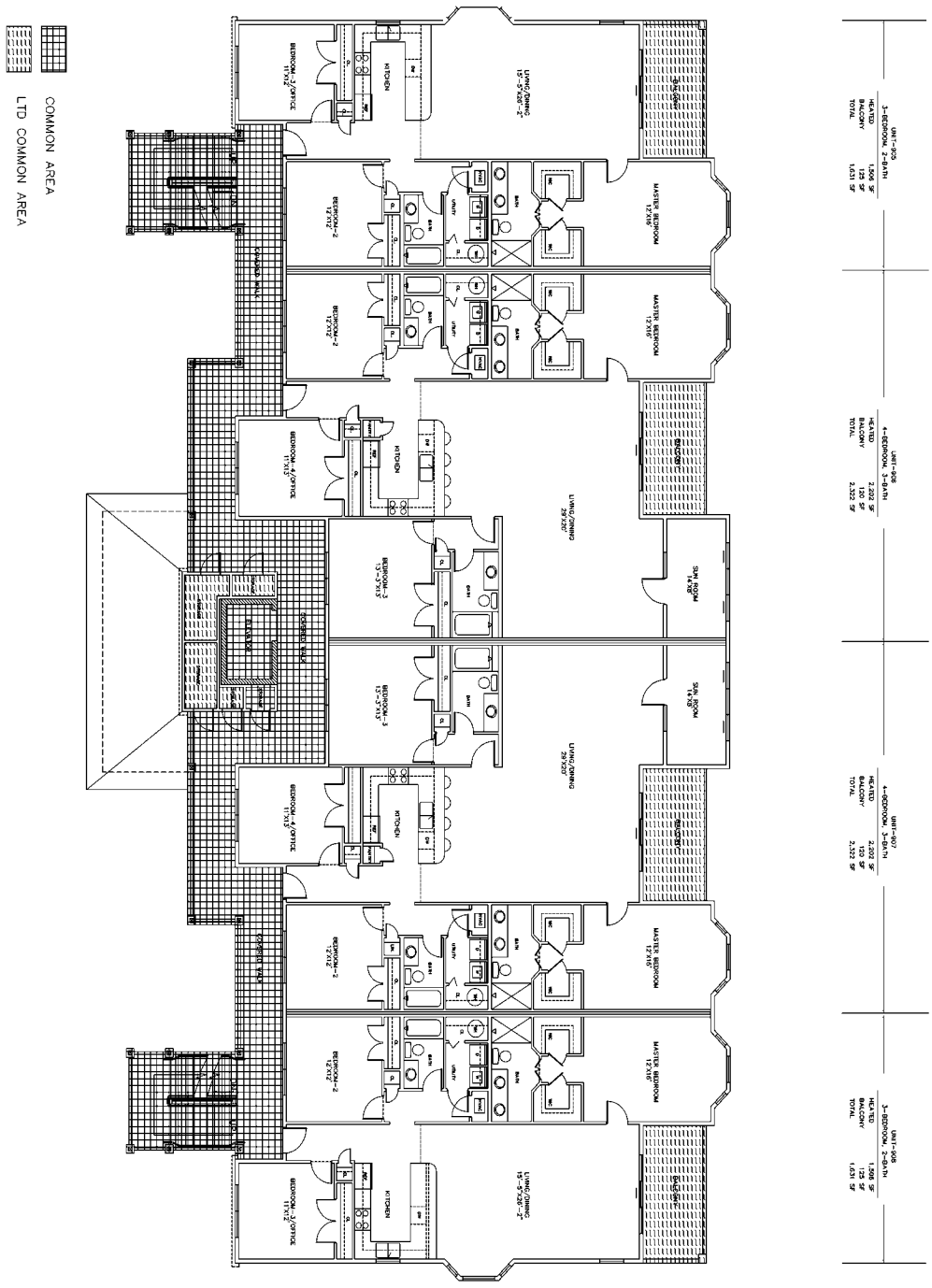

AREA COVERED 9,264 S.F.

2ND FLOOR PLAN

SCALE: 1/8" = 1'-0"

AYRES AND ASSOCIATES · ARCHITECTS

P.O. BOX 1315
MURRELLS INLET, S.C.
(843) 651-5868

STATE OF SOUTH CAROLINA · AYRES & ASSOC. INC. MURRELLS INLET, S.C. B93013 · REGISTERED ARCHITECTS

STATE OF SOUTH CAROLINA · WARD L. AYRES MURRELLS INLET, S.C. 3415 · REGISTERED ARCHITECTS

BUILDING 900
TUPELO BAY
GOLF VILLAS
HORRY COUNTY, S.C.

JOB NO.		REVISION	NO.	DATE
DATE	4-1-17			
DESIGNED BY	WFA/WAS			
DRAWN BY	WFA/WAS			
CHECKED BY	WFA			

SHEET A-4 OF

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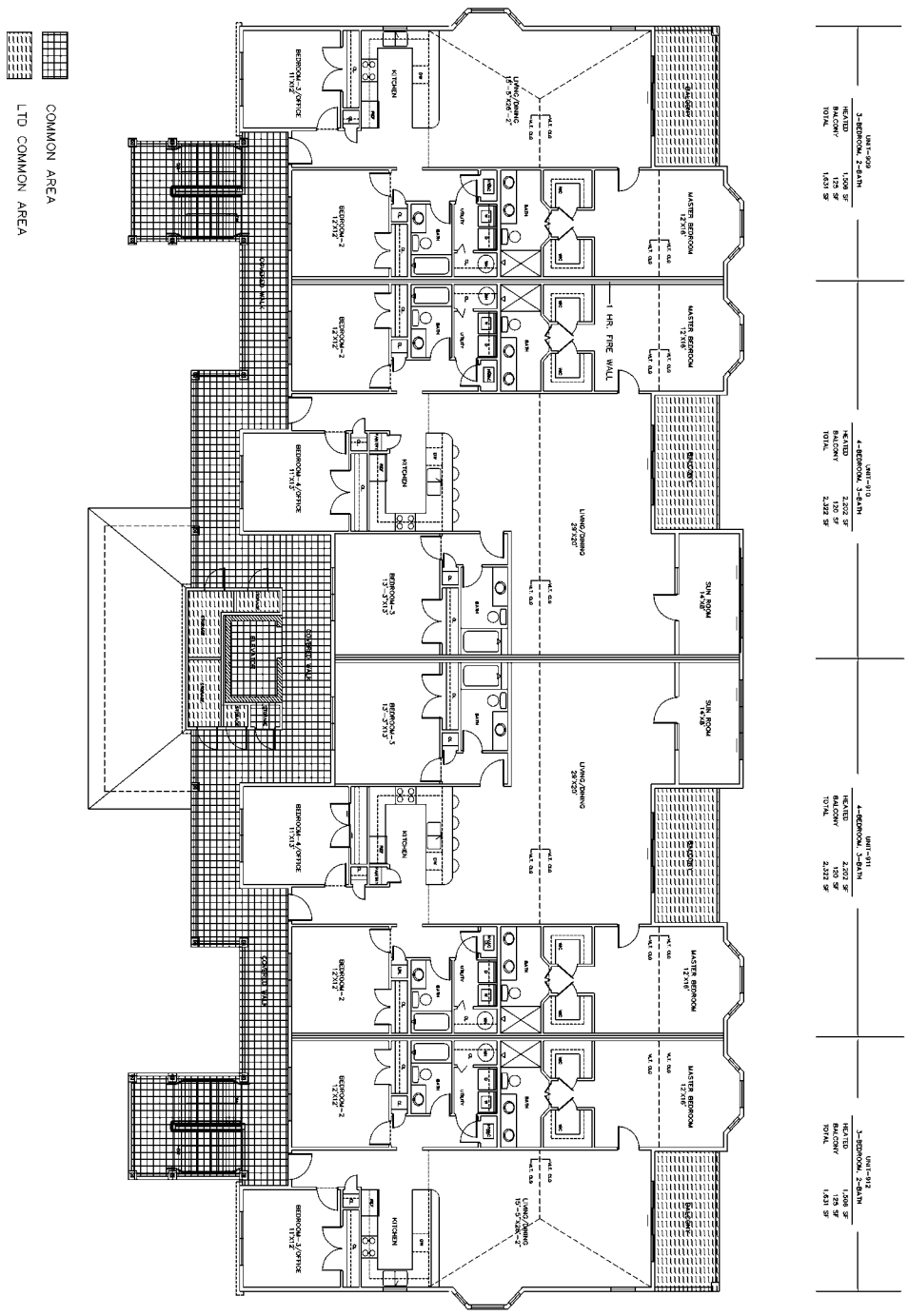
Instrument#: 2018000145604, DEED BK: 4170 PG: 1435 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 77 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS



AREA COVERED 9,264 S.F.

3RD FLOOR PLAN

SCALE: 1/8" = 1'-0"

AYRES & ASSOCIATES ARCHITECTS
P.O. BOX 1315
MURRELLS INLET, S.C.
(843) 651-5668

STATE OF SOUTH CAROLINA — AYRES & ASSOC. INC. — MURRELLS INLET, S.C. — B95013 — REGISTERED ARCHITECTS

STATE OF SOUTH CAROLINA — WARD L. AYRES — MURRELLS INLET, S.C. — 5115 — REGISTERED ARCHITECTS

BUILDING 900
TUPELO BAY
GOLF VILLAS
HORRY COUNTY, S.C.

JOB NO.	
DATE	4-1-17
DESIGNED BY	WFA/WAS
DRAWN BY	WFA/WAS
CHECKED BY	WFA

REVISION	NO.	DATE

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SHEET A-5 OF

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Instrument#: 2018000145604, DEED BK: 4170 PG: 1436 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 78 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

EXHIBIT "C"

Schedule of Assigned Values and Percentage Interests

This is a schedule of Assigned Values and Percentage Interests in the Common Areas appurtenant to Units in the Tupelo Bay Golf Villas II Horizontal Property Regime. The Assigned Value is for statutory purposes only and has no relationship to the actual value of each Unit.

TUPELO BAY GOLF VILLAS II
HORIZONTAL PROPERTY REGIME

Unit Number	Statutory Value	Percentage Interest
Building Number 900, (Phase "K")		
901 (3 Bedroom)	$100,000	07.6453%
902 (4 Bedroom)	$118,000	09.0214%
903 (4 Bedroom)	$118,000	09.0214%
904 (3 Bedroom)	$100,000	07.6453%
905 (3 Bedroom)	$100,000	07.6453%
906 (4 Bedroom)	$118,000	09.0214%
907 (4 Bedroom)	$118,000	09.0214%
908 (3 Bedroom)	$100,000	07.6453%
909 (3 Bedroom)	$100,000	07.6453%
910 (4 Bedroom)	$118,000	09.0214%
911 (4 Bedroom)	$118,000	09.0214%
912 (3 Bedroom)	$100,000	07.6453%
TOTAL	**$1,308,000**	**100.0000%**

Seven (7) additional Buildings, or any lesser number of them, each consisting of not less than Nine (9) Units nor more than Eighteen (18) Units, each may be submitted in any order as Phase "L" through Phase "R" of the Regime. As each Phase is added, the total Assigned Value of all Phases submitted and constituting the Regime at that time and the Percentage Interest of each Unit may be determined. The Value of each Building will be determined based upon the total number of Unit Types within such Building.

The Statutory Value of each Unit Type shall be:

1-Bedroom: $ 70,000.00;
2-Bedrooms: $ 85,000.00;
3-Bedrooms: $ 100,000.00;
4-Bedrooms: $ 118,000.00.

In determining the Percentage Interest of each Unit, a formula is employed using the Assigned Value of each Unit set forth in this Exhibit "C" as amended for each phase added, as the numerator and the total Assigned

Values of all Units (including the phase being submitted and all phases previously submitted to the Regime) as the denominator. The resulting fraction will then be expressed as a percentage rounded to the nearest .000001. The total Assigned Values assigned to each Building, which may be constructed and submitted to the Regime as future phases, if constructed and submitted, will be in accordance with the following schedule:

Total Assigned Values in Phase "K"	$ 1,308,000
Maximum Assigned Values in Phase "L"	$ 1,416,000
Maximum Assigned Values in Phase "M"	$ 1,416,000
Maximum Assigned Values in Phase "N"	$ 1,416,000
Maximum Assigned Values in Phase "O"	$ 1,416,000
Maximum Assigned Values in Phase "P"	$ 1,416,000
Maximum Assigned Values in Phase "Q"	$ 1,416,000
Maximum Assigned Values in Phase "R"	$ 1,416,000
Total Maximum Assigned Values of the Project, if All Phases are Constructed and Submitted	$11,220,000

As an example, if the next Building submitted to this Master Deed is a Building composed of twelve (12) four-bedroom Units, with an assigned value of $118,000.00 each, and is added as Phase "L", the total Assigned Values in Phase "K" ($1,308,000.00) would be added to the additional Assigned Values in Phase "L" ($1,416,000.00), so that, following submission of Phase "L", the total Assigned Values in Phases "K" and "L" would be $2,724,000. To determine the Percentage Interest of a four-bedroom Unit ($118,000 Assigned Value per four-bedroom Unit example) if Phase "L" is added to Phase "K" and those two (2) phases constitute the entire Regime, the following formula would be used:

$$\frac{\text{ASSIGNED VALUE}}{\text{TOTAL ASSIGNED VALUES}} = \frac{\$118{,}000}{\$2{,}724{,}000} = 04.3319\%$$

Instrument#: 2018000145604, DEED BK: 4170 PG: 1438 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 80 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

EXHIBIT "D"

Articles of Incorporation for Tupelo Bay Golf Villas II Condominium Association

Instrument#: 2018000145604, DEED BK: 4170 PG: 1439 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 81 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

The State of South Carolina

Office of Secretary of State Mark Hammond

Certificate of Existence, Nonprofit Corporation

I, Mark Hammond, Secretary of State of South Carolina Hereby Certify that:

TUPELO BAY GOLF VILLAS II CONDOMINIUM ASSOCIATION, a nonprofit corporation duly organized under the laws of the State of South Carolina on June 11th, 2018, has as of the date hereof filed as a nonprofit corporation for religious, educational, social, fraternal, charitable, or other eleemosynary purpose, and has paid all fees, taxes and penalties owed to the State, that the Secretary of State has not mailed notice to the company that it is subject to being dissolved by administrative action pursuant to S.C. Code Ann. §33-31-1421, and that the nonprofit corporation has not filed articles of dissolution as of the date hereof.

Given under my Hand and the Great Seal of the State of South Carolina this 11th day of June, 2018.

Mark Hammond

Mark Hammond, Secretary of State

Instrument#: 2018000145604, DEED BK: 4170 PG: 1440 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 82 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

Filing ID: 180611-1455022

Filing Date: 06/11/2018

STATE OF SOUTH CAROLINA
SECRETARY OF STATE

ARTICLES OF INCORPORATION
Nonprofit Corporation – Domestic
Filing Fee $25.00

Pursuant to S.C. Code of Laws Section 33-31-202 of the 1976 S.C. Code of Laws, as amended, the undersigned corporation submits the following information

1. The name of the nonprofit corporation is

   TUPELO BAY GOLF VILLAS II CONDOMINIUM ASSOCIATION

2. The initial registered office (registered agent's address in SC) of the nonprofit corporation is
   401 TWELFTH AVENUE NORTH

   (Street Address)

   MYRTLE BEACH, South Carolina 29577

   (City, State, Zip Code)

   The name of the registered agent of the nonprofit corporation at that office is

   DENNIS PERMENTER

   (Name)

   I hereby consent to the appointment as registered agent of the corporation.

   (Agent's Signature)

3. Check "a", "b", or "c", whichever is applicable. Check only one box.

   a. ☐ The nonprofit corporation is a public benefit corporation.

   b. ☐ The nonprofit corporation is a religious corporation.

   c. ☒ The nonprofit corporation is a mutual benefit corporation.

4. Check "a" or "b" whichever is applicable

   a. ☒ This corporation will have members.

   b. ☐ This corporation will not have members.

5. The principal office of the nonprofit corporation is
   401 TWELFTH AVENUE NORTH

   (Street Address)

   MYRTLE BEACH, South Carolina 29577

   (City, State, Zip Code)

Form Revised by South Carolina Secretary of State, August 2016
F0014

SC Secretary of State
Mark Hammond

Instrument#: 2018000145604, DEED BK: 4170 PG: 1441 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 83 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

TUPELO BAY GOLF VILLAS II CONDOMINIUM ASSOCIATION

Name of Corporation

6. If this nonprofit corporation is either a **public benefit** or **religious corporation** complete either "a" or "b", whichever is applicable, to describe how the remaining assets of the corporation will be distributed upon dissolution of the corporation. **If you are going to apply for 501(c)(3) status, you must complete section "a".**

a. ☐ Upon dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future Federal tax code, or shall be distributed to the Federal government, or to a state or local government, for a public purpose. Any such asset not so disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

☐ If you choose to name a specific 501(c)(3) entity to which the assets should be distributed, please indicate the name of the selected entity.

OR

b. ☐ If the dissolved corporation is not described in Section 501(c)(3) of the Internal Code, upon dissolution of the corporation, the assets shall be distributed to one or more public benefit or religious corporation or to one or more of the entities described in (i) above.

☐ If you chose to name a specific public benefit, religious corporation or 501(c)(3) entity to which the assets should be distributed, please indicate the name of the selected entity.

7. If the corporation is mutual benefit corporation complete either "a" or "b", whichever is applicable, to describe how the (remaining) assets of the corporation will be distributed upon dissolution of the corporation.

a. ☒ Upon dissolution of the mutual benefit corporation, the (remaining) assets shall be distributed to its members, or if it has no members, to those persons to whom the corporation holds itself out as benefiting or serving.

b. ☐ Upon dissolution of the mutual benefit corporation, the (remaining) assets, consistent with the law, shall be distributed to

8. The optional provisions which the nonprofit corporation elects to include in the articles of incorporation are as follows [See S.C. Code of Laws Section 33-31-202(c)].

NONE

Instrument#: 2018000145604, DEED BK: 4170 PG: 1442 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 84 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

TUPELO BAY GOLF VILLAS II CONDOMINIUM ASSOCIATION

Name of Corporation

9. The name and address of each incorporator is as follows (**only one is required, but you may have more than one**).

DENNIS PERMENTER
(Name)

401 TWELFTH AVENUE NORTH
(Business Address)

MYRTLE BEACH, South Carolina 29577
(City, State, Zip Code)

(Name)

(Business Address)

(City, State, Zip Code)

(Name)

(Business Address)

(City, State, Zip Code)

10. Each original director of the nonprofit corporation must sign the articles but only if the directors are named in these articles.

(Name – only if names in articles)

(Signature of Director)

(Name – only if names in articles)

(Signature of Director)

(Name – only if names in articles)

(Signature of Director)

Instrument#: 2018000145604, DEED BK: 4170 PG: 1443 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 85 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

TUPELO BAY GOLF VILLAS II CONDOMINIUM ASSOCIATION

Name of Corporation

11. Each incorporator listed in #9 must sign the articles

Signed as Filer: DEAN WELCH

(Signature of Incorporator)

(Signature of Incorporator)

(Signature of Incorporator)

12. If the document is not to be effective upon filing by the Secretary of State, the delayed effective date/time is:

Instrument#: 2018000145604, DEED BK: 4170 PG: 1444 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 86 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

Business Name: **TUPELO BAY GOLF VILLAS II CONDOMINIUM ASSOCIATION**

Signature Page for a Secretary of State Business Filing

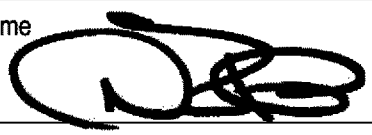
This page must be completed, scanned, and attached to any business filing where one of the following is true:

- The filing party signs the digital form on behalf of official signee.
- An attorney's signature is required. (Articles of Incorporation for Corporation and Benefit Corporation)

Official Signatures

(Officer, Incorporator, Director, Agent, Partner, etc.)

Required forms where the signee is not present upon online submission and a filing party is providing a digital signing on their behalf. If the provided space is not enough, please attach multiple pages.

DENNIS PERMENTER	**JUNE 11, 2018**
Name	Date
	**PRESIDENT**
Signature	Title/Position

Scan and Upload this document to the Business Filing System during the filing process.
File must be PDF format.

Instrument#: 2018000145604, DEED BK: 4170 PG: 1445 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 87 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

EXHIBIT "E"

By-Laws of
Tupelo Bay Golf Villas II Condominium Association

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TUPELO BAY
GOLF VILLAS II

BY-LAWS
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BY-LAWS

OF

TUPELO BAY GOLF VILLAS II CONDOMINIUM ASSOCIATION

A SOUTH CAROLINA NON-PROFIT CORPORATION

Article 1
General

1.1. Applicability.

These By-Laws (**"By-Laws"**) provide for the governance and administration of Tupelo Bay Golf Villas II Horizontal Property Regime (the **"Regime"** or **"Condominium"**) in accordance with the South Carolina Horizontal Property Act, S.C. Code Ann. (1976), §27-31-10, *et seq.*, as amended (the **"Act"**), the Articles of Incorporation for Tupelo Bay Golf Villas II Condominium Association filed with the South Carolina Secretary of State, as they may be amended (the **"Articles"**), the Master Deed for Tupelo Bay Golf Villas II Horizontal Property Regime, executed by Little River Corporation (**"Declarant"**) and recorded in the Office of the Registrar of Deeds for Horry County, South Carolina, as it may be amended (the **"Master Deed"**), and South Carolina law.

1.2. Name.

The name of the corporation is Tupelo Bay Golf Villas II Condominium Association (the "**Association**").

1.3. Principal Office.

The Association's principal office shall be located in Horry County, South Carolina. The Association may have such other offices as the Board may determine or as the Association's affairs require.

1.4. Definitions.

The words used in these By-Laws shall be given their normal, commonly understood definitions. Capitalized terms shall have the meaning ascribed to them in the Master Deed, and subsequent amendments. The term "**majority**," as used in these By-Laws, means those votes, Owners, or other group, as the context may indicate, totaling more than 50% of the total eligible number.

The terms and conditions of the Master Deed, including, but not limited to, provisions of the Master Deed prescribing duties, responsibilities and powers concerning property and Association administration and management; member voting; levying assessments for the maintenance, repair and replacement of Common Elements and limited Common Elements of the Regime; adoption of

Rules and Regulations; imposition of fines; remedies for violations of covenants, conditions and restrictions of the Master Deed and these Bylaws; mandatory and voluntary alternative dispute resolution; reconstruction of the Regime and application of insurance proceeds in the event of a casualty loss are hereby incorporated in these Bylaws by reference, and shall apply, pursuant to and as may be required by the Horizontal Property Act, as if fully set forth herein. Conflicting provisions of the Articles of Incorporation, these Bylaws and Master Deed shall be resolved pursuant to Section 8.3 below of these Bylaws.

1.5 Purpose.

The Association shall be responsible for administering the Condominium, establishing the means and methods of collecting the contributions and assessments to the Common Expenses, arranging for the management of the Condominium, and performing all of the other acts that may be required to be performed by the Association by the Act and the Master Deed. Except as to those matters which either the Act, the Master Deed, or the South Carolina Nonprofit Corporation Act, S.C. Code Ann. (1994), 33-31-101, *et seq.,* as amended, specifically make subject to a vote of the Ownership, the Board may carry out such responsibilities without a vote of the Ownership.

Article 2
Ownership and Voting Rights

2.1. Ownership.

The Owner of each Unit in the Condominium shall automatically become an Owner of the Association (**"Owner"**) upon taking record title to such Unit and shall remain an Owner for the entire period of ownership. If more than one Person holds record title to a Unit, the Ownership shall be shared in the same manner as the title, but there shall be only one Ownership and one vote per Unit, as further provided in the Master Deed.

Association Ownership does not include Persons who hold an interest in a Unit merely as security for the performance of an obligation, and the giving of a security interest shall not terminate an Owner's Ownership. Ownership appurtenant to the Unit shall be transferred automatically by transfer of record title to the Unit and may be transferred only in connection with the transfer of record title.

2.2. Voting.

Each Unit shall be allocated votes in accordance with the percentage ownership in the Condominium property as a whole as set forth in Exhibit "C" to the Master Deed, which are incorporated by this reference. Each Unit shall be entitled to vote on all matters put to a vote of the Owners. In the event the Owner is a corporation, limited liability company, partnership, trust, or other legal entity, other than a natural person, the vote may be cast by the president, managing partner, Owner, manager, executor, or chief executive officer of such legal entity or his or her designee. When more than one Person owns a particular Unit, the vote for such Unit shall be exercised as they determine between or among themselves, but in no event shall more than one vote

be cast with respect to any Unit. In the event that two or more Persons representing a Unit attempt to cast the vote for such Unit, such Persons shall not be recognized, and such vote shall not be counted.

No Owner shall be eligible to vote, either in person or by proxy, or to be elected to the Board, if that Owner is shown on the books or management accounts of the Association to be more than 60 days delinquent in any payment due the Association or is under suspension for the infraction of any provision of the Master Deed, these By-Laws, or any rule. If the vote attributable to any Unit has been suspended, neither the vote, the Unit to which it is attributable, nor the Owner thereof shall be counted for purposes of determining the number of eligible votes, Owners, or Units with respect to any matter requiring approval under the Governing Documents.

To the extent allowed by South Carolina law, an Ownership vote on any matter may be conducted at a meeting or by mail, facsimile transmission, electronic message, a secure web-based voting system, or any combination of these methods, as provided in Sections 2.4 and 3.4. The Board shall establish voting procedures to provide reasonable assurance that the person casting the vote is the Owner or the Owner's proxy pursuant to Section 2.3.

Except as otherwise specifically provided in the Governing Documents, any decision requiring a vote or approval of the Owners shall be determined by a majority of the total eligible votes cast.

2.3. Proxies.

Owners may vote in person or by proxy, subject to the limitations of South Carolina law and subject to any specific provision to the contrary in the Master Deed or these By-Laws. Every proxy shall be in writing, shall identify the Unit for which it is given, shall be signed by the Owner or the Owner's duly authorized attorney-in-fact, and shall be dated and filed with the Association's Secretary prior to the meeting for which it is to be effective. Unless the proxy specifically provided otherwise, a proxy shall be presumed to cover all votes which the Owner giving such proxy is entitled to cast, and in the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid.

Every proxy shall be revocable and shall automatically cease (a) if the Owner attends the meeting and votes in person, (b) upon conveyance of any Unit for which it was given, (c) upon the Secretary's receipt of written notice of revocation of the proxy or of the death or judicially declared incompetence of a Owner who is a natural person, or (d) 11 months from the date of the proxy, unless a shorter period is specified in the proxy.

2.4. Action Without a Meeting.

Unless the South Carolina Nonprofit Corporation Act, S.C. Code Ann. § 33-31-101, *et seq.*, as amended, or the Condominium Instruments require(s) action to be taken at a meeting of the Owners, any action requiring consent or approval of Owners may be obtained by obtaining the requisite vote or approval at a meeting, by written consent without a meeting pursuant to S.C. Code

Ann. § 33-31-704, or by written ballot without a meeting pursuant to S.C. Code Ann. § 33-31-708. The Association shall maintain any written consents or ballots approving any action in its files for a period of at least four years.

(a) ***Approval by Written Consent.*** Except in the case where a meeting is required, the approval of Owners may be obtained without a meeting of the Owners and without prior notice if the action is approved by the written consent of Owners representing at least a majority of the total votes in the Association, unless the Condominium Instruments or South Carolina law require a greater number of votes for a specific action. Owner approval must be evidenced by one or more consents in writing or by electronic transmission describing the action taken, signed by the requisite number of Owners, and delivered to the Secretary for filing with the Association's records.

Written notice of approval by written consent shall be given to all Owners who did not sign a consent, and Owner approval pursuant to this subsection (a) shall be effective 10 days after such written notice is given.

(b) ***Approval by Ballot.*** Except in the case where a meeting is required, the approval of Owners may be obtained by ballot without a meeting if the Association delivers a ballot in writing or by electronic transmission to every Owner entitled to vote on the matter. The ballot form for obtaining any such Owner approval shall: (i) set forth each proposed action; and (ii) provide an opportunity to vote for or against each proposed action. In addition, the ballot form or the solicitation for votes by ballot shall: (A) indicate the number of responses needed to meet the quorum requirements; (B) state the percentage of approvals necessary to approve each matter other than election of directors; (C) specify the time by which a ballot must be received by the Association in order to be counted; (D) identify the name and location of the Person authorized to receive the ballot on behalf of the Association; and (E) be signed and dated by the voting Owner, and identify the Unit for which such Owner is voting.

Approval by ballot pursuant to this subsection (b) is valid only when: (x) the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting of the Owners; and (y) the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. Once submitted to the Association, a ballot may not be revoked.

Article 3
Meetings of Owners

3.1. Place of Meetings.

The Association shall hold meetings at the Association's principal office in Horry County, South Carolina, or at such other suitable place as the Board may designate from time to time.

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3.2. Association Meetings.

(a) ***Annual Meetings***. The first annual meeting of the Owners of the Association shall be held within one year of the date of incorporation. Subsequent annual meetings shall be held within 30 days of each anniversary of the first annual meeting at a time, date, and place set by the Board.

(b) ***Special Meetings***. The President or the Secretary may call special meetings of the Owners for any purpose, at any time. In addition, the President or the Secretary shall call a special meeting if so directed by two or more members of the Board or within 30 days after receipt of a written petition stating the purpose of the meeting and signed by Owners representing at least 25% of the total votes in the Association. Any such petition shall state the purpose or purposes for which the meeting is requested and the issue or issues to be considered by the membership, which issues shall be limited to matters upon which the Owners are entitled to vote under the Act, the South Carolina Nonprofit Corporation Act, or the Condominium Instruments.

3.3. Notice of Meetings.

(a) At least 10 but not more than 60 days (or, if notice is delivered by means other than first class or registered mail, at least 30 but not more than 60 days) before any meeting of the membership, the President, the Secretary, or the officers or other persons calling a meeting of the Owners shall deliver or cause to be delivered to each Owner written notice stating the place, day, and hour of the meeting. In the case of a special meeting or when otherwise required by statute, the Master Deed, or these By-Laws, the purpose or purposes for which the meeting is called shall also be stated in the notice. The Association shall give notice of a matter an Owner intends to raise at the meeting if: (i) requested in writing to do so by a person entitled to call a special meeting; and (ii) the request is received by the President or Secretary at least 10 days before the Association sends out notice of the meeting. No business shall be transacted at a special meeting except as stated in the notice. Such notice shall be delivered by such means as permitted under Section 8.3.

The mailing or delivering of a notice of meeting in the manner provided in this Section shall be considered proper service of notice.

(b) The Board shall set a record date for determining who is entitled to receive notice of an Association meeting, which shall not be earlier than the 70th day before the meeting date, and shall prepare an alphabetical list of the names of all Persons entitled to vote, listing such Persons by membership class and indicating (i) the address of each Person, and (ii) the Percentage Interest vote each Person is entitled to cast at the meeting, according to Exhibit "C" of the Master Deed. Not later than the day after the date notice of the meeting is given, and continuing through the meeting, the list shall be made available at the Association's principal office or at a reasonable place in the County in which the meeting will be held, as identified in the meeting notice, for inspection and copying by Owners entitled to vote at the meeting, or their agents, for the purpose of communication with other Owners concerning the meeting. The Association shall also make the list available at the meeting for inspection at any time during the meeting or any adjournment of the meeting.

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3.4. Electronic Participation in Meetings.

To the extent allowed by South Carolina law, the Association may hold Association meetings and/or allow Owners to participate in any Association meeting by conference telephone or similar communications equipment or another suitable electronic communications system, including videoconferencing technology or the Internet, if the telephone or other equipment or system permits each person participating in the meeting to communicate with all other persons participating in the meeting. If voting is to take place at the meeting, the Association must implement measures to verify that every Owner voting at the meeting by means of remote communication is sufficiently identified.

3.5. Waiver of Notice.

Waiver of notice of an Association meeting shall be deemed the equivalent of proper notice. Any Owner may waive, in writing, notice of any Association meeting, either before or after such meeting. An Owner's attendance at a meeting shall be deemed a waiver by such Owner of notice of the time, date, and place thereof, unless the Owner specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting also shall be deemed a waiver of notice of all business transacted at such meeting unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

3.6. Adjournment of Meetings.

If any Association meeting cannot be held because a quorum is not present, the Owners representing a majority of the votes present at such meeting may adjourn the meeting to a time at least five but not more than 30 days from the scheduled date of the original meeting. At the reconvened meeting, if a quorum is present, any business may be transacted which might have been transacted at the meeting originally called. If those in attendance at the original meeting do not fix a time and place for reconvening the meeting, or if for any reason a new date is fixed for reconvening the meeting after adjournment, the Board shall provide notice to the Owners of the time and place for reconvening the meeting in the manner prescribed for regular meetings.

Owners present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the departure of enough Owners to leave less than a quorum, provided at least a majority of the votes required to constitute a quorum must approve any action taken.

3.7. Quorum.

Except as these By-Laws or the Master Deed otherwise provide, the presence of Owners representing a majority of the total votes in the Association, in accordance with the percentages assigned to each Unit on Exhibit "C" of the Master Deed, shall constitute a quorum at all Association meetings, and the casting of ballots representing 51% of the total votes in the Association shall constitute a quorum for any membership vote conducted by means other than at a meeting.

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3.8. Conduct of Meetings.

The President or a Board-approved designee shall preside over all Association meetings. The Secretary shall ensure that minutes of the meetings are kept and that all resolutions adopted and all other transactions occurring at such meetings are kept with the Association's books.

3.9. Roster of Unit Owners.

Each Owner shall file with the Association at the time of purchase, a copy of the deed or other document showing ownership of the Unit and the Association shall maintain such information. The Association may rely upon the accuracy of such information for all purposes until notified in writing of changes therein as provided above. Only Owners of record on the date notice of any meeting requiring their vote is given shall be entitled to notice of and to vote at such meeting, unless prior to such meeting other Owners shall produce adequate evidence, as provided above, of their interest and shall waive in writing notice of such meeting.

Article 4
Board of Directors: Selection, Meetings, Powers

A. Composition and Selection.

4.1. Governing Body, Number and Qualification.

The affairs of the Association shall be governed by a Board consisting of three or five directors, as specified below, each of whom shall have one equal vote on matters coming before the Board. Except for those directors appointed by Declarant during the Declarant Control Period, the directors shall be Owners or spouses of Owners. In the case of an Owner which is a corporation, partnership, limited liability company, trust, or other legal entity, the officer, director, partner, trustee, employee, or other individual whom the Owner designates in writing to the Association's Secretary as the representative of such Owner shall be eligible to serve as a director; provided, any such individual serving as a director shall be deemed to have resigned as a director upon the Association's receipt of notice from the designating Owner of termination of such individual's relationship with such Owner. No more than one Person at a time may serve as a director for any one Unit.

4.2. Selection of Directors and Term of Office.

(a) ***Directors During the Declarant Control Period.*** The Board initially shall consist of three directors, each of whom shall serve, and may be removed and replaced, at the discretion of Declarant during the Declarant Control Period. Declarant may, but shall not be obligated to, permit the Owners to elect one or more directors to serve during the Declarant Control Period and, in such event, the number of directors on the Board may be increased by Board resolution to a total of five. The terms of all such directors, whether appointed or elected pursuant to this subparagraph, shall expire upon election of their successors pursuant to Section 4.2(b). As defined in the Master Deed,

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"Declarant Control Period" shall mean the period of time which shall expire upon the first to occur of the following:

(i) December 31, 2028;

(ii) after conveyance by Declarant, in the ordinary course of business to persons other than a successor Declarant, of one hundred percent of the maximum number of Units to be contained in all Phases of the Project; or

(iii) the date the Declarant surrenders such right by amendment to the Master Deed executed and filed of record by Declarant.

(b) ***Directors After Declarant Control Period.*** Upon termination of the Declarant Control Period, the number of directors shall be fixed at five. Within 60 days thereafter, the President shall call a meeting of the Owners at which an election shall be held to elect all five directors. The three candidates receiving the greatest number of votes shall be elected to serve until the second annual meeting following their election and the two candidates receiving the next greatest number of votes shall be elected to serve until the first annual meeting following their election; provided, in the event that two or more candidates receive the same number of votes and such determination is not possible, the directors shall decide among themselves who shall serve which terms. Upon expiration of the initial term of each director so elected and thereafter, successors shall be elected to serve for two-year terms or until their successors are elected, whichever is longer. Directors may be elected to serve any number of consecutive terms.

(c) ***Nominations.*** Prior to any election of directors, the Board may appoint a Nominating Committee consisting of at least one member of the Board and at least two other Owners of the Association who are not then serving as directors. The Nominating Committee may nominate any number of qualified individuals, but not less than the number of directors to be elected. The members of the Nominating Committee and the Committee's nominations shall be announced at least 14 days prior to the election.

Nominations also shall be allowed from the floor, if the election is held at a meeting, or if the election is held by ballot without a meeting, space shall be provided on the ballot to write in the name of a candidate. Each candidate nominated prior to the balloting shall be given a reasonable opportunity to communicate his or her qualifications to the membership prior to the close of the balloting. No Member shall be nominated for election to the Board, nor permitted to run for election, if more than 30 days past due in the payment of any assessment. Failure to comply with this paragraph shall not invalidate the election of directors who were not nominated in accordance with the provisions hereof.

(d) ***Election Procedures.*** For each election, Owners eligible to vote shall be entitled to cast the entire vote attributable to their respective Units for each directorship to be filled. There shall be no cumulative voting. That number of candidates equal to the number of positions to be filled who receive the most votes shall be elected. Voting shall be by written ballot unless dispensed with by unanimous consent at the meeting at which the election is to be conducted.

4.3. Removal of Directors.

At any regular or special meeting of the Association duly called, any Owner-elected director may be removed, with or without cause, by a majority of the total votes represented in person or by proxy at such meeting, and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Owners shall be given at least 10 days' notice of the calling of the meeting and the purposes thereof and shall be given an opportunity to be heard at the meeting prior to a vote being taken on the issue of his removal. Additionally, any Owner-elected director who has had three consecutive unexcused absences from Board meetings, or who is more than 60 days delinquent in the payment of any assessment, may be removed from office upon the affirmative vote of a majority of the total number of directors.

4.4. Vacancies.

Vacancies on the Board caused by any reason, other than the removal of a director by vote of the membership or by Declarant, may be filled by a vote of a majority of the remaining directors, even though less than a quorum, at any meeting of the Board. Each Person so selected shall serve until a successor shall be elected at the next annual or special meeting of the membership to fill the unexpired portion of the term. Vacancies on the Board caused by removal of a director by vote of the membership shall be filled by a vote of the membership in the same manner as permitted for removal under Section 4.3.

B. Meetings.

4.5. Organizational Meetings.

The first meeting of the Board after each election of directors shall be held within 10 days after the election at such time and place as a majority of the directors may determine.

4.6. Regular Meetings.

The Board shall hold regular meetings at such time and place as a majority of the directors shall determine, but the Board shall meet at least four times during each fiscal year with at least one meeting per quarter. No notice shall be required for Board meetings held in accordance with a regular schedule which the Board has adopted by resolution.

4.7. Special Meetings.

The President, Vice President, or any two directors may call a special meeting of the Board.

4.8. Notice; Waiver of Notice.

(a) Notices of Board meetings shall specify the time and place of the meeting and, in the case of a special meeting, the nature of any special business to be considered. The Board shall notify each director of meetings by: (i) personal delivery; (ii) first class mail, postage prepaid; (iii) telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (iv) facsimile, electronic mail, or other electronic communication device, with printed confirmation of successful transmission. All such notices shall be given at or sent to the director's telephone number, fax number, electronic mail address, or sent to the director's address as shown on the Association's records. The Board shall deposit notices sent by first class mail into a United States mailbox at least five business days before the day of the meeting. The Board shall give notices by personal delivery, telephone, or electronic communication at least 72 hours before the time set for the meeting.

(b) Transactions of any Board meeting, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (i) a quorum is present, and (ii) either before or after the meeting each director not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

4.9. Telephonic Participation in Meetings; Remote Meetings.

(a) Members of the Board or any committee the Board designates may participate in a Board or committee meeting by conference telephone or similar communications equipment through which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section shall constitute presence at such meeting.

(b) A meeting of the Board, or of any committee designated by the Board, may be held by means of a remote electronic communications system, including videoconferencing technology or the Internet, but only if: (i) each person entitled to participate in the meeting consents to the meeting being held by means of that system; and (ii) the system provides access to the meeting in a manner or using a method by which each person participating in the meeting can communicate concurrently with each other participant.

4.10. Quorum of Board.

At all Board meetings, a majority of directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the Board's decision, unless South Carolina law, these By-Laws, or the Master Deed specifically provide otherwise. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the departure of directors, if at least a majority of the required quorum for that meeting approves any action taken. If the Board cannot hold a meeting because a quorum is not present, a majority of the directors present may adjourn the meeting to a

time not less than five nor more than 30 days from the date of the original meeting. At the reconvened meeting, if a quorum is present the Board may transact, without further notice, any business it might have transacted at the original meeting.

4.11. Conduct of Meetings.

The President or any designee the Board approves by resolution shall preside over all Board meetings. The Secretary shall ensure that minutes of the meetings are kept and that all resolutions and all transactions occurring at such meetings are included in the Association's records. Except as modified or dispensed with by Board resolution, *Roberts Rules of Order* (the then latest edition) shall govern the conduct of the meetings of the Board when not in conflict with the Act, the Condominium Instruments, or any Board resolution.

4.12. Open Meetings; Executive Session.

(a) Subject to the provisions of Section 4.12(b) and Section 4.13, all Board meetings shall be open to all Owners, but only directors may participate in any discussion or deliberation unless a director requests that attendees be granted permission to speak. In such case, the President may limit the time any such individual may speak.

(b) Despite the above, the President or presiding Board member may adjourn any Board meeting and reconvene in executive session, and may exclude persons other than directors, to discuss matters of a sensitive nature, such as proposed, pending, or threatened litigation, personnel matters, or other matters of business of a similar nature or as specified by law. The nature of any and all business to be considered in executive session shall first be announced in open session.

4.13. Action Without a Formal Meeting.

Any action to be taken or which may be taken at a Board meeting may be taken without a meeting if a written consent setting forth the action so taken is signed and dated by the number of directors that would be required to approve the same action at a Board meeting at which all of the directors were present and voting. Such consent shall have the same force and effect as a vote at a meeting. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. The Board shall promptly notify all directors of any action so approved and the effective date of such action.

C. Powers and Duties.

4.14. Powers.

The Board shall manage the affairs of the Association and shall have all the powers and duties necessary for the administration of the Association's affairs, perform the Association's responsibilities, and exercise the Association's rights as set forth in the Condominium Instruments, and as provided by law. The Board may do or cause to be done on the Association's behalf all acts and things except those which the Condominium Instruments or South Carolina law require to be

done and exercised exclusively by the membership. The Board may enter into contracts on behalf of the Association with any Person for the performance of various duties and functions as it deems appropriate in the exercise of its business judgment. Except to the extent restricted by law, the Board may transfer any and all functions of the Association, in whole or in part, to any other entity.

4.15. Duties.

In addition to such other duties as the Condominium Instruments may specifically impose, the Board shall be responsible for the following duties:

(a) preparing and adopting an annual budget, in which there shall be established the contribution of each Owner to the Common Expenses;

(b) making assessments to defray the Common Expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment. (Unless the Board otherwise specifies, the annual assessment for each Unit's proportionate share of the Common Expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month);

(c) providing for the operation, care, upkeep, and maintenance of the Common Elements and such other areas as are designated as Association maintenance property under the Master Deed or the Master Declaration;

(d) designating, hiring, and dismissing the personnel necessary for the operation of the Association and the maintenance, repair, and replacement of the Common Elements and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties;

(e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the Association;

(f) opening of bank accounts on behalf of the Association and designating the signatories required;

(g) making or contracting for the making of repairs, additions, and improvements to, or alterations of the Common Elements in accordance with the other provisions of the Master Deed and these By-Laws, after damage or destruction by fire or other casualty;

(h) obtaining and carrying insurance against casualties and liabilities, as provided in the Act and the Master Deed, and paying the premium cost thereof;

(i) paying the costs of all services rendered to the Association or the Owners and not directly chargeable to specific Owners;

(j) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred;

(k) imposing sanctions and/or fines for violations of, and otherwise enforcing by any legal means, the provisions of the Condominium Instruments and Association rules, and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;

(l) performing such obligations and duties of the Board as are required under the Master Deed, the By-Laws, the Master Declaration, and cooperating with the Master Association on all matters;

(m) making available to any prospective purchaser of a Unit, any Owner, and the holders, insurers, and guarantors of any Mortgage on any Unit, current copies of the Condominium Instruments and all other books, records, and financial statements of the Association as provided in Article 8; and

(n) indemnifying a director, officer or committee member, or former director, officer or committee member of the Association to the extent such indemnity is required by South Carolina law, the Articles of Incorporation, or these By-Laws.

(o) to adopt and publish Rules in accordance with the provisions of the Master Deed and to establish penalties and fines for infractions thereof, including, but not limited to, the authority to adopt rules and regulations which govern activities within the Condominium Common Areas, Limited Common Areas and Units which may, in the judgment of the Board, be dangerous or hazardous to Owners or their health; and

(p) to suspend the voting rights and rights to use any facilities within the Common Area during any period during which an Owner shall be in default in the payment of assessments or delinquent in any amount due to the Association and for any other infraction of the Condominium Instruments in accordance with the provisions of the Master Deed and these By-Laws.

(q) to require the giving of fidelity insurance by any official or any employee dealing or having to do with funds, monies, or valuables of the Owners and the Association shall pay the premiums therefor.

Article 5
Officers

5.1. Officers.

The Association's officers shall be a President, Vice President, Secretary, and Treasurer, all of whom shall be appointed by Declarant during the Declarant Control Period and thereafter shall be elected by and from the Board. The Board may appoint such other subordinate officers as in its judgment may be necessary. The President and Secretary shall be directors; other officers may, but

need not, be directors. The Board may appoint such other officers, including one or more Assistant Secretaries and Assistant Treasurers, as it shall deem desirable, such officers to have such authority and perform such duties as the Board prescribes. Any two or more offices may be held by the same person, except the offices of President and Secretary.

5.2. Election and Term of Office.

The Board shall elect the Association's officers annually at the first Board meeting following each annual meeting of the Association, and each officer shall hold office and serve at the pleasure of the Board and until their successors are elected.

5.3. Removal and Vacancies.

Upon the affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause, whenever in its judgment the Association's best interests will be served, and the Board may fill any vacancy in any office arising because of death, resignation, removal, or otherwise, for the unexpired portion of the term.

5.4 President.

The President shall be the chief executive officer of the Association and shall preside at all meetings of the Association and of the Board. The President shall have all the general powers and duties which are incidental to the office of the president of a corporation organized under the South Carolina Nonprofit Corporation Act and/or delegated to him or her by the Board, including but without limitation thereto, the execution of documents, deeds and papers for and on behalf of the Association, and the appointment of committees from and among the Owners to help in the management of the affairs of the Association.

5.5 Vice President.

The Vice President shall act in the President's absence and shall have all powers, duties, and responsibilities provided for the President when so acting.

5.6 Secretary.

The Secretary shall keep the minutes of all meetings of the Association and of the Board and shall have charge of such books and papers as the Board may direct and shall, in general, perform all duties incidental to the office of the secretary of a corporation organized in accordance with South Carolina law. In the event of a vacancy in the office of Vice President, the Secretary shall act in the President's absence and shall have all the powers, duties, and responsibilities of the President when so acting.

5.7 Treasurer.

The Treasurer shall have the responsibility for the Association's funds and securities and shall, together with such managing agent, be responsible for keeping full and accurate financial

records and books of account showing all receipts and disbursements, for preparing all required financial statements and tax returns, and for the deposit of all monies and other valuable effects in the name of the Association in such depositories as the Board may designate from time to time. The Treasurer shall cause the budget to be prepared as provided below. The Association may retain a managing agent to assist the Treasurer in the performance of his duties.

5.8. Resignation.

Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at a later time specified therein. Unless the resignation specifies, acceptance of such resignation shall not be necessary to make it effective.

Article 6
Management and Administration

6.1. Compensation of Directors and Officers.

The Association shall not compensate directors and officers for acting as such unless Owners representing a majority of the total votes in the Association approve such compensation at an Association meeting. The Association may reimburse any director or officer for expenses he or she incurs on the Association's behalf upon approval of a majority of the other directors. Nothing herein shall prohibit the Association from compensating a director or officer, or any entity with which a director or officer is affiliated, for services or supplies he or she furnishes to the Association in a capacity other than as a director or officer pursuant to a contract or agreement with the Association. However, such director must make known his or her interest to the Board prior to entering into such contract, and a majority of the Board, excluding any interested director, must approve such contract.

6.2. Conflicts of Interest.

An officer or director shall not be precluded from entering into a contract and being compensated for services or supplies furnished to the Association in a capacity other than as an officer or director, provided that (a) the officer's or director's interest is disclosed to the Board, and (b) the contract is approved by a majority of the directors present at a meeting of the Board at which a quorum is established, excluding any director having an interest in the transaction (although any such director may be counted for purposes of establishing a quorum). The interested director shall be entitled to be present at any meeting at which the proposed contract is discussed and to discuss the proposed contract unless another director requests that he or she leave the room during the discussion.

6.3 Managing Agent.

The Association, acting through the Board, may employ for the Condominium a professional management agent or agents at a compensation established from time to time by the Board to perform such duties and services as the Board shall authorize. The Board may delegate such powers

as are necessary to perform the manager's assigned duties but shall not delegate policy-making authority or ultimate responsibility for those duties set forth in Section 4.15. Declarant or an affiliate of Declarant may be employed as managing agent or manager. The Board may delegate to one of its members the authority to act on the Board's behalf on all matters relating to the duties of the managing agent or manager, if any, which might arise between Board meetings.

The Association shall not be bound, either directly or indirectly, by any management contract executed during the Declarant Control Period unless such contract contains a right of termination which may be exercised by the Association, with or without cause and without penalty, at any time after termination of the Declarant Control Period upon not more than 90 days' written notice.

No remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; anything of value received shall benefit the Association. Any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board.

6.4 Committees.

The Board may establish such committees as it deems desirable to serve such purposes as the Board may designate by resolution establishing the committee. Unless such resolution otherwise provides, the members of a committee shall be appointed by the Board and shall serve at the pleasure of the Board. The Board may remove any committee member, with or without cause, at any time and with or without a successor being named.

6.5 Agreements, Contracts, Deeds, Leases, Check, and Other Instruments.

All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two officers or by such Person or Persons as may be designated by resolution of the Board.

6.6 Borrowing.

The Association, acting through the Board, shall have the power to borrow money for the purpose of repair or restoration of improvements for which the Association has maintenance responsibility without the approval of the Owners of the Association. The Association, acting through the Board, may also borrow money for other purposes; provided, the Board shall obtain membership approval in the same manner as required for a special assessment under the Master Deed if the proposed borrowing is (a) for the purpose of modifying or improving the Common Elements, the Units, or other improvements beyond the initial standard or adding amenities to the Condominium, or (b) for any other purpose if the total amount of such borrowing, together with all other debt incurred within the previous 12-month period, exceeds or would exceed 20% of the Association's budgeted gross expenses for that fiscal year.

6.7 Indemnification of Officers, Directors, and Committee Members.

The Association shall indemnify every officer, director, and committee member against all damages and expenses, including counsel fees, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board) to which he or she may be a party by reason of being or having been an officer, director, or committee member, except that the Association shall have no obligation to indemnify any individual against liability or expenses incurred in connection with a proceeding:

(a) brought by or in the right of the Association, although it may reimburse the individual for reasonable expenses incurred in connection with the proceeding if it is determined, by the court or in the manner provided above, that the individual met the relevant standard of conduct under South Carolina law; or

(b) to the extent that the individual is adjudged liable for conduct that constitutes:

(i) appropriation, in violation of his or her duties, of any business opportunity of the Association; or

(ii) intentional misconduct or knowing violation of the law; or

(iii) an unlawful distribution to members, directors or officers; or

(iv) receipt of an improper personal benefit.

This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The officers and directors of the Association shall not be liable to the Co-Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

6.8 Accounts and Reports.

(a) The following accounting standards shall be followed unless the Board by resolution specifically determines otherwise:

(i) accounting and controls should conform to generally accepted accounting principles; and

(ii) cash accounts of the Association shall not be commingled with any other accounts.

(b) Commencing at the end of the quarter in which the first Unit is sold and closed, financial reports shall be prepared for the Association at least quarterly containing:

(i) an income statement reflecting all income and expense activity for the preceding period;

(ii) a statement reflecting all cash receipts and disbursements for the preceding period;

(iii) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;

(iv) a balance sheet as of the last day of the preceding period; and

(v) a delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report (any assessment or installment thereof shall be considered to be delinquent on the 30th day following the due date unless the Board specifies otherwise by resolution).

(c) An annual report consisting of at least the following shall be made available to all Owners within 120 days after the close of the fiscal year: (i) a balance sheet; (ii) an operating (income) statement; and (iii) a statement of changes in financial position for the fiscal year. Such annual report shall be prepared on an audited, reviewed, or compiled basis, as the Board determines, by an independent public accountant according to generally accepted accounting principles.

6.9 Fiscal Year.

The fiscal year shall be set by resolution of the Board. In the absence of a resolution by the Board, the fiscal year shall run from January 1 of each year until December 31 of that year.

6.10 Books and Records.

All Owners of the Association, every director, and any holder, insurer or guarantor of a first Mortgage on a Unit, or the duly appointed representative of any of the foregoing, shall, upon written request to the Association, be entitled to inspect the books and records of the Association and current copies of the Condominium Instruments and the Association rules in accordance with the South Carolina Nonprofit Corporation Act, as amended. Such right to inspect shall be limited to purposes reasonably related to the requesting party's interest in a Unit. Such inspection shall be during normal business hours at the office of the Association or such other reasonable place as the Board may designate as the depository of such books and records. The party conducting the inspection shall be entitled to make copies of documents upon payment of the reasonable cost of reproducing the same, except that a director shall be entitled to a copy of documents requested in his or her capacity as a director at the Association's expense.

Article 7
Enforcement Procedures

The Association shall have the power, as provided in the Master Deed, to impose sanctions for any violation of the Condominium Instruments. To the extent specifically required by the Master Deed, the Board shall comply with the following procedures prior to imposition of sanctions:

7.1 Authority and Sanctions.

The Board shall have the power to impose reasonable fines for violations of the Master Deed, By-Laws, or any rule or regulation of the Association, which fines shall constitute a lien upon the Unit owned or occupied by the violator, and to suspend an Owner's or Occupant's right to use recreational facilities of the Condominium or within the Common Elements and the Owner's right to vote, for any violation of any duty imposed under the Master Deed, these By-Laws, or any rules and regulations duly adopted hereunder; provided, nothing herein shall authorize the Association or the Board to limit ingress and egress to or from a Unit. In the event that any occupant of a Unit violates the Master Deed, By-Laws, or a rule or regulation and a fine is imposed, the fine may first be assessed against such Occupant; provided, if the fine is not paid by the Occupant within the time period set by the Board, the Unit Owner shall pay the fine upon notice from the Association. The failure of the Board to enforce any provision of the Act or of the Master Deed, By-Laws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

7.2 Notice and Response.

The Board or its delegate shall serve the alleged violator with written notice by first class or certified mail: (a) describing the nature of the alleged violation or property damage which is the basis of the proposed sanction or amount due to the Association, as applicable; (b) describing the proposed sanction to be imposed; (c) informing the alleged violator that he or she has 15 days to present a written request for a hearing before the Board or managing agent, if any, to challenge the allegations, the proposed sanction, or both; (d) the name and address to who any such request for hearing is to be addressed; (e) that the alleged violator shall be entitled to make a statement, and present relevant evidence and witnesses on his or her behalf at the hearing; (f) informing the alleged violator that attorney's fees and costs may be charged to the violator if the delinquency or violations continues after a certain date, or the violation deals with safety or health issues; (g) in the Board's discretion, informing the alleged violator that he or she may avoid the proposed action by curing the violation within a reasonable cure period stated in the notice; and (h) informing the alleging violator that all rights to have the sanction reconsidered are waived if a hearing is not requested within 15 days of the date of the notice.

If the alleged violator cures the violation after the stated cure period, the Board may, but shall not be obligated to, waive the sanction. Such waiver shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person. If a timely request for a hearing is not made, the sanction stated in the notice shall be imposed.

Prior to the effectiveness of sanctions imposed pursuant to this Article, proof of proper notice shall be placed in the minutes of the Board or applicable committee, as applicable. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or its representative requests and appears at the hearing.

7.3 Hearing.

If a hearing is requested within the allotted 15-day period, the hearing shall be held before the Board or the applicable committee, if one has been appointed. The alleged violator shall be afforded a reasonable opportunity to be heard. The minutes of the meetings of the Board or committee, as applicable, shall contain a written statement of the results of the hearing (*i.e.*, the committee's decision) and the sanction, if any, to be imposed.

7.4 Appeal.

Following any hearing before the committee, if applicable, the violator shall have the right to appeal the decision to the Board. To exercise this right, the violator must deliver a written notice of appeal to the Association's manager, President, or Secretary within 10 days after the hearing date. If the Board conducted the initial hearing, there shall be no further right of appeal.

7.5 Additional Enforcement Rights.

Despite anything to the contrary in this Article 7, the Association, acting through its Board, may elect to enforce any provision of the Act, the Master Deed, these By-Laws, or the rules and regulations by:

(a) self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations), except that judicial proceedings shall be instituted before the Association may alter or demolish any items of construction undertake by an Owner; or

(b) suit a law or in equity to enjoin any violation or to recover monetary damages, or both;

without the necessity for compliance with the procedures set forth in this Article 7. In the event of any such action, to the maximum extent permissible, the Owner or Occupant responsible for the violation for which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred, which amounts shall be a lien against the applicable Unit and enforceable as a delinquent assessment, including foreclosure.

Instrument#: 2018000145604, DEED BK: 4170 PG: 1469 DOCTYPE: 082 12/28/2018 at 09:01:14 AM, 111 OF 113 MARION D. FOXWORTH III, HORRY COUNTY, SC REGISTRAR OF DEEDS

Article 8
Miscellaneous

8.1 Notice.

Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given as provided in the Master Deed.

8.2 Parliamentary Rules.

Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with South Carolina law or the Governing Documents.

8.3 Conflicts.

If there are conflicts among the provisions of South Carolina law, the Articles of Incorporation, the Master Deed, and these By-Laws, the provisions of South Carolina law, the Master Deed, the Articles of Incorporation, and the By-Laws (in that order) shall prevail.

8.4 Books and Records.

(a) ***Maintenance of Books and Records.*** The Association shall maintain the following books and records, either in written form or in a format capable of conversion into written form within a reasonable time: appropriate accounting records; minutes of all meetings of the Members and the Board; a record of all actions taken by the Members and the Board without a meeting; a record of all actions taken by committees appointed by the Board; a membership roster reflecting the name and mailing address of all Members, in alphabetical order, along with the address of each Unit owned by the Member and the Percentage Interest or number of votes allocated to each Member's Unit(s).

The Association shall maintain at its principal office copies of the following documents:

(i) its Articles of Incorporation and By-Laws, and all amendments thereto current in effect;

(ii) Board resolutions relating to the rights, limitations, and obligations of Members;

(iii) the minutes of all membership meetings and records of all actions approved by the Members for the last three years;

(iv) all written communications directed to the Members generally within the three most recent years;

(v) copies of the financial statements for the three most recent years;

(vi) a list of the names and business or home addresses of its current directors and officers; and

(vii) its most recent annual report filed with the Secretary of State, if applicable.

(b) ***Inspection by Members and Mortgagees.*** Within five days after receipt of a written request to inspect the Association's books and records, the Board shall make available for inspection and copying by any Member, any holder, insurer or guarantor of a first Mortgage on a Unit, or the duly appointed representative of any of the foregoing, at any reasonable time and location as the Board may specify, any of the books and records listed in Section 10.4(a) and specified in such written request, provided that such Persons shall only be entitled to inspect the books and records enumerated in Sections 8.4(a)(i) through (vii) if the request for inspection is made in good faith and for a proper purpose, the requesting party describes with reasonable particularity the purpose and the records the party desires to inspect, and the records are directly connected with this purpose.

(c) ***Rules for Inspection.*** The Board shall establish rules with respect to:

(i) notice to be given to the custodian of records;

(ii) hours and days of the week when such an inspection may be made; and

(iii) payment of the cost of labor and materials for reproducing documents requested.

(d) ***Inspection by Directors.*** Every director shall have the absolute right at any reasonable time to inspect all Association books, records, and documents and the physical properties owned or controlled by the Association. A director's right of inspection includes the right to make a copy of relevant documents at the Association's expense.

8.5. Notices.

(a) ***Form of Notice and Method of Delivery.*** Except as otherwise provided in the Declaration or these By-Laws or by South Carolina law, all notices, demands, bills, statements, or other communications under the Declaration or these By-Laws shall be in writing and may be delivered in person, by United States mail, by private carrier, or if the intended recipient has given its prior written authorization to use such method of delivery, by facsimile or electronic mail with written confirmation of transmission.

(b) ***Delivery Address.*** Notices shall be delivered or sent to the intended recipient as follows:

(i) if to a Member, at the address, telephone facsimile number, or e-mail address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Unit of such Member; or

(ii) if to the Association, the Board, or a committee of either, at the address, facsimile number, or e-mail address of the principal office of the Association or its managing agent, or at such other address as the Association shall designate by notice in writing to the Members pursuant to this section.

(c) ***Effective Date.*** Notice sent in accordance with subsections (a) and (b) shall be deemed to have been duly given and effective:

(i) if sent by United States mail, five days after deposited with the U.S. Postal Service, correctly addressed, with first class or higher priority postage prepaid;

(ii) if delivered personally or by private carrier, when actually delivered to the address of the intended recipient, as evidenced by the signature of the person at such address who accepts such delivery; or

(iii) if sent by telephone facsimile or electronic mail, upon transmission, as evidenced by a printed confirmation of transmission.

8.6. Amendment.

Except as provided above, these By-Laws may be amended only by the affirmative vote or written consent of Members representing at least two-thirds of the votes cast at an Association meeting or by written consent or ballots in lieu of a meeting, provided the quorum described in this Section 8.6 is first obtained. In addition, the approval requirements set forth in the Master Deed shall be met, if applicable. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

The Board shall give at least 30 days written notice of any Association meeting to consider an amendment to these By-Laws, together with a copy or summary of the proposed amendment. For purposes of this Section 8.6, the presence of Members, in person or by proxy, representing 51-percent of the total votes in the Association shall constitute a quorum at any Association meeting to consider an amendment to these By-Laws, and the casting of ballots representing 51-percent of the total votes in the Association shall constitute a quorum for any membership vote by Members conducted by means other than at a meeting. If a quorum is not established at any meeting when initially called or for any membership vote when initially conducted, then the quorum for any subsequent attempt to convene such meeting or conduct such membership vote shall be reduced to 25-percent of the total votes in the Association.

Amendments to these By-Laws shall become effective upon recordation unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six months of its recordation, or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these By-Laws.