

Deed Book 217 page 59
Rec'd 1-4-74

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)
)
SHIPMASTER COMPANY)
)
to)
)
SAILMASTER HORIZONTAL)
)
PROPERTY REGIME II)

59

MASTER DEED
HORIZONTAL PROPERTY REGIME

At Hilton Head Island, County of Beaufort, and State of South Carolina,
this 14th day of December, 1973, Shipmaster Company whose principal
office is situated on Hilton Head Island, South Carolina, hereinafter referred to
as Grantor, does hereby state:

FIRST: That the Grantor owns a property situated at Hilton Head Island,
County of Beaufort, State of South Carolina, which is described as follows:

PARCEL (A) A fee simple interest in all that certain piece, parcel, or
tract of land in Shipyard Plantation as shown on a plat thereof of Sailmaster
Horizontal Property Regime II recorded in the office of the Clerk of Court
for Beaufort County, South Carolina, in Plat Book 21 at Page 189, and
having the following metes and bounds: Beginning at a point located at the
intersection of the southwest corner of Sailmaster Horizontal Property Regime
I at its intersection with land of The Hilton Head Company, Inc., THENCE S 49
35' 57" W for a distance of 431.86'; THENCE N 26° 52' 23" W for a distance of
164.34'; THENCE N 02° 10' 37" E for a distance of 165.26'; THENCE N 63° 42'
07" E for a distance of 113.71'; THENCE S 65° 18' 33" E for a distance of 128.03';
THENCE N 31° 42' 47" E for a distance of 131.43'; THENCE S 37° 55' 33" E for a
distance of 178.18' to a point of the beginning.

LESS AND ACCEPT that certain portion of said tract described hereinbelow
as PARCEL (B) which lies within PARCEL (A), thus making the total acreage
of fee simple title for PARCEL (A) is 1.99 acres.

PARCEL (B) A 17/51 undivided interest in all that certain piece, parcel,
or tract of land in Shipyard Plantation is shown on the plat as aforementioned,
being all the crosshatched area and having the following metes and bounds:
Beginning at a point located at the northwestern portion of PARCEL (A) above;
THENCE S 0° 08' 40" E for a distance of 172.13'; THENCE S 69° 35' 37" W for
a distance of 113.71'; THENCE N 26° 30' 40" W for a distance of 78.21'; THENCE
N 44° 51' E for a distance of 200.00' to the point of the beginning.

AND ALSO all that certain piece, parcel, or tract of land as reflected on
the plat as aforescribed and being located approximately 15' on either side
of the centerline of that certain road beginning at a point located approximately
190' S 62° 34' 40" W from the northeast corner of PARCEL (A); THENCE in a
generally southerly and westerly direction along the curves as enumerated on
said plat to its intersection with the southern right of way of Cordillo Parkway
Extension.

Said two crosshatched parcels together contain 1.08 acres.



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SECOND: That Grantor (intending to create a Horizontal Property Regime that shall be known as Sailmaster Horizontal Property Regime **II** (hereinafter called the "Regime") has constructed on the parcels of land described above certain buildings and other improvements (which together with the land described in Paragraph First, all improvements and structures thereon, and all easements, rights and appurtenances belonging thereto are hereinafter usually referred to as the "Property") according to the plans which were certified to by Richard A. McGinty, A. I. A., an Architect duly authorized and licensed to practice in the State of South Carolina, and are recorded in Plat Book 19 at Page 133 and in Plat Book 20 at Page 4 in the office of the Clerk of Court for Beaufort County, South Carolina, and attached hereto is Exhibit "C".

THIRD: That the Property includes three buildings containing seventeen (17) individual dwelling units (hereinafter referred to as "Villas") all of which are to be used for residential purposes. The Villas are all capable of individual utilization on account of having their own exits to the common elements of the Property, and they will be sold to one or more co-owners, each co-owner obtaining a particular and exclusive property right thereto, and also undivided interest in the general and limited common elements of the Property, as listed hereinafter in the Deed, necessary for their adequate use and enjoyment (hereinafter referred to as "common elements"), all of the above in accordance with the Horizontal Property Act of South Carolina.

FOURTH: That the Property has an area of 1.99 acres of fee simple property which 15,590.00 square feet will constitute Villas, and 71,275.59 square feet will constitute common elements, and an area of 1.08 acres (46,864 square feet) of 17/51 undivided interest, all of which constitutes common elements.

FIFTH: That the Villas and common elements of the Property will be as follows:

1. In Block 500 there are six (6) Villas: Two (2) "F" type Villas, two (2) "C" type Villas, and two (2) "E" type Villas numbered consecutively 1C, 2C, 3A, 4A, 5E, 6E.
2. In Block 600 there are five (5) Villas: Two (2) "A" type Villas and three (3) "C" type Villas numbered consecutively 1C, 2A, 3A, 4C, 5C.
3. In Block 700 there are six (6) Villas: Two (2) "A" type Villas, two (2) "C" type Villas, and two (2) "E" type Villas numbered consecutively 1C, 2C, 3A, 4A, 5E, 6E.

In each "A" type Villa the heating and air conditioning unit is by General Electric.

In each "C" type Villa the heating and air conditioning unit is by General Electric.

In each "E" type Villa the heating and air conditioning unit is by General Electric.



The Villas are described hereinbelow: The Villas include (A) the space enclosed by the unfinished surfaces of perimeter and interior walls, ceiling and floors thereof, including vents, doors, windows and such other structural elements that ordinarily are regarded as enclosures of space; (B) all interior divided walls and partitions (including the space occupied by such walls or partitions) excepting those interior walls and partitions shown on the Plans of the Property (attached hereto and identified as Exhibit B) as enclosing the common-pipe chases; and (C) the decorated inner surfaces of said perimeter and interior walls (including the decorated inner surfaces of all interior load bearing walls and walls enclosing the common-pipe chases) and floors, ceilings, consisting as the case may be of wallpaper, paint, plaster, carpeting, tiles and all other finishing materials and fixtures affixed or installed and for the sole and exclusive use of any Villa, commencing at the point of disconnection from the structural body of the building and from the utility lines, pipes or systems serving the Villas. No pipes, wires, conduits, and other public utility lines or installations constituting a part of the overall systems designed for the service of any particular Villa or building, nor any structural members or portions of any Villa or building, nor any property of any kind, including fixtures and appliances within any Villa, which are not removable without jeopardizing the soundness, safety or usefulness of the remainder of the building, shall be deemed to be a part of any Villa.

(A) Dwelling units type "A" contain a total heated area of 1,536 square feet. At the rear of each type "A" unit there is a porch which contains 80 square feet. A service yard on the entrance side contains 96 square feet. Adjacent to the service yard is an entry court which contains 128 square feet.

Entrance to the type "A" unit is gained through an entry containing 91 square feet. Adjacent to the entry is a closet containing 13 square feet. Also adjacent to the entry is a powder room containing 25 square feet. Also adjacent to the entry is a kitchen which contains 94 square feet. Also adjacent to the entry is a mechanical and utility room which contains 72 square feet. Also adjacent to the entry is a living-dining room combination which contains 464 square feet. Entrance to the second floor of the type "A" unit is gained by a staircase which contains 87 square feet and leads up to a hallway which contains 43 square feet. Adjacent to the hallway is a closet which contains 8 square feet. Also adjacent to the hallway is a bathroom which contains 75 square feet which includes an open linen closet containing 6 square feet. Also adjacent to the hallway is a dressing room which contains 52 square feet. Also adjacent to the hallway is a master bedroom containing 248 square feet. Adjacent to the master bedroom is an outside deck (unheated) which contains 56 square feet. Also adjacent to the hallway is bedroom number two which contains 255 square feet. Adjacent to this bedroom is a walk-in closet containing 32 square feet. Also adjacent to this bedroom is an outside deck (unheated) containing 32 square feet. Also adjacent to this bedroom is a closet containing 8 square feet. Entrance to the alternate second floor plan for dwelling unit "A" is gained by a staircase which contains 80 square feet and leads up to a hallway which contains 43 square feet. Adjacent to the hallway is a dressing room which contains 44 square feet. Adjacent to the hallway is a master bedroom containing 224 square feet. Adjacent to this master bedroom is an outside deck (unheated) which contains 56 square feet. Also adjacent to the hallway is a bedroom number two which contains 240 square feet. Adjacent to this bedroom is a bathroom number two which contains 50 square feet. Also adjacent to this bedroom are two closets, one containing 18 square feet and one containing 8 square feet. Also adjacent to this bedroom is an outside deck (unheated) containing 32 square feet.

(B) Dwelling units type "C" contain a total heated area of 1,730 square feet. An entry court on the entrance side contains 515 square feet. At the rear of the unit are two outside porches each containing 32 square feet.



Entrance to the type "C" dwelling unit is gained through an entry hall containing 117 square feet. Adjacent to the entry hall is a kitchen containing 100 square feet. Also adjacent to the entry hall is a mechanical utility room containing 60 square feet. Adjacent to the mechanical utility room is an outside (unheated) service court containing 37 square feet. Also adjacent to the entry hall is a living room-dining room combination containing 470 square feet with a fireplace. Entrance to the second floor of the type "C" unit is gained by a staircase containing 207 square feet that leads up to hallway containing 95 square feet. Adjacent to the hallway is a storage room which contains 48 square feet. Also adjacent to the hallway is a linen closet which contains 11 square feet. Also adjacent to the hallway is bedroom number one which contains 170 square feet. Adjacent to bedroom number one is bath number one which contains 42 square feet. Also adjacent to bedroom number one are two clothes closets each containing 10 square feet. Also adjacent to the hallway is a master bedroom which contains 220 square feet. Adjacent to the master bedroom is a closet containing 8 square feet. Also adjacent to the master bedroom is an outside (unheated) deck containing 63 square feet. Also adjacent to the master bedroom is a dressing room containing 36 square feet. Adjacent to the dressing room are two closets each containing 9 square feet. Also adjacent to the dressing room is bath number two which contains 78 square feet.

(C) Dwelling units type "E" contain a total of 1,896 square feet of heated area. At the rear of each type "E" unit there are two porches. The porch adjacent to the living room contains 80 square feet and the porch adjacent to the master bedroom contains 24 square feet. A service yard on the entrance side of the unit contains 130 square feet. Adjacent to the service yard is an entry court which contains 335 square feet.

Entrance to the type "E" dwelling unit is gained through an entry containing 100 square feet. Adjacent to the entry is a coat closet containing 16 square feet. Also adjacent to the entry is a storage room which opens onto the service yard and contains 16 square feet. Adjacent to the kitchen is a mechanical and utility room which contains 72 square feet. Also adjacent to the entry is a dining-living room area containing 464 square feet. Also adjacent to the entry is a bathroom number one containing 83 square feet. Also adjacent to the entry is a master bedroom containing 242 square feet. Adjacent to the master bedroom is dressing room number one which contains 40 square feet. Entrance to the second floor of the type "E" unit is gained by a staircase leading upward from the entry to a hallway. The staircase contains 87 square feet and the upstairs hallway contains 43 square feet. Adjacent to the hallway is bedroom number two which contains 224 square feet. Adjacent to this bedroom is an outside deck (unheated) which contains 56 square feet. Also adjacent to this bedroom is dressing room number two containing 52 square feet. Also adjacent to the hallway is a closet containing 8 square feet. Also adjacent to the hallway is bathroom number two which contains 75 square feet, including an open linen closet which contains 6 square feet. Also adjacent to the hallway is bedroom number three which contains 248 square feet. Adjacent to bedroom number three is a walk-in closet containing 32 square feet. Also adjacent to this bedroom is an outside deck (unheated) containing 32 square feet.

(D) Dwelling units "A", type "C", and type "E" all contain kitchens equipped with a refrigerator, range, hood, disposal, and a dishwasher. Also, each unit has a mechanical and utility room which contains a washer and dryer.

All appliances will be as specified or of equality and size.

Common Elements:

- (a) The general common elements are as follows:



(1) The Property excluding the limited common elements and the Villas, and including, but not limited to, the foundations, roofs, floors, ceilings, perimeter walls, load bearing interior walls and partitions, slabs, stairways, pipes, wires, conduits, air ducts, and public utility lines, including the space actually occupied by the above.

(2) Parking facilities located on the Property, which parking facilities consist of approximately 17,800 square feet, and are shown in the plat of the Property attached hereto and identified as Exhibit A.

(3) All roads, walkways, paths, trees, shrubs, yards, gardens, etc., located or to be located on the Property.

(4) All other elements of the Property constructed or to be constructed on the Property, rationally of common use or necessary to the existence, upkeep and safety of the Property and in general all other devices or installations existing for common use.

(5) 17/51 undivided interest in all that certain property shown on the plat attached hereto as crosshatched including, but not limited to the swimming pool, roads, and property adjacent thereto as more specifically shown on the plat referenced to above, (PARCEL A).

(b) The limited common elements are as follows:

(1) The rear and front yards and service areas (shown on the plat attached hereto and identified as Exhibit A) adjacent to each Villa, the storage cabinets located in the service areas, and the fences screening the service areas are limited common elements and are each restricted to the use of the Villa adjacent to such limited common elements, respectively.

SIXTH:

(1) That the title and interest of each co-owner of a Villa in the common elements listed in subparagraph 2 of paragraph Fifth, and their proportionate share in the profits and common elements (both general and limited), as well as the proportionate representation for voting purposes in the meeting of the Council of Co-Owners (hereinafter usually referred to as "Council") of the Regime is based on the proportionate value of each Villa to the total value of the Property as follows:

(a) Type "A" Villas: 5.25 per cent for each Villa based on a value of \$57,000.00 for each of said Villas and a total value of \$1,084,000.00 for the Property.

(b) Type "C" Villas: 6.10 per cent for each Villa based on a value of \$66,000.00 for each of said Villas and a total value of \$1,084,000.00 for the Property.

(c) Type "E" Villas: 6.45 per cent for each Villa based on a value of \$70,000.00 for each of said Villas and a total value of \$1,084,000.00 for the Property.

(2) The proportionate representation for voting purposes provided in subparagraph (1) hereof shall not be altered without the acquiescence of the co-owners representing all the Villas.

SEVENTH: That the administration of the Regime consisting as aforesaid of the Property described in Paragraphs First and Fifth of this Deed shall be in accordance with the provisions of this Deed, and with the provisions of the By-Laws which are made a part of this Deed and are attached hereto as Exhibit B.



EIGHTH: That, as appears above, a Horizontal Property Regime is hereby constituted under and subject to the provisions of the Horizontal Property Act of the State of South Carolina, so that Villas may be conveyed and recorded as individual properties capable of independent use, each having its own exit to the common elements of the Property, each Villa co-owner having an exclusive and particular right over his respective Villa and in addition the specified undivided interest in the common elements of the Property.

NINTH: That so long as the Grantor owns one or more of the Villas, the Grantor shall be subject to the provisions of this Deed and of Exhibits A and B, attached hereto; and the Grantor covenants to take no action which will adversely affect the rights of the Regime with respect to the assurances against latent defects in the Property or other rights assigned to the Regime by reason of the establishment of said Horizontal Property Regime.

TENTH: That the common elements shall remain undivided and no co-owner shall bring any action for partition or division.

ELEVENTH: That the percentage of the undivided interest in the common elements (both general and limited) established herein shall not be changed except with the unanimous consent of all the co-owners expressed in amendment to this Deed duly recorded.

TWELFTH: That the undivided interest in the common elements shall not be separated from the Villa to which it appertains and shall be deemed conveyed or encumbered with the Villa even though such interest is not expressly mentioned or described in the conveyance or other instrument.

THIRTEENTH: That each co-owner shall comply with the provisions of this Master Deed, the Declaration of Covenants and Restrictions dated July 19, 1973, and recorded in the office of the Clerk of Court for Beaufort County, South Carolina at Book 216 of ... ds, Page 303, the Board of Administration, or their representatives, as fully amended from time to time, and failure to comply with any such provisions, decisions, or resolutions shall be grounds for an action to recover sums due for damages or for injunctive relief; provided that nothing contained herein shall limit the rights of the Shipmaster Company as set forth in the aforesaid Declaration.

FOURTEENTH: That the dedication of the Property of the Horizontal Property Regime herein shall not be revoked, or the property removed from the Horizontal Property Regime, or any of the provisions herein amended unless all of the mortgages covering the Villas unanimously agree to such revocation, or amendment, or removal of the Property from the Horizontal Property Regime by duly recorded instrument.

FIFTEENTH: That no co-owner of a Villa may exempt himself from liability for his contribution toward the common expenses by waiver of the use of enjoyment of any of the common elements or by abandonment of his Villa.

SIXTEENTH: That all present or future co-owners, tenants, future tenants, or any other person that might use the facilities of the Property in any manner, are subject to the provisions of this deed and that the mere acquisition or rental of any of the Villas of the Property or the mere act of occupancy of any of said Villas shall signify that the provisions of this Deed are accepted and ratified.

SEVENTEENTH: That if the Property is totally or substantially damaged or destroyed, the repair, reconstruction, or disposition of the Property shall be as provided by the above mentioned Statute of South Carolina.



EIGHTEENTH: That, where a mortgagee or other purchaser of a Villa obtains title by reason of foreclosure of a mortgage covering a Villa, such acquirer of title, his successors or assigns, shall not be liable for assessments by the Regime which became due prior to the acquisition of title by such acquirer, it being understood, however, that the above shall not be construed to prevent the Regime from filing and claiming liens for such assessments and enforcing same as provided by law, and that such assessment liens shall be subordinate to such mortgage.

NINETEENTH: That in a voluntary conveyance of a Villa, the Grantee of the unit shall be jointly and severally liable with the Grantor for all unpaid assessments by the Regime against the latter for his share of the common expenses up until the time of the grant or conveyance without prejudice to the Grantees right to recover from the Grantor the amounts paid by the Grantee therefor. However, any such Grantee shall be entitled to a statement from the manager or Council of Co-Owners, as the case may be, setting forth the amount of the unpaid assessments against the Grantor due the Regime and such Grantees shall not be liable for, nor shall the Villa conveyed be subject to a lien for, any unpaid assessments made by the Council of Co-Owners against the Grantor in excess of the amount therein set forth.

TWENTIETH: That the Board of Administration of the Regime or the Management Agent, or Manager shall obtain and continue in effect blanket property insurance in form and amounts satisfactory to mortgagees holding first mortgages covering Villas but without prejudice to the right of the co-owner to obtain additional individual Villa insurance.

TWENTY-FIRST: That insurance premiums for blanket insurance coverage of the Property shall be a common expense to be paid by periodic assessments levied by the Regime and that such payments shall be made in a separate escrow account of the Regime and used solely for the payment of the blanket property insurance premiums as such premiums become due.

IN WITNESS WHEREOF, the Grantor has caused these presents to be executed by the duly authorized officers of its general partners The Hilton Head Company, Inc. and Graves Construction Company, Inc., this 14th day of December, 1973.

Signed, sealed and delivered
in the presence of:

Jay E. Lee
Richard Clark

Jay E. Lee
Jay E. Lee

SHIPMASTER COMPANY

THE HILTON HEAD COMPANY, INC.

By: [Signature]

Attest: William M. Grant

GRAVES CONSTRUCTION COMPANY, INC.

By: [Signature]
Robert L. Graves, President

Attest: [Signature]



THE HILTON HEAD
COMPANY INC.

STATE OF SOUTH CAROLINA

COUNTY OF BEAUFORT

PERSONALLY Appeared before me Joy E. Lee and made oath that she saw the within named THE HILTON HEAD COMPANY, INC., a General Partner of SHIPMASTER COMPANY, by its Vice President and Assistant Secretary sign, affix the corporate seal, and as its act and deed, deliver the within written Instrument, and that she with Socafyn Clark witnessed the execution thereof.

Joy E. Lee

Sworn to before me this 27th day of December, 1973.

Jocelyn Clark
Notary Public for South Carolina

STATE OF SOUTH CAROLINA

COUNTY OF BEAUFORT

PERSONALLY Appeared before me Faye McCurdy and made oath that she saw the within named GRAVES CONSTRUCTION COMPANY, INC., a General Partner of SHIPMASTER COMPANY, by its President and Vice President sign, affix the corporate seal, and as its act and deed, deliver the within written Instrument, and that she with Joy Brown witnessed the execution thereof.

Faye McCurdy

Sworn to before me this day of 12-13, 1973.

Joy Brown
Notary Public for South Carolina
6-80



THE HILTON HEAD COMPANY INC.

BY-LAWS OF SAILMASTER CONDOMINIUM UNITS

ARTICLE I

PLAN OF APARTMENT OWNERSHIP

Section 1. Horizontal Property Regime. The Property (the term "Property" as used herein means and includes the land, the buildings, all improvements and structures thereto) located in Shipyard Plantation, Hilton Head Island, in Beaufort County, State of South Carolina, known as Sailmaster Villas has been, by Master Deed, submitted to the provisions of the Horizontal Property Act of South Carolina, and is to be henceforth known as Sailmaster Horizontal Property Regime II (hereinafter referred to as the "Regime").

Section 2. By-Laws Applicability. The provisions of these By-Laws are applicable to the Property and the Regime.

Section 3. Personal Application. All present or future co-owners, tenants, or their employees, or any other person that might use the facilities of the Property in any manner, are subject to the regulations set forth in these By-Laws and in the Master Deed establishing said Regime. The mere acquisition or rental of any of the apartments (hereinafter usually referred to as "Apartment") as defined in the Master Deed of the Property or the mere act of occupancy of any said Apartments will signify that these By-Laws, the provisions of the Master Deed and the provisions of the Declaration of Protective Covenants and Restrictions, as recorded in the office of the Clerk of Court, County of Beaufort, in Deed Book 216 at Page 303, are accepted and ratified, and will be complied with.

ARTICLE II

Section 1. Voting. Voting shall be on a percentage basis and the percentage of the vote to which the co-owner is entitled is the percentage assigned to the Apartment of Apartments in the Master Deed.

Section 2. Majority of Co-Owners. As used in these By-Laws, the term "majority of co-owners" shall mean those co-owners holding 51% or more of the total value of the Property, in accordance with the percentage assigned in the Master Deed.

Section 3. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a majority of co-owners as defined in Section 2 of this Article shall constitute a quorum.

Section 4. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

ARTICLE III

Section 1. Council Responsibilities. The co-owners of the Apartments will constitute the Council of Co-Owners (hereinafter usually referred to as "Council") who will have the responsibility of administering the Property, approving the annual budget, establishing and collecting periodic assessments and arranging for the management of the Property pursuant to an agreement, containing provisions relating to the duties, obligations, removal and compensation of the management agent. Except as otherwise provided, decisions and resolutions of the Council shall require approval by a majority of co-owners.

Section 2. Place of Meetings. Meetings of the Council shall be held at such place, convenient to the co-owners as may be designated by the Council.

Section 3. Annual Meetings. The annual meetings of the Council shall be held on the first Monday of April each year. At such meetings there shall be elected by ballot of the co-owners a Board of Administration in accordance with the requirements of Section 5 of Article IV of these By-Laws. The co-owners may also transact such other business of the Council as may properly come before them.

Section 4. Special Meetings. It shall be the duty of the President to call a special meeting of the co-owners as directed by resolution of the Board of Administration or upon a petition signed by a majority of co-owners and having been presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths of the votes present, either in person or by proxy.

Section 5. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each co-owner of record, at least five but not more than ten days prior to such meeting. The mailing of a notice in the manner provided in this Section shall be considered notice served.

Section 6. Adjourned Meetings. If any meeting of the Council cannot be organized because a quorum has not attended, the co-owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 7. Order of Business. The order of business at all Annual Meetings of the Council shall be as follows:

- (a) Roll Call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Reports of committees.
- (f) Election of inspectors of election.
- (g) Election of administrators.
- (h) Unfinished business.
- (i) New business.

The order of business at all Special Meetings of the Council shall include items (a) through (d) above, and, thereafter, the agenda shall consist of the items specified in the notice of meeting.

ARTICLE IV

BOARD OF ADMINISTRATION

Section 1. Number and Qualification. The affairs of the Council shall be governed by a Board of Administration (hereinafter referred to as the "Board") comprised of five persons, all of whom must be co-owners of Apartments in the Property.

Section 2. General Powers and Duties. The Board shall have the powers and duties necessary for the administration of the affairs of the Council and may do all such acts and things as are not by law or by these By-Laws directed to be exercised and done by the Council or individual co-owners.

Section 3. Other Duties. In addition to duties imposed by these By-Laws or by resolutions of the Council, the Board shall be responsible for the following:

- (a) Compliance with all the terms and conditions of the Master Deed and enforcement of same.
- (b) Care, upkeep, and surveillance of the Property and the common elements.
- (c) Collection of assessments from the co-owners.
- (d) Employment, dismissal, and control of the personnel necessary for the maintenance and operation of the common elements.

Section 4. Management Agent. The Board may employ a management agent at a compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section 3 of this Article.

Section 5. Election and Term of Office. At the first annual meeting of the Council the initial term of office of two members of the Board shall be fixed at three (3) years. The term of office of two members of the Board shall be fixed at two (2) years, and the term of one member of the Board shall be fixed at one (1) year. At the expiration of the initial term of office of each member of the Board, his successor shall be elected to serve a term of three (3) years. The members of the Board shall hold office until their successors have been elected and hold their first meeting.

Section 6. Vacancies. Vacancies in the Board of Administration caused by any reason other than the removal of a member of the Board by a vote of the Council shall be filled by vote of the majority of the remaining members even though they may constitute less than a quorum; and each person so elected shall be a member of the Board until a successor is elected at the next meeting of the Council.

Section 7. Removal of Members of the Board. At any regular or special meeting of the Council duly called, any one or more of the members of the Board may be removed with or without cause by a majority of co-owners and a successor may then and there be elected to fill the vacancy thus created. Any member of the Board whose removal has been proposed to the Council shall be given an opportunity to be heard at the meeting.

Section 8. Organization Meeting. The first meeting of a newly elected Board shall be held within ten (10) days of election at such place as shall be fixed by the Board at the meeting at which such Board members were elected by the Council, and no notice shall be necessary to the newly elected Board members in order legally to constitute such meeting, providing a majority of the Board shall be present.

Section 9. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Board, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board shall be given by the Secretary-Treasurer, or other designated person, to each Board member, personally or by mail, telephone or telegraph, at least ten (10) days prior to the day named for such meeting.

Section 10. Special Meetings. Special meetings of the Board may be called by the President on three (3) days notice to each Board member, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary-Treasurer in like manner and on like notice on the written request of at least two Board members.

Section 11. Waiver of Notice. Before or at any meeting of the Board, any Board member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Board member at any meeting of the Board shall be a waiver of notice by him of the time, place and purpose thereof. If all the members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 12. Board Quorum. At all meetings of the Board, a majority of the Board members shall constitute a quorum for the transaction of business and the acts of the majority of the members present at a meeting at which a quorum is present shall be the acts of the Board. If, at any meeting of the Board, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 13. Fidelity Bonds. The Board may require that any and all officers and employees of the Regime handling or responsible for Regime funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Regime.

ARTICLE V

OFFICERS

Section 1. Designation. The principal officers of the Regime shall be a President, a Vice President, and a Secretary-Treasurer, all of whom shall be elected by and from the Board. The Board may appoint an assistant treasurer, and an assistant secretary, and such other officers as in their judgment may be necessary.

Section 2. Election of Officers. The officers of the Regime shall be elected annually by the Board at the organization meeting of each new Board and shall hold office at the pleasure of the Board.

Section 3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Regime. He shall preside at all Council meetings of the Regime and of the Board. He shall have all of the general powers and duties which are usually vested in the office of president of a Regime, including but not limited to the power to appoint committees from among the co-owners from time to time as he may in his discretion decide are appropriate to assist in the conduct of the affairs of the Regime.

Section 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board.

Section 6. Secretary-Treasurer. The Secretary-Treasurer shall keep the minutes of all meetings of the Board and the minutes of all meetings of the Council; he shall have charge of such books and papers as the Board may direct; and he shall have responsibility for Regime funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Regime. He shall be responsible for the deposit of all moneys and other valuable effects in the name and to the credit, of the Regime in such depositories as may from time to time be designated by the Board. He shall, in general, perform all of the duties incident to the offices of Secretary and Treasurer.

ARTICLE VI

OBLIGATIONS OF THE CO-OWNERS

Section 1. Assessments. All co-owners are obligated to pay periodic assessments imposed by the Regime to meet all Regime expenses, which shall include a liability insurance policy premium and an insurance premium for a policy to cover repair and reconstruction work in case of hurricane, fire, earthquake, or other hazard. The assessments shall be made pro rata according to the value of the Apartment owned, as stipulated in the Master Deed.

Section 2. Maintenance and Repair.

(a) Every co-owner must perform promptly all maintenance and repair work within his own Apartment, which if omitted would affect the Property in its entirety or in a part belonging to other co-owners, being expressly responsible for the damages and liabilities that his failure to do so may engender.

(b) All the repairs of internal installations of the Apartments such as water, light, gas, power, sewage, telephones, air conditioners, sanitary installations, doors, windows, lamps, and all other accessories belonging to the Apartment shall be at the co-owner's expense.

(c) A co-owner shall reimburse the Regime for any expenditures incurred in repairing or replacing any common elements damaged through his fault.

Section 3. Use of Apartments - Internal Changes.

(a) All Apartments shall be utilized for residential purposes only.

(b) A co-owner shall not make structural modifications or alterations in his Apartment or installations located therein without previously notifying the Regime in writing, through the management agent, if any, or through the President if no management agent is employed. The Regime shall have the obligation to answer within thirty (30) days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.

Section 4. Use of Common Elements. A co-owner shall not place or cause to be placed in the passages or roads any furniture, packages or obstruction of any kind. Such areas shall be used for no other purpose than for normal transit through them.

Section 5. Right of Entry.

(a) Residents shall exercise extreme care to avoid unnecessary noise or the use of musical instruments, radios, television, and amplifiers that may disturb other residents.

(b) No residents of the Property shall:

- (1) Post any advertisements, or posters of any kind in or on the Property except as authorized by the Regime.
- (2) Hang garments, rugs, or similar objects, from the windows or from any of the facades of the Property.
- (3) Dust rugs, mops, or similar objects, from the windows, or clean rugs, or similar objects by beating on the exterior part of the Property.
- (4) Throw garbage or trash outside the disposal installations provided for such purposes in the service areas.
- (5) Act so as to interfere unreasonably with the peace and enjoyment of the residents of the other Apartments in the Property.

(c) No co-owner, resident or lessee shall install wiring for electrical or telephone installations, television antennae, machines or air conditioning units, or similar objects outside of his dwelling unit except as authorized by the Board.

ARTICLE VII

AMENDMENTS

Section 1. By-Laws. These By-Laws may be amended by the Council in a duly constituted meeting held for such purposes, and no amendment shall take effect unless approved by co-owners representing at least two-thirds of the total value of the Property as shown in the Master Deed.

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<i>Anita S. Nettles</i>		
CLERK OF COURT OF COMMON PLEAS		