

PORTIONS OF THIS AGREEMENT ARE SUBJECT TO ARBITRATION
PURSUANT TO THE SOUTH CAROLINA UNIFORM ARBITRATION ACT, § 15-
48-10, S.C. CODE OF LAWS OF 1976, AS AMENDED

The
Bristol

**MASTER DEED OF
THE BRISTOL HORIZONTAL PROPERTY REGIME**

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STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

THIRD AMENDMENT TO
MASTER DEED OF THE BRISTOL
HORIZONTAL PROPERTY REGIME

THIS THIRD AMENDMENT TO MASTER DEED OF THE BRISTOL HORIZONTAL PROPERTY REGIME (the "Third Amendment") is made this 20th day of February, 2004, by Brittlebank Condominiums, LLC is a South Carolina limited liability company (hereinafter, the Company").

W I T N E S S E T H:

WHEREAS, by "Master Deed of The Bristol Horizontal Property Regime" dated August 30, 2002, recorded in the RMC Office for Charleston County in Book D-417 at Page 1 and subsequently amended (hereinafter collectively referred to as the "Master Deed"), the Company created a horizontal property regime upon certain property situate in Charleston County, South Carolina; and

WHEREAS, pursuant to Section 3.3 of the Master Deed, the Developer retained the right to modify or reconstitute, at any time and from time to time, one or more Units owned by it without the consent of any other person, and as provided in said Section 3.3, and may evidence such changes by an amendment of the Master Deed, duly recorded in the RMC for Charleston County, executed solely by the Developer; and

WHEREAS, the Developer proposes to amend the Master Deed to exchange the assigned parking spaces, which are Limited Common Areas of Units owned by the Developer, between Units.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS that the Developer does hereby amend the Master Deed as herein provided:

I. Definitions. The words used in this Third Amendment, unless the context shall clearly indicate otherwise, shall have the same meanings as set forth in the Master Deed.

II. Amended Provisions. Exhibit "C" of the Master Deed is amended to assign to Unit 412, also known as Unit 4012, the assigned Limited Common Area parking spaces B18 and B19, and to assign to Unit 513, also known as Unit 5013, the assigned Limited Common Area parking spaces B28 and B29, such that following said amendment Exhibit "C" shall read as shown in the attached Exhibit "C."

III. Amendment Certification. The Company does hereby certify that it is the Owner of Units 412 and 513, also known as Units 4012 and 5013, and of their respective appurtenant Limited Common Area uses, privileges and rights, and that the within Third Amendment to the Master Deed of The Bristol Horizontal Property Regime was duly executed by the Developer in accordance with the provisions of Section 3.3 of the Master Deed.


IN WITNESS WHEREOF, the Developer has caused this THIRD AMENDMENT TO MASTER DEED OF THE BRISTOL HORIZONTAL PROPERTY REGIME to be executed the day and year first above written.

WITNESSES:

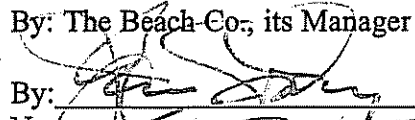
BRITTLEBANK CONDOMINIUM, LLC

BY: BEACH BRITTLEBANK, LLC, its Member


By: The Beach Co., its Manager



Virginia B. Martin

By: 

Name: John C. L. Darby
Its: CEO

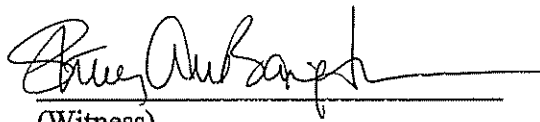
By: 

Name: Dana R. Mager
Its: Corporate Secretary

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

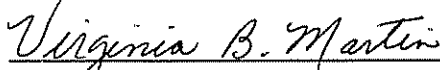
PROBATE

PERSONALLY appeared before me the undersigned witness who, being duly sworn, deposes and says that (s)he saw the within-named Brittlebank Condominiums, LLC, a South Carolina limited liability company, by Beach Brittlebank, LLC, its Member, by The Beach Co., its Manager, by John C. L. Darby, its President & CEO and Dana R. Mager, its Secretary, sign, seal and as its act and deed deliver the foregoing instrument, and that (s)he together with the other witness whose name appears as a witness, witnessed the execution thereof.



(Witness)

SWORN to an subscribed before me
this 20th day of February, 2004



Notary Public for South Carolina
My Commission Expires: 2-17-2010

Exhibit "C"

Schedule of Assigned Values, Percentage Interests, Storage Space and Parking Spaces for Each Unit

This is a schedule of Assigned Values and Percentage Interests in the Common Areas appurtenant to Units in the Bristol Horizontal Property Regime. This Schedule also set forth the assigned storage and parking spaces' Limited Common Areas appurtenant to each Unit. The Assigned Value is for statutory purposes only and has no relationship to the actual value of each Unit.

The Bristol

<u>Unit</u> <u>Number by</u> <u>Architect's</u> <u>Floor Plan</u>	<u>Unit Number</u> <u>by Regime</u> <u>Address 1</u>	<u>Statutory</u> <u>Value</u>	<u>Statutory</u> <u>Percentage</u>	<u>Assigned</u> <u>Storage</u> <u>Space</u> <u>LCA 2</u>	<u>Assigned</u> <u>Parking Spaces</u> <u>LCA 2 Shown</u> <u>in Plans</u>	<u>Assigned</u> <u>Parking Spaces</u> <u>Number in</u> <u>Building</u>	<u>Assigned</u> <u>Parking Spaces</u> <u>By Space</u> <u>Number in</u> <u>Building</u>	<u>Architectural Type</u>	
301	3001	\$2,000	1.85185%	8	A36	A35	139	141	D -- The Devonshire
302	3002	\$2,000	1.85185%	39	A26	A27	144	146	B -- The Buckingham
303	3003	\$2,000	1.85185%	40	A67	A68	174	176	H -- The Hampton
304	3004	\$2,000	1.85185%	43	A69	A70	170	172	H -- The Hampton
305	3005	\$2,000	1.85185%	42	A71	A72	166	168	C -- The Canterbury
306	3006	\$2,000	1.85185%	41	A73	A74	162	164	H -- The Hampton
307	3007	\$2,000	1.85185%	46	A43	A44	157	159	H -- The Hampton
308	3008	\$2,000	1.85185%	45	A41	A42	153	155	G -- The Greenwich
309	3009	\$2,000	1.85185%	44	A33	A34	135	137	B -- The Buckingham
310	3010	\$2,000	1.85185%	1	A31	A32	131	133	B -- The Buckingham
311	3011	\$2,000	1.85185%	2	A24	A25	140	142	A -- The Aberdeen
312	3012	\$2,000	1.85185%	3	A3	A4	104	106	E -- The Essex
313	3013	\$2,000	1.85185%	4	A5	A6	108	110	E -- The Essex
314	3014	\$2,000	1.85185%	34	A7	A8	112	114	C -- The Canterbury
315	3015	\$2,000	1.85185%	6	A9	A10	116	118	F -- The Faversham
316	3016	\$2,000	1.85185%	7	A14	A15	120	122	D -- The Devonshire
317	3017	\$2,000	1.85185%	9	A16	A17	124	126	D -- The Devonshire
318	3018	\$2,000	1.85185%	10	A47	A48	156	158	I - The Inverness
401	4001	\$2,000	1.85185%	47	B55	B54	204	206	D -- The Devonshire

1 Old Bridgeview Lane, Charleston, South Carolina 29403

2 LCA -- Limited Common Area

The Bristol

<u>Unit</u> <u>Number by</u> <u>Architect's</u> <u>Floor Plan</u>	<u>Unit Number</u> <u>by Regime</u> <u>Address 1</u>	<u>Statutory</u> <u>Value</u>	<u>Statutory</u> <u>Percentage</u>	<u>Assigned</u> <u>Storage</u> <u>Space</u> <u>LCA 2</u>	<u>Assigned</u> <u>Parking Spaces</u> <u>LCA 2</u> <u>Shown</u> <u>in Plans</u>	<u>Assigned</u> <u>Parking Spaces</u> <u>By Space</u> <u>Number in</u> <u>Building</u>	<u>Assigned</u> <u>Parking Spaces</u> <u>By Space</u> <u>Number in</u> <u>Building</u>	<u>Architectural Type</u>
402	4002	\$2,000	1.85185%	48	B53 B52	208	210	B -- The Buckingham
403	4003	\$2,000	1.85185%	49	B51 B50	212	214	H -- The Hampton
404	4004	\$2,000	1.85185%	50	B49 B48	216	218	H -- The Hampton
405	4005	\$2,000	1.85185%	27	A58 A58	181	183	C -- The Canterbury
406	4006	\$2,000	1.85185%	28	A56 A57	177	179	H -- The Hampton
407	4007	\$2,000	1.85185%	29	A54 A55	173	175	H -- The Hampton
408	4008	\$2,000	1.85185%	30	A52 A53	169	171	G -- The Greenwich
409	4009	\$2,000	1.85185%	31	B15 B23	255	257	B -- The Buckingham
410	4010	\$2,000	1.85185%	32	B24 B25	251	253	B -- The Buckingham
411	4011	\$2,000	1.85185%	33	B26 B27	247	249	A -- The Aberdeen
412	4012	\$2,000	1.85185%	19	B18 B19	245	243	E -- The Essex
413	4013	\$2,000	1.85185%	20	B30 B31	239	241	E -- The Essex
414	4014	\$2,000	1.85185%	21	B32 B33	237	235	C -- The Canterbury
415	4015	\$2,000	1.85185%	22	A18 A19	128	130	F -- The Faversham
416	4016	\$2,000	1.85185%	23	A20 A21	132	134	D -- The Devonshire
417	4017	\$2,000	1.85185%	24	A22 A23	136	138	D -- The Devonshire
418	4018	\$2,000	1.85185%	25	A49 A50	152	154	I - The Inverness
501	5001	\$2,000	1.85185%	51	B58 B59	211	213	D -- The Devonshire
502	5002	\$2,000	1.85185%	52	B60 B61	215	217	B -- The Buckingham
503	5003	\$2,000	1.85185%	53	B62 B63	219	221	H -- The Hampton
504	5004	\$2,000	1.85185%	54	B64 B65	223	225	H -- The Hampton
505	5005	\$2,000	1.85185%	38	B46 B47	220	222	C -- The Canterbury
506	5006	\$2,000	1.85185%	18	B45 B44	232	234	H -- The Hampton
507	5007	\$2,000	1.85185%	16	B43 B42	236	238	H -- The Hampton
508	5008	\$2,000	1.85185%	15	B36 B37	227	229	G -- The Greenwich
509	5009	\$2,000	1.85185%	14	B14 B13	259	261	B -- The Buckingham
510	5010	\$2,000	1.85185%	5	B40 B39	242	244	B -- The Buckingham

1 Old Bridgeview Lane, Charleston, South Carolina 29403

2 LCA -- Limited Common Area

The Bristol

<u>Unit Number by Architect's Floor Plan</u>	<u>Unit Number by Regime Address 1</u>	<u>Statutory Value</u>	<u>Statutory Percentage</u>	<u>Assigned Storage Space LCA 2</u>	<u>Assigned Parking Spaces LCA 2 Shown in Plans</u>	<u>Assigned Parking Spaces By Space Number in Building</u>	<u>Assigned Parking Spaces By Space Number in Building</u>	<u>Architectural Type</u>
511	5011	\$2,000	1.85185%	26	B11 B12	263 265	A -- The Aberdeen	
512	5012	\$2,000	1.85185%	17	B21 B20	268 270	E -- The Essex	
513	5013	\$2,000	1.85185%	13	B28 B29	278 280	E -- The Essex	
514	5014	\$2,000	1.85185%	12	B3 B4	279 281	C -- The Canterbury	
515	5015	\$2,000	1.85185%	11	B5 B6	275 277	F -- The Faversham	
516	5016	\$2,000	1.85185%	35	B7 B8	271 273	D -- The Devonshire	
517	5017	\$2,000	1.85185%	36	B9 B10	267 269	D -- The Devonshire	
518	5018	\$2,000	1.85185%	37	B35 B34	231 233	I - The Inverness	
		\$108,000	99.99990%					

1 Old Bridgeview Lane, Charleston, South Carolina 29403

2 LCA – Limited Common Area

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

FIRST AMENDMENT TO
MASTER DEED OF THE BRISTOL
HORIZONTAL PROPERTY REGIME

THIS FIRST AMENDMENT TO MASTER DEED OF THE BRISTOL HORIZONTAL PROPERTY REGIME (the "First Amendment") is made this 13th day of November, 2002, by Bristol Condominium Property Owners' Association, a South Carolina Non-profit corporation, hereinafter called "Association."

W I T N E S S E T H:

WHEREAS, by "Master Deed of The Bristol Horizontal Property Regime" dated August 30, 2002, recorded in the RMC Office for Charleston County in Book D-417 at Page 1 (hereinafter collectively referred to as the "Master Deed"), Brittlebank Condominiums, LLC, a South Carolina limited liability company created a horizontal property regime upon certain property situate in Charleston County, South Carolina; and

WHEREAS, pursuant to Article 17, Section 17.2(d) of the Master Deed, the Association has the right to amend the Master Deed if such amendment is necessary, in the judgment of the Board of Directors, to cure any ambiguity or to correct or supplement any provisions of the Regime Documents that are defective, missing or inconsistent with any other provisions thereof, so long as written objection to such amendment is not received from Members representing more than fifty percent (50%) of the total votes of the Association within twenty (20) days after written notice of the proposed amendment is given to all Members; and

WHEREAS, notice of the proposed amendment has been given to the Members and objection to such amendment has not been received from Members representing more than fifty percent (50%) of the total votes of the Association within twenty (20) days after such written notice.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS that the Association does hereby amend the Master Deed as herein provided:

- I. Definitions. The words used in this First Amendment, unless the context shall clearly indicate otherwise, shall have the same meanings as set forth in the Master Deed.
- II. Amended Provisions. The following provisions of the Master Deed are hereby amended to correct ambiguities present therein.

Section 2.7. Section 2.7 is hereby deleted in its entirety and a new Section 2.7 is substituted therefor, which reads as follows:

2.7 Rules and Regulations.

The Board of Directors will be entitled to promulgate 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 Units and Common Areas. Any fine which may be imposed against the Association by OCRM or by any other governmental agency for any violation of law or as a result of damage to marsh or any other protected property of the Regime by an Owner or by his renter, licensee or invitee shall be added to such Owner's Assessments and shall become a lien upon his Unit. Copies of the current Rules and Regulations will be furnished to Owners and lessees of Owners upon request.

Section 3.3. Section 3.3 is hereby deleted in its entirety and a new Section 3.3 is substituted therefor, which reads as follows:

3.3 Modification of Units.

The Developer, on behalf of itself, its successors and assigns, hereby reserves the right to modify or reconstitute, at any time and from time to time, one or more Units owned by Developer or its affiliates without the consent of the Association or any Owner other than those who may be directly affected; provided, however, that the aggregate Percentage Interest assigned to the Units so affected will not change even though the same may be reallocated among such changed Units. If Developer makes any changes in Units pursuant to this Section 3.3, such changes will be reflected by an amendment of this Master Deed. An Amendment will be executed solely by the Developer for itself and as attorney in-fact for all Owners. An Amendment will be effective upon recording such Amendment in the RMC.

Sections 11.7 and 11.8. Section 11.7 and section 11.8 are hereby deleted in their entirety new Sections 11.7 and 11.8 are substituted therefor, which reads as follows:

11.7 Easements to Serve Adjacent Marina Development.

The Developer hereby reserves for itself and its duly authorized agents, representatives, successors, successors-in-title, assigns, licensees, and mortgagees, a perpetual nonexclusive easement over the Common Areas for the purposes of enjoyment, use, access, and development of any adjacent property developed, or which may be developed, as a marina or for related recreational purposes, whether public or private, and whether or not any such property is made subject to this Master Deed. This easement includes, but is not limited to, a right of ingress and egress over the Common Areas for construction of roads and for connecting and installing utilities and services on such property. The Developer agrees that it and its successors or assigns shall be responsible for any damage caused to the Common Areas as a result of vehicular traffic connected with development of such property. The Developer further agrees that if the easement is exercised for permanent access to such property and such property or any portion thereof

is not made subject to this Master Deed, the Developer, its successors or assigns shall enter into a reasonable agreement with the Association to share the cost of maintenance of any private roadway, boardwalk, sidewalk or other such facility serving such property.

11.8 No Riparian Rights; No View Easements

No riparian rights shall be deemed to pass to any Owners or shall be deemed appurtenant to any Unit or Common Area, all said riparian rights being reserved to and transferable by the Developer under Section 11.7 above. No view easements, express or implied, will be granted to any Owner in connection with the conveyance of a Unit to such Owner.

Section 12. Section 12 is hereby deleted in its entirety and a new Section 12 is substituted therefor, which reads as follows:

12. Owner's Acknowledgment of Ashley River Bridge and River Noises and Nuisances

Every Owner by acceptance of a deed to a Unit hereby acknowledges that the Project's proximity to the Ashley River Bridge and the vehicular traffic thereon, and the Ashley River and the boating traffic thereon, will result in noise emanating therefrom and the same may be a nuisance. Neither the Developer nor the Association, nor any of their respective directors, officers, employees, contractors, consultants, shareholders, affiliates, assignees, successors, nominees or agents, be liable to any Owner, or any Owner's renter, lessee, licensee or guest, for any inconvenience or damage sustained by such Owner as a result of any such noise emanating from or in proximity to such river, including, but not limited to such noise as may emanate from persons using any roadways, bridges, docks, walkways, bulkheads, or piers adjacent thereto.

Section 14.1. Section 14.1 is hereby deleted in its entirety and a new Section 14.1 is substituted therefor, which reads as follows:

14.1 Single Phase Development.

The Regime constitutes a single Building with 54 Units, and the Common Area (including the parking and storage Limited Common Areas), as more fully described on Exhibit "B" attached hereto. Except as provided in Section 14.2 and Section 14.6, The Regime may not be expanded and no right to do so is reserved.

Section 16.1. Section 16.1 is hereby deleted in its entirety and a new Section 16.1 is substituted therefor, which reads as follows:

16.1 Agreement to Avoid Costs of Litigation and to Limit Right to Litigate Disputes.

The Developer, Association, Owners, renters or lessees of Owners, and any Persons not otherwise subject to the Regime who agrees to submit to this Section 16 (collectively, "Bound Parties") agree to encourage the amicable resolution

of disputes between and among themselves involving the Regime or the Project, and to avoid the emotional and financial costs of litigation. For purposes hereof, the architect and contractor for a Building and the Units constructed therein shall constitute Bound Parties hereunder. Accordingly, each Bound Party covenants and agrees that all claims, grievances and disputes (including those in the nature of counterclaims or cross-claims) between Bound Parties involving the Regime or the Project, including without limitation, claims, grievances or disputes arising out of or relating to the interpretation, application or enforcement thereof (collectively "Claims"), except for "Exempt Claims" under Section 16.2, are subject to the procedures set forth in Section 16.3.

Exhibit "B". Exhibit "B" is amended by adding at the end thereof the attached Surveyor's Certificate of Absolute Surveying, Inc. dated October 14, 2002.

Exhibit "C". Exhibit "C" is hereby deleted in its entirety and a new Exhibit "C" is substituted therefor solely to correct parking space designation pursuant to the Plans as well as shown on the ground, such new Exhibit "C" being attached hereto and made a part hereof by this reference.

III. Amendment Certification. The Board of Directors, pursuant to the authority granted to it and in accordance with the provisions of Section 17.2(e), by its duly elected President, does hereby certify that the within First Amendment to the Master Deed of The Bristol Horizontal Property Regime was duly adopted. By its execution below, the developer does hereby signify its consent to the within made First Amendment.

[Remainder of Page Purposely Blank]

IN WITNESS WHEREOF, the Developer has caused this FIRST AMENDMENT TO MASTER DEED OF THE BRISTOL HORIZONTAL PROPERTY REGIME to be executed the day and year first above written.

WITNESSES:

Bristol Condominium Property Owners' Association,* a South Carolina Non-profit Corporation

[Signature]

By: Timothy P. Walter
Timothy P. Walter
Its: President

Virginia B. Martin

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

PROBATE

PERSONALLY appeared before me the undersigned witness who, being duly sworn, deposes and says that (s)he saw the within-named Bristol Condominium Property Owners' Association,* by Timothy P. Walter, its President, sign, seal and as its act and deed deliver the foregoing instrument, and that (s)he together with the other witness whose name appears as a witness, witnessed the execution thereof.

[Signature]
(Witness)

SWORN to an subscribed before me
this 13th day of November, 2002

Virginia B. Martin
Notary Public for South Carolina
My Commission Expires: 2/17/2010

Developer's Consent
to
First Amendment To Master Deed Of The Bristol Horizontal Property Regime

WITNESSES:

BRITTLEBANK CONDOMINIUM, LLC

BY: BEACH BRITTLEBANK, LLC, its Member

By: The Beach Company, its Manager

Dana R. Mager
Virginia B. Martin

By: [Signature]
Name: John C.L. Darby
Its: President

By: [Signature]
Name: J. Darryl Reyna
Its: Executive Vice President

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

PROBATE

PERSONALLY appeared before me the undersigned witness who, being duly sworn, deposes and says that (s)he saw the within-named Brittlebank Condominiums, LLC, a South Carolina limited liability company, by Beach Brittlebank, LLC, its Member, by The Beach Company, its Manager, by John C.L. Darby, its President, and J. Darryl Reyna, its Exec. Vice Pres., sign, seal and as its act and deed deliver the foregoing instrument, and that (s)he together with the other witness whose name appears as a witness, witnessed the execution thereof.

Dana R. Mager
(Witness)

SWORN to an subscribed before me
this 13th day of November, 2002

Virginia B. Martin
Notary Public for South Carolina
My Commission Expires: 2-17-2010

BK M 426PG302

EXHIBIT "B"SURVEYOR'S CERTIFICATE

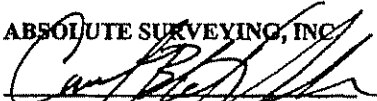
The undersigned, Covert Boyd Nelson of Absolute Surveying, Inc., an authorized and licensed surveyor, hereby certifies that Final Survey of The Bristol Horizontal Property Regime entitled "Final Survey, The Bristol Luxury Condominiums, Lockwood Drive, City of Charleston, Charleston County, prepared for Gulf Stream Construction," dated August 22, 2002, attached as "EXHIBIT B" to MASTER DEED OF THE BRISTOL HORIZONTAL PROPERTY REGIME, CHARLESTON COUNTY, SOUTH CAROLINA" dated August 30, 2002, and Exhibit B-Page iii to the Master Deed, prepared by Niles Bolton Associates showing the exterior elevations of the Building, fully and accurately, within reasonable construction tolerances, depicts the horizontal and vertical location of the Buildings and Units and Common Elements in The Bristol Horizontal Property Regime, together with the dimensions, area and location of each Unit and the Building and the dimensions, area and location of the Common Elements affording access to each Unit and Building. The interior dimensions and locations of interior walls and other interior improvements in each Unit and Building were not surveyed and are based on data submitted by Niles Bolton Associates. (Note: Niles Bolton Associates by G. Niles Bolton, AIA, previously made certification by letter dated August 27, 2002, a copy of which is attached hereto.)

I hereby state that to the best of my knowledge, information, and belief, the above referenced plat 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.

Signed this 14 day of October, 2002.



ABSOLUTE SURVEYING, INC.


Covert Boyd Nelson

S.C. R.L.S. No. 14813

Niles Bolton Associates

3160 Peachtree Road, N.W.
Suite 600
Atlanta, Georgia 30305
404 365 7600
FAX 404 365 7610
Email: nba@nilesbolton.com

August 27, 2002

Brian F. Kernaghan, Esquire
Nexsen Pruet Jacobs Pollard & Robinson, LLP
2411 North Oak Street, Suite 105
Myrtle Beach, SC 29577

Re: The Bristol Condominiums, Charleston, SC
NBA #99030.10



Dear Mr. Kernaghan:

This letter is to serve as the Architect's Certification for the above referenced project as requested by you for attachment to the Master Deed.

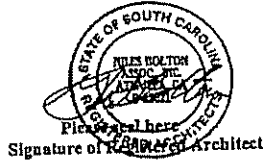
The under signed Architect, registered to practice architecture in the State of South Carolina, certifies that these documents reflect, to the best of the Architect's knowledge, information and belief, the observable and accessible configuration of the structures as designed by the Architect. They show floor plans and elevations of the building, and graphically show the dimensions, area and locations of each condominium therein, with the dimensions, areas and location of the common elements affording access to each condominium.

Please do not hesitate to call with any questions and/or comments

Sincerely,

NILES BOLTON ASSOCIATES


G. Niles Bolton, AIA



Z:\ADMIN\STUDIO\Bristol Condominium\Kernaghan-01_in.rpd

Alexandria,
Virginia
703.836.9913
Fax 703.689.2634

San Jose,
California
949.379.5476
Fax 408.295.2995

www.nilesbolton.com

Architecture ■ Urban Design ■ Interiors ■ Landscape Architecture

Exhibit "C"**Schedule of Assigned Values, Percentage Interests,
Storage Space and Parking Spaces for Each Unit**

This is a schedule of Assigned Values and Percentage Interests in the Common Areas appurtenant to Units in the Bristol Horizontal Property Regime. This Schedule also set forth the assigned storage and parking spaces' Limited Common Areas appurtenant to each Unit. The Assigned Value is for statutory purposes only and has no relationship to the actual value of each Unit.

The Bristol

<u>Unit Number by Architect's Floor Plan</u>	<u>Unit Number by Regime Address¹</u>	<u>Statutory Value</u>	<u>Statutory Percentage</u>	<u>Assigned Storage Space LCA²</u>	<u>Assigned Parking Spaces LCA² Shown in Plans</u>		<u>Assigned Parking Spaces By Space Number in Building</u>		<u>Architectural Type</u>
301	3001	\$2,000	1.85185%	8	A36	A35	139	141	D -- The Devonshire
302	3002	\$2,000	1.85185%	39	A26	A27	144	146	B -- The Buckingham
303	3003	\$2,000	1.85185%	40	A67	A68	174	176	H -- The Hampton
304	3004	\$2,000	1.85185%	43	A69	A70	170	172	H -- The Hampton
305	3005	\$2,000	1.85185%	42	A71	A72	166	168	C -- The Canterbury
306	3006	\$2,000	1.85185%	41	A73	A74	162	164	H -- The Hampton
307	3007	\$2,000	1.85185%	46	A43	A44	157	159	H -- The Hampton
308	3008	\$2,000	1.85185%	45	A41	A42	153	155	G -- The Greenwich
309	3009	\$2,000	1.85185%	44	A33	A34	135	137	B -- The Buckingham
310	3010	\$2,000	1.85185%	1	A31	A32	131	133	B -- The Buckingham
311	3011	\$2,000	1.85185%	2	A24	A25	140	142	A -- The Aberdeen
312	3012	\$2,000	1.85185%	3	A3	A4	104	106	E -- The Essex
313	3013	\$2,000	1.85185%	4	A5	A6	108	110	E -- The Essex
314	3014	\$2,000	1.85185%	34	A7	A8	112	114	C -- The Canterbury
315	3015	\$2,000	1.85185%	6	A9	A10	116	118	F -- The Faversham
316	3016	\$2,000	1.85185%	7	A14	A15	120	122	D -- The Devonshire
317	3017	\$2,000	1.85185%	9	A16	A17	124	126	D -- The Devonshire
318	3018	\$2,000	1.85185%	10	A47	A48	156	158	I - The Inverness
401	4001	\$2,000	1.85185%	47	B55	B54	204	206	D -- The Devonshire
402	4002	\$2,000	1.85185%	48	B53	B52	208	210	B -- The Buckingham
403	4003	\$2,000	1.85185%	49	B51	B50	212	214	H -- The Hampton
404	4004	\$2,000	1.85185%	50	B49	B48	216	218	H -- The Hampton
405	4005	\$2,000	1.85185%	27	A58	A58	181	183	C -- The Canterbury
406	4006	\$2,000	1.85185%	28	A56	A57	177	179	H -- The Hampton

¹ Old Bridgeview Lane, Charleston, South Carolina 29403

² LCA - Limited Common Area

The Bristol

Unit Number by Architect's Floor Plan	Unit Number by Regime Address ¹	Statutory Value	Statutory Percentage	Assigned Storage Space LCA ²	Assigned Parking Spaces LCA ² Shown in Plans	Assigned Parking Spaces By Space Number in Building	Assigned Parking Spaces By Space Number in Building	Architectural Type
407	4007	\$2,000	1.85185%	29	A54 A55	173 175	H -- The Hampton	
408	4008	\$2,000	1.85185%	30	A52 A53	169 171	G -- The Greenwich	
409	4009	\$2,000	1.85185%	31	B15 B23	255 257	B -- The Buckingham	
410	4010	\$2,000	1.85185%	32	B24 B25	251 253	B -- The Buckingham	
411	4011	\$2,000	1.85185%	33	B26 B27	247 249	A -- The Aberdeen	
412	4012	\$2,000	1.85185%	19	B28 B29	245 243	E -- The Essex	
413	4013	\$2,000	1.85185%	20	B30 B31	239 241	E -- The Essex	
414	4014	\$2,000	1.85185%	21	B32 B33	237 235	C -- The Canterbury	
415	4015	\$2,000	1.85185%	22	A18 A19	128 130	F -- The Faversham	
416	4016	\$2,000	1.85185%	23	A20 A21	132 134	D -- The Devonshire	
417	4017	\$2,000	1.85185%	24	A22 A23	136 138	D -- The Devonshire	
418	4018	\$2,000	1.85185%	25	A49 A50	152 154	I - The Inverness	
501	5001	\$2,000	1.85185%	51	B58 B59	211 213	D -- The Devonshire	
502	5002	\$2,000	1.85185%	52	B60 B61	215 217	B -- The Buckingham	
503	5003	\$2,000	1.85185%	53	B62 B63	219 221	H -- The Hampton	
504	5004	\$2,000	1.85185%	54	B64 B65	223 225	H -- The Hampton	
505	5005	\$2,000	1.85185%	38	B46 B47	220 222	C -- The Canterbury	
506	5006	\$2,000	1.85185%	18	B45 B44	232 234	H -- The Hampton	
507	5007	\$2,000	1.85185%	16	B43 B42	236 238	H -- The Hampton	
508	5008	\$2,000	1.85185%	15	B36 B37	227 229	G -- The Greenwich	
509	5009	\$2,000	1.85185%	14	B14 B13	259 261	B -- The Buckingham	
510	5010	\$2,000	1.85185%	5	B40 B39	242 244	B -- The Buckingham	
511	5011	\$2,000	1.85185%	26	B11 B12	263 265	A -- The Aberdeen	
512	5012	\$2,000	1.85185%	17	B21 B20	268 270	E -- The Essex	
513	5013	\$2,000	1.85185%	13	B19 B18	278 280	E -- The Essex	
514	5014	\$2,000	1.85185%	12	B3 B4	279 281	C -- The Canterbury	
515	5015	\$2,000	1.85185%	11	B5 B6	275 277	F -- The Faversham	
516	5016	\$2,000	1.85185%	35	B7 B8	271 273	D -- The Devonshire	
517	5017	\$2,000	1.85185%	36	B9 B10	267 269	D -- The Devonshire	
518	5018	\$2,000	1.85185%	37	B35 B34	231 233	I - The Inverness	
		\$108,000	99.99990%					

¹ Old Bridgeview Lane, Charleston, South Carolina 29403

² LCA - Limited Common Area

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RECORDER'S PAGE

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William Jordan

*1/12/03
ABV*

Amend / n D

Recording
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 County _____
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 TOTAL 16.00
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DEC 02 2002

PEGGY A. MOSELEY
CHARLESTON COUNTY AUDITOR

FILED

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CHARLIE LYBRAND
REGISTER
CHARLESTON COUNTY SC

**PID VERIFIED
 BY ASSESSOR**

REP LMG
 DATE 12/2/02

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

SECOND AMENDMENT TO
MASTER DEED OF THE BRISTOL
HORIZONTAL PROPERTY REGIME

THIS SECOND AMENDMENT TO MASTER DEED OF THE BRISTOL HORIZONTAL PROPERTY REGIME (the "Second Amendment") is made this 28th day of February, 2003, by Bristol Condominium Property Owners' Association, a South Carolina Non-profit corporation, hereinafter called "Association."

W I T N E S S E T H:

WHEREAS, by "Master Deed of The Bristol Horizontal Property Regime" dated August 30, 2002, recorded in the RMC Office for Charleston County in Book D-417 at Page 1 and subsequently amended by First Amendment to Master Deed of the Bristol Horizontal Property Regime recorded in the RMC in Book M-426, Page 296 (hereinafter collectively referred to as the "Master Deed"), Brittlebank Condominiums, LLC, a South Carolina limited liability company created a horizontal property regime upon certain property situate in Charleston County, South Carolina; and

WHEREAS, pursuant to Article 17, Section 17.2(d) of the Master Deed, the Association has the right to amend the Master Deed if such amendment is necessary, in the judgment of the Board of Directors, to cure any ambiguity or to correct or supplement any provisions of the Regime Documents that are defective, missing or inconsistent with any other provisions thereof, so long as written objection to such amendment is not received from Members representing more than fifty percent (50%) of the total votes of the Association within twenty (20) days after written notice of the proposed amendment is given to all Members; and

WHEREAS, Brittlebank Condominiums, LLC, the Developer of the Bristol Condominium development reserved, or intended to reserve, certain easements over, across and upon the Regime's Common Areas for the exclusive use and benefit of the adjacent marina development, for which the Association and its Unit Owners and Members would enjoy certain easements of use and enjoyment; and

WHEREAS, the Master Deed requires further amendment to correct certain errors and ambiguities concerning the reserved easements of the Developer with respect to the adjacent marina development; and

WHEREAS, notice of the proposed amendment has been given to the Members and objection to such amendment has not been received from Members representing more than fifty percent (50%) of the total votes of the Association within twenty (20) days after such written notice.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS that the Association does hereby amend the Master Deed as herein provided:

I. Definitions. The words used in this Second Amendment, unless the context shall clearly indicate otherwise, shall have the same meanings as set forth in the Master Deed.

II. Amended Provisions. The following provisions of the Master Deed are hereby amended to correct ambiguities present therein.

Section 11.7. Section 11.7 is hereby deleted in its entirety and a new Section 11.7 is substituted therefor, which reads as follows:

11.7 Easements to Serve Adjacent Marina Development.

The Developer hereby reserves for itself and its duly authorized agents, representatives, successors, successors-in-title, assigns, licensees, and mortgagees, an exclusive and non-exclusive, perpetual easements over, across and upon the Common Areas for the enjoyment, use, access, ingress, egress, parking and development for the benefit of any adjacent property developed, or which may be developed, whether public or private, and whether or not any such property is made subject to this Master Deed and further the right to grant to third parties such easements. The easement includes, but is not limited to, a right of access, ingress, egress, parking over the Common Areas and for construction of roads and for connecting and installing utilities and services on such property. The Developer may assign or grant the whole or any portion of its reserved easement on an exclusive or non-exclusive basis. The Developer agrees that it and its successors or assigns and grantees shall be responsible for any damage caused to the Common Areas as a result of vehicular traffic connected with development of such property. The Developer further agrees that if the easement is exercised for permanent access to such property and such property or any portion thereof is not made subject to this Master Deed, the Developer, its successors or assigns and grantees shall enter into a reasonable agreement with the Association to share the cost of maintenance of any private roadway, boardwalk, sidewalk or other such facility serving such property.

III. Amendment Certification. The President does hereby certify pursuant to the provisions of Section 17.2(e), in behalf of the Association and its Board of Directors, that the within Second Amendment to the Master Deed of The Bristol Horizontal Property Regime was duly adopted. By its execution below, the Developer does hereby signify its consent to the within made Second Amendment.

[Remainder of Page Purposely Blank]

IN WITNESS WHEREOF, the Developer has caused this SECOND AMENDMENT TO MASTER DEED OF THE BRISTOL HORIZONTAL PROPERTY REGIME to be executed the day and year first above written.

WITNESSES:

Bristol Condominium Property Owners' Association, a South Carolina Non-profit Corporation

Maria C. Jayne
Elizabeth A. Wanamaker

By: Timothy P. Walter
Timothy P. Walter
Its: President

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON) PROBATE

PERSONALLY appeared before me the undersigned witness who, being duly sworn, deposes and says that (s)he saw the within-named Bristol Condominium Property Owners' Association, a South Carolina Non-profit corporation, by Timothy P. Walter, its President, sign, seal and as its act and deed deliver the foregoing instrument, and that (s)he together with the other witness whose name appears as a witness, witnessed the execution thereof.

Elizabeth A. Wanamaker
(Witness)

SWORN to and subscribed before me this 28th day of February, 2003.

Maria C. Jayne
Notary Public for South Carolina
My Commission Expires: 9-12-11

Nexsen Pruet Jacobs Pollard & Robinson
POST OFFICE BOX 486
PLESTON, SOUTH CAROLINA 29402

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CHARLIE LYDRAND
REGISTER
CHARLESTON COUNTY SC

THIS VERIFIED
BAC LMG
DTX 3-20-03

RECEIVED FROM RMC

MAR 20 2003

PEGGY A. MOSELEY
CHARLESTON COUNTY AUDITOR

Handwritten initials
JM
OB

STATE OF SOUTH CAROLINA)	MASTER DEED
)	OF THE BRISTOL
COUNTY OF CHARLESTON)	HORIZONTAL PROPERTY REGIME

TO ALL WHOM THESE PRESENT MAY COME:

WHEREAS, Brittlebank Condominiums, LLC (the "Developer") is a South Carolina limited liability company, whose business address is PO Box 242, Charleston, South Carolina 29402; and

WHEREAS, the Developer is the owner of that certain real property more fully described in Exhibit "A" attached hereto located within the City of Charleston, Charleston County, South Carolina (the "Land"); and

WHEREAS, the Developer, through it development manager, The Beach Company, intends to construct certain improvements on the Land; and

WHEREAS, the Developer now deems it appropriate to organize a horizontal property regime by duly executing and recording this Master Deed in the Office of the Register of Mesne Conveyances for Charleston County, South Carolina ("RMC").

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that the Developer hereby submits the Land more fully described in Exhibit "A" attached hereto and all improvements located thereon, together with all easements, rights and appurtenances thereunto belonging, to the provisions of Sections 27-31-10 et seq. of the South Carolina Code of Laws (1976) and hereby creates thereon a horizontal property regime (sometimes termed "condominium ownership") to be known as THE BRISTOL HORIZONTAL PROPERTY REGIME, subject to the following, **INCLUDING, BUT NOT LIMITED TO, THE RIGHT TO WITHDRAW UNIMPROVED PORTIONS OF THE LAND PURSUANT TO SECTION 14.2(b):**

1. Definitions.

Unless defined herein or unless the context requires otherwise, the words defined in Section 27-31-20, South Carolina Code of Laws (1976), when used in this Master Deed or any amendment hereto, will have the meaning therein provided. The following words, as well as other defined terms set forth herein, when used in this Master Deed or any amendment or supplement hereto, unless the context requires otherwise, will be deemed to include the singular and plural forms as the context requires and have the following meanings:

"Assessment" means the amount assessed against an Owner and his Unit from time to time by the Association in the manner provided herein.

"Assigned Value" means the value assigned to each Unit in accordance with Exhibit "C" attached hereto and utilized for 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.

"Annual Assessment Period" means the fiscal year of the Association established by the Association's Board of Directors.

"Association" means Bristol Condominium Property Owners' Association, being an association of Owners of Units located in the Regime, in the form of a nonprofit, non-stock membership association, which will be incorporated in accordance with the Article of Incorporation, attached hereto as Exhibit "D" and the Nonprofit Corporation Act.

"Board of Directors" or "Board" means the Board of Directors of the Association, and "director" or "directors" means a member or members of the Board.

"Building," means the structure containing in the aggregate 54 Units comprising the Regime.

"Bylaws" means the Bylaws of the Association attached hereto as Exhibit "E," as amended from time to time in accordance with the terms of the Bylaws and this Master Deed.

"Common Area" means all of the Regime property after excluding the Units, including the following:

1. Easements through Units for conduits, ducts, plumbing, chimneys, wiring, and other facilities for the furnishing of utility services to Units and the Common Areas; provided, however, such easements through a Unit will be only according to the Plans for the Building, or as the Building is constructed unless otherwise approved by the Unit Owner

2. An easement of support in every portion of a Unit that contributes to the support of a Building.

3. Easements through the Units and Common Areas for maintenance, repair and replacement of the Units and Common Areas.

4. Installation for the furnishing of utility services to more than one Unit or to the Common Areas or to a Unit other than the one containing the installation, which installation will include ducts, plumbing, wiring, and other facilities for the rendering of such services.

5. The tangible personal property required for the maintenance and operation of the Unit, even though owned by the Association.

6. Lounge, fitness room, locker rooms, pool and associated offices.

7. Gatehouse or other controlled entry facilities, elevators, walkways, ponds, waterfalls and fountains and the Owners' room known as, "The Bristol Room," and exercise room, and pool facility.

When used herein, "Common Area" will be deemed to include any service provided by the Association in furtherance of the uses and purposes to which any of the aforesaid facilities are put.

"Common Expense(s)" means (a) all expenses incident to the administration of the Association and maintenance, repair and replacement of the Common Areas and the Limited Common Areas, after excluding there from such expenses which are the responsibility of an Owner; (b) expenses determined by the Association to be Common Expenses and which are lawfully assessed against Owners; (c) expenses declared to be Common Expenses by the Condominium Act or the Regime Documents; and (d) reasonable reserves established for the payment of any of the foregoing.

"Condominium Act" means the Horizontal Property Act of South Carolina, South Carolina Code of Laws (1976), Section 27-31-10 to Section 27-31-300, as may be amended from time to time.

"Developer" means Brittlebank Condominiums, LLC, a South Carolina limited liability company, its successors and assigns.

"Institutional Mortgage" will mean and refer to a first lien Mortgage (prior to all other Mortgage liens) held by a bank, trust company, insurance company, or other recognized lending institution, or by an institutional or governmental insurer or purchaser of mortgage loans in the secondary market, such as Federal National Mortgage Association or Federal Home Loan Mortgage Corporation. Such term will also mean and refer to the holder of any Mortgage securing a loan made by the Developer, its affiliates, successors, or assigns

"Land" means the Land which is described in Exhibit "A" attached hereto, as said exhibit may be amended from time to time in accordance with the provisions of this Master Deed to withdraw unimproved portions thereof from the Regime.

"Limited Common Area" means that portion of the Common Area set aside and allocated for the exclusive use of the Owner of the Unit to which attached or assigned, and will include that portion of any Common Area that is pierced by the Unit's interior stairs, if any; a Unit's chimney structure and flue, if any; air conditioner units and condensers and hot water heaters located outside of the Unit, and the spaces occupied by same; assigned storage lockers or spaces in the first and second floors of the Building; assigned parking in the first and second floors of the Building; and the balcony adjacent to the Unit. Exhibit "C" hereto incorporates a schedule of the storage space and the two parking spaces appurtenant to each Unit as Limited Common Areas thereof.

"Master Deed" means this document, as amended from time to time.

"Member" means each Owner who is a member of the Association.

"Mortgage" will mean and refer to a mortgage, security deed, deed of trust, installment land sales contract, or other similar security instrument granting, creating, or conveying a lien upon, a security interest in, or a security title to a Unit.

"Mortgagee" will mean and refer to the holder of a Mortgage.

"Nonprofit Corporation Act" means and refers to the South Carolina Nonprofit Corporation Act of 1994, South Carolina Code of laws (1976), Sections 33-31-101, et. seq., as amended from time to time.

"OCRM" means the Office of Ocean and Coastal Resource Management of the South Carolina Department of Health and Environmental Control.

"Owner" means the record owner, whether one or more persons, of fee simple title in and to any Unit; excluding, however, those persons having such interest merely as security for the performance of an obligation.

"Percentage Interest" means the undivided percentage interest owned by each Owner as a tenant-in-common in the Common Areas. "Total Percentage Interest" means the aggregate of all the Percentage Interests.

"Plans" mean and include the site plan and the floor plans of the Project which are filed as an attachment to this Master Deed showing the boundaries of the Land, the horizontal and vertical location of the improvements and Common Areas of the Project thereon and certified by a licensed engineer or architect in accordance with the provisions of the Condominium Act.

"Project" means, collectively, the Land, the Building and all other improvements and structures located thereon, and all easements, rights and appurtenances belonging thereto, submitted to the Condominium Act by this Master Deed, as amended from time to time in accordance with the provisions hereof.

"Regime" means the horizontal property regime established by this Master Deed, including all appurtenances and incidents of ownership attendant therewith.

"Regime Documents" means and includes this Master Deed, all Exhibits hereto, the Articles of Incorporation of the Association, the Bylaws and the Rules and Regulations, all as amended from time to time in accordance with the provisions thereof or in accordance with the laws of the State of South Carolina.

"Rules and Regulations" means the rules and regulations from time to time promulgated by the Board of Directors governing the use of the Common Areas and Units.

"Transition Period" means the time period commencing on the date of recording of this Master Deed and ending on the earlier of:

1. December 31, 2008; or
2. Three (3) months after the conveyance of forty-nine (49) Units in the ordinary course of Developer's business; or
3. Three (3) months following the date the Developer surrenders its authority as a Class "B" Member of the Association to appoint and remove directors and officers of the Association by an express amendment to this Master Deed executed and filed of record by Developer.

"Trustee" means the Board of Directors acting as a fiduciary for the benefit of the Association and the Owners in holding certain funds and providing services as provided herein, or such bank or trust company authorized to do trust business in the State of South Carolina and appointed therefor by the Board of Directors.

"Unit" means that part of the Regime intended principally for residential use by an Owner, situate within the Unit boundaries described in this Master Deed, including Exhibit "B" attached hereto, as amended from time to time in accordance with the provisions of this Master Deed and constituting an "apartment" as defined in the Condominium Act. Each Unit will be identified in the architect's floor plans incorporated in and made a part of Exhibit "B" attached hereto by a specific letter, number or combination thereof, which identification will be sufficient to identify the Unit for all purposes. "Unit" will also mean all the components of ownership held by an Owner, including not only the rights and interests of the Owner in and to the Unit, but also the rights of use of and the undivided interest in the Common Area.

2. Administration

2.1 The Association.

The administration of the Regime will be the responsibility of the Association, which will be made up of all the Owners of Units in the Regime. The Regime Documents, as the same may be amended from time to time, will govern the Association and the Owners.

2.2 Membership.

Each Owner of a Unit, including the Developer, will be a Member of the Association. Membership will be appurtenant to and may not be separated from ownership of a Unit and ownership of a Unit will be the sole qualification for such membership. In the event that fee title to a Unit is transferred or otherwise conveyed, the membership in the Association that is appurtenant thereto will automatically pass to such transferee, notwithstanding any failure of the transferor to endorse to his transferee any certificates or other evidences of such membership. The foregoing is not intended to include any Mortgagee or any other person who holds an interest merely as security for the performance of an obligation, and the giving of a security interest will not terminate or otherwise affect an Owner's membership in the Association.

2.3 Agreements

The Association will be and hereby is authorized to enter into such contractual arrangements, including without limitation, management contracts, as it may deem necessary or desirable for the administration and operation of the Regime; provided, however, from and after the Transition Period, the Association will not enter into any contractual arrangement with a term of longer than two (2) years without Member approval therefor by a majority of the votes cast by written ballot or in person or by proxy at a meeting at which a quorum is present. Anything contained herein to the contrary notwithstanding, the following contracts will be exceptions to this provision:

(i) Any contract with a utility company if the rates charged for the materials or services are subject to regulation by the South Carolina Public Service Commission; provided, however, that the term of the contract will not exceed the shortest term for which the utility will contract at the regulated rate in effect at the contract date;

(ii) The Bulk Installation and Service Agreement by and between Comcast Cablevision of Carolina, Inc. and Brittlebank Condominiums, LLC dated September 10, 2001 for the installation and provision of CATV service to the Regime

(iii) Any prepaid casualty and/or liability insurance policy with a term not to exceed three (3) years, provided that the policy permits short rate cancellation by the insured;

(iv) Any future contract for cable television services and equipment or satellite dish television services and equipment; and

(v) Any contract for the sale or lease of burglar and/or fire alarm equipment, installation and/or services

Each Owner by acquiring or holding an interest in a Unit thereby ratifies and agrees to be bound by the terms and conditions of all such contractual arrangements entered into by the Board of Directors on behalf of the Association prior to the conveyance of the Unit to the Owner.

2.4 Books and Records.

The Association will keep full and accurate books of account and financial records showing all receipts and disbursements. In particular, the books will be maintained with a detailed account, in chronological order, of the receipts and expenditures affecting the Regime and its administration, and specifying the maintenance and repair expenses of the Common Area as well as other expenditures incurred. Vouchers accrediting the entries made thereupon will also be maintained in chronological order.

2.5 - Financial Statements

No later than 120 days after the close of any fiscal year of the Association, the Association will cause financial statements for such fiscal year to be prepared (but not necessarily certified) by a public accountant licensed in the State of South Carolina. Copies of the financial statements will be available to any Owner or Mortgagee upon written request to the Association. The Association may charge a reasonable fee for copying such statements.

2.6 Access to Information.

The Association will make available to Owners of any Unit and to any Mortgagee current copies of the Regime Documents and the books, records, vouchers, contractual arrangements and financial statements of the Association. "Available" means available for reasonable inspection upon request during normal business hours or under other reasonable circumstances. The Association may charge reasonable copying costs for any requested copies or extracts. Any party entitled to the benefits of this Section 2.6 will be permitted to designate one or more agents who will be permitted to represent said party in connection with any and all reviews of the Regime Documents and books, records, contractual arrangements and financial statements of the Association.

2.7 Rules and Regulations.

The Board of Directors will be entitled to promulgate 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 Units and Common Areas. Any fine which may be imposed

against the Association by OCRM or by any other governmental agency for any violation of law or as a result of damage to marsh or any other protected property of the Regime by an Owner or by his renter, lessee or invitee shall be added to such Owner's Assessments and shall become a lien upon his Unit. Copies of the current Rules and Regulations will be furnished to Owners and lessees of Owners upon request.

2.8 Professional Property Manager.

The Beach Company is engaged to manage the day-to-day affairs for the Developer, as well as the Association.

2.9 Collections and Remission of Optional Cable Television, Telephone and Other Charges; Master Utility Charges.

In the event the Association at any time secures any optional cable, telephone or other service, including broadband communications access, the Association will be entitled to collect fees charged to those Unit Owners who elect to receive such optional service made available to the Unit Owners through the Regime and remit the same to the provider thereof on behalf of such Unit Owners. Such elective costs and expenses will not be deemed a Common Expense hereunder, but will be charged to the Units Owners separately from their Assessment. Furthermore, the Board of Directors will pay any master utility meter charge, base cable to all Units, or other blanket utility fee for services to all Units not otherwise separately metered or charged to individual Units. Such master cost and expense will be a Common Expense hereunder; provided, however, in the event actual costs exceed the budgeted costs therefor, such unbudgeted excess may be prorated and charged to the Units Owners separately from their Assessment, and will not require payment thereof from any other budget line item surplus or a Special Assessment or other extraordinary measure of collection.

3. Property Rights

3.1 Units.

Each Unit will for all purposes constitute a separate parcel of real property which, subject to the provisions of this Master Deed, may be owned in fee simple and which may be conveyed, transferred, leased and encumbered in the same manner as any other real property. Each Owner, subject to the provisions of the Condominium Act and this Master Deed, will be entitled to the exclusive ownership and possession of his Unit.

3.2 Description of Units

The dimensions, area and location of the Units are as set forth on Exhibit "B" attached hereto and are generally intended to include the following:

(a) Horizontal (Upper and Lower).

(i) The upper horizontal boundary of each Unit is the plane formed by the uppermost, unexposed surface of the wallboard or other material comprising a part of the ceiling in the uppermost story of the Unit

(ii) The lower horizontal boundary of each Unit is the plane formed by the finished surface of the concrete slab or uppermost surface of the subflooring on which the lowermost story of the Unit is constructed.

(b) Vertical (Perimetric or Lateral). The vertical boundaries of each Unit are the planes formed by the outermost, unexposed surface of the wallboard or other surface comprising the perimeter walls enclosing the Unit.

(c) Units Deemed to Include. Notwithstanding the description of the boundaries set forth above, the Units shall be deemed to include the following: all portions of the plumbing, heating, electrical, and air conditioning systems (including furnaces, compressors, components, pipes, wires, conduits, ducts, and the like) serving only that Unit even if partially outside the boundaries of the Unit; all windows, glass surfaces, and doors (including window and door frames and the hardware thereof) serving the Unit; all window screens and screens on any screened balcony; and any fireplace or stove hearth, facing brick, tile or firebox; provided, however, that a Unit shall not include any of the structural components of the Building or utility or service lines within the Unit but serving more than one Unit. In interpreting deeds and plans, the existing physical boundaries of a Unit as originally constructed or of a Unit reconstructed in substantial accordance with the original plans thereof shall be conclusively presumed to be its boundaries rather than the metes and bounds expressed in any deed or plan, regardless of settling or lateral movement of the Building, and regardless of minor variance between the boundaries shown on the plans or in a deed and those of the Unit.

The ownership of each Unit shall include, and there shall pass with each Unit as an appurtenance thereto whether or not separately described in the conveyance thereof, that percentage of the right, title and interest in the Common Areas attributable to such Unit, together with membership in the Association and an undivided interest in the funds and assets held by the Association. Every portion of a Unit and all Limited Common Area contributing to the support of an abutting Unit shall be burdened with an easement of support for the benefit of such abutting Unit.

3.3 Modification of Units

The Developer, on behalf of itself, its successors and assigns, hereby reserves the right to modify or reconstitute, at any time and from time to time, one or more Units owned by Developer or its affiliates without the consent of the Association or any Owner other than those who may be directly affected; provided, however, that the aggregate Percentage Interest assigned to the Units so affected will not change even though the same may be reallocated among such changed Units. If Developer makes any changes in Units pursuant to this Section 3.3, such changes will be reflected by an amendment of this Master Deed which will be duly recorded in the RMC. Such amendment will not require the consent of Owners other than the Developer.

3.4 Common Area and Limited Common Area

(a) Percentage Interest. The Owners will own the Common Area as tenants-in-common, with each Unit having, appurtenant thereto, the Percentage Interest in the Common Areas set forth in Exhibit "C" attached hereto; provided, however, that the use of the Limited Common Area will be restricted as set forth in Section 3.4(e). 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 utilized for purposes of computing the Percentage Interest appurtenant to the respective Unit.

(b) Inseparability of Percentage Interests. The Percentage Interest in the Common Area cannot be separated from the Unit to which it appertains and will be automatically conveyed or encumbered with the Unit even though such Percentage Interest is not expressly mentioned or described in the deed or other instruments.

(c) No Partition. The Common Area will remain undivided and no right to partition the same or any part thereof will exist except as provided in the Condominium Act, the Bylaws and this Master Deed.

(d) Use of Common Area. The Common Area will be used in accordance with the intended purposes without hindering the exercise of or encroaching upon the rights of other Owners. The Board of Directors will, if any question arises, determine the purpose for which a part of the Common Area is intended to

be used. All Owners and lessees of Owners, their families, invitees and guests will abide by all Rules and Regulations from time to time in effect governing the use of the Common Area.

(e) Use of Limited Common Area. Anything to the contrary contained herein notwithstanding, ownership of each Unit will entitle the Owner or Owners thereof to the exclusive use of the Limited Common Area adjacent and appurtenant to such Unit, which exclusive use may be delegated by such Owner to persons who reside in his Unit. All Owners and lessees of Owners, their families, invitees and guests will abide by all Rules and Regulations from time to time in effect governing the use of the Limited Common Area. An Owner will be responsible for maintenance and repair of the Limited Common Area appurtenant to his Unit as set forth in Section 8 3 below.

(f) Reservation of Easements and Use, Expansion and Contraction Rights. The Common Areas will be subject to all easements and use, expansion and contraction rights, if any, reserved by the Developer hereunder.

3.5 Status of Title of Project

The Developer represents to the Association and all the Owners that, as of the effective date hereof, the Developer has marketable, fee simple title to the Project. The rights and interests of all Owners in and to the Regime will be subject only to (a) liens for real estate taxes for the current year and subsequent years; (b) existing and/or recorded easements, conditions, covenants, declarations, reservations and restrictions including, without limitation, those set forth in this Master Deed; (c) easements and use rights, if any, reserved by the Developer hereunder; and (d) applicable governmental regulations, including zoning laws, which may be imposed upon the Regime from time to time.

3.6 Limited Warranty From Developer.

FOR A PERIOD OF ONE (1) YEAR FROM THE DATE OF COMPLETION OF CONSTRUCTION (BEING THE LATER OF SUBSTANTIAL COMPLETION UNDER THE CONSTRUCTION CONTRACT, OR THE DATE A CERTIFICATE OF OCCUPANCY IS ISSUED THEREFOR), THE DEVELOPER SHALL AT NO COST TO THE ASSOCIATION REPAIR OR REPLACE (IN THE DEVELOPER'S DISCRETION) ANY PORTIONS OF THE COMMON AREA (EXCEPT FIXTURES, ACCESSORIES AND APPLIANCES COVERED BY SEPARATE WARRANTIES OF THEIR RESPECTIVE MANUFACTURERS) WHICH ARE DEFECTIVE AS TO MATERIALS OR WORKMANSHIP. THIS LIMITED WARRANTY IS IN PLACE OF ALL OTHER CONTRACTUAL OBLIGATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AND THE DEVELOPER DISCLAIMS ALL OTHER CONTRACTUAL OBLIGATIONS OR WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES OF HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. TO THE FULLEST EXTENT PERMITTED BY LAW, THE LIABILITY OF THE DEVELOPER SHALL BE LIMITED TO SUCH REPAIR OR REPLACEMENT AND THE DEVELOPER SHALL NOT BE LIABLE FOR DAMAGES OF ANY NATURE, WHETHER DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL, REGARDLESS OF WHETHER SUCH DAMAGES ARE CLAIMED TO ARISE OUT OF THE LAW OF CONTRACT, TORT OR OTHERWISE, OR PURSUANT TO STATUTE OR ADMINISTRATIVE REGULATION. Each Owner, in accepting a deed from the Developer or any other party to a Unit, expressly acknowledges and agrees that this Section 3.6 establishes the sole liability of the Developer to the Association and the Owners related to defects in the Common Area and the remedies available with regard thereto. At the end of the one (1) year warranty period referred to hereinabove in this Section 3.6, the Developer will assign to the Association in writing all of its rights, claims, causes of action and demands which it has or which may thereafter accrue against all other people who may be responsible for the design and/or construction of the Common Area.

4. Assessments

4.1 Creation of Lien and Personal Obligation for Assessments.

Each Unit is and will be subject to a lien and permanent charge in favor of the Association for the Assessments set forth herein. Each Assessment, together with interest thereon and cost of collection thereof as hereinafter provided, will be a permanent charge and continuing lien upon the Unit against which it relates, and will also be the joint and several personal obligation of each Owner of such Unit at the time the Assessment comes due and upon such Owner's successor in title if unpaid on the date of the conveyance of such Unit, and each and every Owner by acquiring or holding an interest in any Unit thereby covenants to pay such amounts to the Association when the same will become due; provided, however, that no Owner acquiring title to any Unit at a foreclosure sale of any Institutional Mortgage, his successors and assigns, will have any personal obligation with respect to the portion of any Assessments (together with late charges, interest, fees and costs of collection) related to such Unit, the lien for which is subordinate to the lien of the Institutional Mortgage being foreclosed as provided in Section 4.8.

4.2 Annual Assessments.

At least thirty (30) days prior to the Association's next succeeding Annual Assessment Period the Board will adopt a budget for the next succeeding Annual Assessment Period by estimating the Common Expenses to be incurred during such Annual Assessment Period, including a reasonable allowance for contingencies and operating and replacement reserves, such budget to take into account the projected anticipated income which is to be applied in reduction of the amount to be collected as an assessment. Upon adoption of the budget, a copy thereof will be delivered to each Owner. The Annual Assessment fixed against each Unit will be based upon said budget and in proportion to the respective Percentage Interests of each Unit subject to assessment, and the Board will give written notice to each Owner of the Annual Assessment fixed against his Unit for such next succeeding Annual Assessment Period; provided, however, the delivery of a copy of said budget will not be a condition precedent to an Owner's liability for payment of such Annual Assessment. In fixing the annual budget, the Board of Directors shall reflect in the budget the recommendations of a maintenance audit conducted by a professional inspector at such frequency as the Board shall determine, but not less frequently than every three (3) years. The Board shall provide the Developer with a copy of each such inspection report or maintenance audit findings. The Board shall not be relieved of its duty to contract for a maintenance audit by virtue of the Developer's inspections pursuant to Section 11.5 below.

The Annual Assessment will not be used to pay for the following:

- (a) Casualty insurance of individual Owners on their possessions within the Units and liability insurance of such Owners insuring themselves and their families individually, which will be the sole responsibility of such Owners;
- (b) Ad valorem taxes assessed against Units;
- (c) Other charges or expenses related solely to individual use or occupancy of any Unit; or
- (d) Amounts charged directly to Owners pursuant to any amendment to this Master Deed providing for the collection of assessments or use fees for any docks or boat slips constructed within or adjacent to the Project.

It is anticipated that ad valorem taxes and other governmental assessments, if any, upon the Project will be assessed by the taxing authority upon the Unit, and that each assessment will include the assessed value of the Unit and of the undivided interest of the Owner in the Common Area; provided, however, that for the current calendar year, the ad valorem taxes will be based upon the condition of the Land as of January 1, and the

Developer will be liable for that portion of the taxes applicable to the period prior to the recordation of this Master Deed. When current ad valorem taxes are due and payable, the remainder of the ad valorem taxes for the current calendar year will be prorated between the Developer and each Owner based upon the Owner's Percentage Interest and based upon the number of days each owned the Unit as evidenced by the date of the Unit Deed. Any such taxes and governmental assessments upon the Project, which are not so assessed, will be included in the Association's budget as a recurring expense and will be paid by the Association as a Common Expense. Except as otherwise provided herein, each Owner is responsible for making his own return of taxes and such return will include such Owner's undivided interest in the Common Area as such undivided interest is determined by law for purposes of returning taxes.

4.3 Rounding.

Annual Assessments charged by the Association will be rounded off to the nearest dollar.

4.4 Special Assessments.

In addition to the Annual Assessments, the Board of Directors may levy in any calendar year "Special Assessments" for the purpose (i) of supplementing the Annual Assessments if the same are inadequate to pay the Common Expenses and (ii) of defraying, in whole or in part, the cost of any reconstruction, repair, or replacement of the Common Area; provided, however, that any such Special Assessment which in the aggregate exceeds twenty percent (20%) of the total Annual Assessments for such year will have the approval of Members therefor by a majority of the votes cast by written ballot or in person or by proxy at a meeting at which a quorum is present, duly called for the express purpose of approving such Special Assessment.

4.5 Date of Commencement of Annual Assessments; Due Dates.

Although the Annual Assessment is calculated on a yearly basis for the Annual Assessment Period, each Owner of a Unit will be obligated to pay to the Association or its designated agent such Assessment in advance in monthly, quarterly, semi-annual or annual installments as established by the Board. An installment shall be due and payable on the due date established by the Board, but in the absence of any such specific due date, the installment shall be due and payable in full on or before the last day of the month in which the Assessment is billed.

The obligations of Owners regarding the payment of monthly portions of the Annual Assessment provided for in this Section 4.5 will, as to each Unit, commence upon the recording of this Master Deed. The first monthly payment of the Annual Assessment for each such Unit will be an amount equal to the monthly payment for the Annual Assessment Period in progress on such commencement date, divided by the number of days in the month of conveyance, and multiplied by the number of days then remaining in such month.

The Association will, upon demand at any time, furnish any Owner liable for any such Assessment a certificate in writing signed by an Officer of the Association or the property manager of the Association, setting forth whether the same has been paid. A reasonable charge, as determined by the Board, may be made for the issuance of such certificate. Such certificate will be conclusive evidence of payment of any Assessment stated to have been paid as to any person or entity that has relied on the certificate to his or its detriment.

4.6 Effect of Non-Payment of Assessment; the Personal Obligation of the Owner; the Lien; Remedies of Association.

(a) If an Assessment is not paid on the date when due, as hereinabove provided in Section 4.5, then such Assessment together with such late charges and interest thereon and any costs of collection thereof as hereafter provided, will be a charge and continuing lien on the Unit to which it relates, and will bind such

property in the hands of the Owner, his heirs, legal representatives, successors, and assigns. The personal obligation of the then Owner to pay such Assessment, however, will remain his personal obligation, and if his successors in title assume his personal obligation, such prior Owner will nevertheless remain as fully obligated as before to pay to the Association any and all amounts which he was obligated to pay immediately preceding the transfer. Furthermore, such prior Owner and his successor in title who assumes such liabilities will be jointly and severally liable with respect thereto, notwithstanding any agreement between such prior Owner and his successor in title creating the relationship of principal and surety as between themselves, other than one by virtue of which such prior Owner and his successor in title would be jointly and severally liable to pay such amounts.

(b) Any Assessment shall be due in full not later than the date hereinabove provided in Section 4.5, and any Assessment or portions thereof which is not paid when so due will be delinquent. Any delinquent Assessment will incur a late charge in an amount as may be determined by the Board from time to time and, upon adoption of a policy therefor by the Board of Directors, will also commence to accrue simple interest at the rate set by the Board of Directors from time to time. A lien and equitable charge as herein provided for each Assessment installment shall attach simultaneously as the same will become due and payable, and if an Assessment installment has not been paid as aforesaid, the entire unpaid balance of the Assessment installments for the Annual Assessment Period then in effect remaining to be paid during the fiscal year may be accelerated by the option of the Board and be declared due and payable in full.

(c) The Association may bring legal action against the Owner personally obligated to pay the same or foreclose its lien against the Unit to which it relates or pursue both such courses at the same time or successively. In any event, the Association will be entitled also to recover reasonable attorney's fees actually incurred and all other costs of collection. Each Owner, by his acceptance of a deed or other transfer of a Unit, vests in the Association or its agent the right and power to bring all actions against him personally for the collection of such charges as a debt and to foreclose the aforesaid lien in any appropriate proceeding at law or in equity. All Owners, to the fullest extent permitted by law, waive the right to assert any statute providing appraisal rights which may reduce any deficiency judgment obtained by the Association against any Owner in the event of such foreclosure and further, waive all benefits that might accrue to any Owner by virtue of any present or future homestead exemption or law exempting any Unit or portion thereof from sale. If the Association commences to foreclose its lien, the Owner may be required to pay a reasonable rental for the Unit after the commencement of the action and at its option the Association will be entitled to the appointment of a receiver to collect such rents. The Association will have the power to bid on the Unit at any foreclosure sale and to acquire, hold, lease, mortgage and convey the same. No Owner may be relieved from liability from the Assessment provided for herein by abandonment of his Unit or otherwise.

(d) During any period in which an Owner will be in default in the payment of any Annual or Special Assessment levied by the Association, the voting rights of the Owner and the rights of the Owner and lessees of the Owner, their families, invitees and guests, to use and enjoy the recreational areas of the Common Area may be suspended by the Board of Directors until such time as the Assessment has been paid.

4.7 Developer's Unsold Units

So long as the Developer owns any Unit for sale, the Developer shall pay its prorata Assessment for each such Unit.

4.8 Subordination of the Charges and Liens to Institutional Mortgages.

(a) The lien and permanent charge for the Assessments (together with late charges, interest, fees and cost of collection) authorized herein with respect to any Unit is hereby made subordinate to the lien of any holder of an Institutional Mortgage or his assigns placed on such Unit, and all Assessments with respect to such Unit having a due date on or prior to the date such Institutional Mortgage is filed for record have been paid. The lien and permanent charge hereby subordinated is only such lien and charge as relates to Assessments

authorized hereunder having a due date subsequent to the date such Institutional Mortgage is filed for record and prior to the satisfaction, cancellation or foreclosure of such Institutional Mortgage.

(b) Such subordination is merely a subordination and will not relieve the Owner of the mortgaged Unit of his personal obligation to pay all Assessments coming due at a time when he is the Owner; will not relieve such Unit from the lien and permanent charge provided for herein (except as to the extent the subordinated lien and permanent charge is extinguished against a Mortgagee or such Mortgagee's assignee or transferee by foreclosure); and no sale or transfer of such Unit to the Mortgagee or to any other person pursuant to a foreclosure sale will relieve any previous Owner from liability for any Assessment coming due before such sale or transfer.

(c) To the extent any subordinated lien and permanent charge for any Assessment is extinguished by foreclosure of any Institutional Mortgage, then the amount or amounts otherwise secured thereby which cannot otherwise be collected will be deemed a Common Expense collectible from all Owners, including the person who acquires title through the foreclosure sale.

4.9 Reserves.

The Board of Directors will establish and maintain an adequate reserve fund for the periodic repair and replacement of the Common Area. The Board of Directors will include amounts needed to maintain an adequate reserve fund in its estimation of the Common Expenses for each fiscal year and will cause deposits to the reserve fund to be made in connection with the collection of the Annual Assessment

4.10 Working Capital Collected at Initial Closing.

Notwithstanding anything to the contrary in this Master Deed, a working capital fund will be established for the Association by collecting from each Owner who acquires title to his Unit from the Developer a working capital amount equal to 2/12ths of the Annual Assessment then in effect, which Assessment will be due and payable at the time of transfer of each Unit by the Developer to any other Owner. Each such Owner's share of working capital, as aforesaid, will be transferred to the Association at the time of closing the conveyance from the Developer to the Owner. Such sum is and will remain separate and distinct from the Annual Assessment and will not be considered advance payment of the Annual Assessment. The working capital receipts may be used by the Association in covering operating expenses as well as any other expense incurred by the Association pursuant to this Master Deed and the Bylaws.

5. Insurance and Casualty Losses

5.1 Hazard Insurance

(a) The Association will obtain, maintain and pay the premiums, as a Common Expense, upon a "master" or "blanket" type policy or policies of property insurance covering the entire Project, except (i) land, foundation, excavation, or other items normally excluded from coverage; (ii) all improvements and betterment made to Units by Owners at their expense; and (iii) personal property of Owners and lessees of Owners, their families, invitees and guests. Such coverage will also insure supplies, equipment and other personal property of the Association. All policies of property insurance will be single entity condominium insurance coverage. The master insurance policy will afford, at a minimum, protection against loss or damage by fire and other perils normally covered by standard extended coverage endorsements; and all other perils which are customarily covered with respect to condominium projects similar in construction, location and use, including all perils normally covered by a standard "special coverage" endorsement, where such is available. The policy will be in an amount equal to one hundred (100%) percent of the current replacement cost of the Project, exclusive of land, foundations, excavation, and other items normally excluded from coverage. Policies shall be subject to such "deductible amounts" as the Board of Directors shall determine to be reasonable in the exercise of its business.

judgment, any such deductible amount will be considered a Common Expense and borne by the Association regardless of the number of Owners directly affected by the loss and reserves will be established therefor.

(b) The name of the insured under the master policy will be substantially as follows: "Bristol Condominium Property Owners' Association for the use and benefit of the Individual Owners of Units in Bristol Horizontal Property Regime." Loss payable provisions will be in favor of the Association and the Trustee, as a trustee for each Owner, and each such Owner's Mortgagee as the interests of such parties may appear. Each Owner and his respective Mortgagee, if any, will be beneficiaries of the policy in a percentage equal to the Percentage Interest attributable to the Unit owned by such Owner. All policies will contain a standard mortgagee clause, or equivalent endorsement (without contribution), which is commonly accepted by Institutional Mortgage investors in the area in which the Project is located, and which appropriately names all Mortgagees or their servicer in such form as requested by such Mortgagees or their servicer.

(c) All policies will be written with a company holding a general policyholder rating of "A" or better by Best's Insurance Reports and in a financial category of Class VI or better in Best's Key Rating Guide. Policies are unacceptable where (i) under the terms of the insurance carrier's charter, bylaws or policy, contributions or assessments may be made against the Association, Owners, Mortgagees or the designees of Mortgagees; (ii) by the terms of the carrier's charter, bylaws or policy, loss payments are contingent upon action by the carrier's board of directors, policy holders or members; or (iii) the policy includes any limiting clause (other than insurance provisions) which could prevent Mortgagees or Owners from collecting insurance proceeds. Policies may not be cancelable or substantially modified by any party without at least ten (10) days prior written notice to the Association and each Mortgagee, which is listed as a scheduled holder of a first Mortgage in the insurance policy. Policies should also contain a "special condominium endorsement" or its equivalent which provides for the following: recognition of any insurance trust agreement; a waiver of the rights of subrogation against Owners individually; the insurance is not prejudiced by any act or negligence of individual Owners which is not under the control of the Association or such Owners collectively; and the policy is primary in the event the Owner has other insurance covering the same loss.

(d) The Association will provide to Owners and/or Mortgagees requesting the same in writing a certificate of insurance, or a copy of the certificate of insurance, for the Regime, for which the Association may charge reasonable copying costs.

(e) Each Owner may obtain additional insurance at his own expense; provided, however, that no Owner will be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount which the Association, on behalf of all of the Owners and their Mortgagees, may realize under any insurance policy which the Association may have in force on the Project at any particular time. Any diminution in insurance proceeds otherwise payable under the Association's policies that results from the existence of any Owner's policy will be chargeable to the Owner who acquired such other insurance. Any Owner who obtains an individual insurance policy covering any portion of the Project, other than the personal property belonging to such Owner, will file a copy of such policy with the Association within thirty (30) days after purchasing such insurance. Each Owner, at his own expense, may obtain on his Unit or the contents thereof, title insurance, homeowner's liability insurance, theft and other insurance covering improvements, betterment and personal property damaged and lost. In addition, risk of loss with respect to any improvements made by an Owner within his Unit shall be that of the Owner. Betterments coverage or "improvements insurance" shall be secured solely by an Owner wishing such coverage of his risk of loss, and the Association shall have no liability therefor.

5.2 Liability Insurance

The Association will obtain, maintain and pay the premiums, as a Common Expense, upon a policy of comprehensive general liability insurance coverage covering at a minimum all of the Common Area. Coverage limits will be in amounts generally required by private Institutional Mortgage holders for projects similar

in construction, location and use to the Project; provided, however, that such coverage will be for at least \$1,000,000 for bodily injury, including death of persons, and property damage arising out of a single occurrence. Coverage under this policy will include, without limitation, legal liability to the insured for property damage, bodily injury and death of persons in connection with the operation, maintenance and use of the Common Area and legal liability arising out of law suits related to employment contracts in which the Association is a party. If the policy does not include "severability of interest" in its terms, an endorsement will be included which precludes the insurer's denial of the claims of an Owner because of the negligent acts of the Association or another Owner. Such policy must provide that it cannot be canceled or substantially modified, by any party, without at least thirty (30) days prior written notice to the Association and each Mortgagee listed as a scheduled holder of a first Mortgage in the insurance policy.

5.3 Fidelity Bonds and Other Insurance.

The Association will obtain, maintain and pay the premiums, as a Common Expense, upon a blanket fidelity bond for all officers, directors, trustees and employees of the Association and all other persons handling or responsible for funds belonging to or administered by the Association, including any professional management company assisting with the administration of the Regime. The total amount of the fidelity bond coverage required will be based upon the best business judgment of the Board of Directors and will not be less than the estimated maximum funds, including reserve funds, in the custody of the Association or a professional management company, as the case may be, at any given time during the term of each bond; provided, however, that in no event will the aggregate amount of such bonds be less than a sum equal to 2/12ths of the total Annual Assessments plus reserve funds. Fidelity bonds will meet the following requirements: the Association will be named as an obligee; the bonds will contain waivers of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions; and the bond will provide that it may not be canceled or substantially modified (including cancellation for nonpayment of a premium) without at least ten (10) days prior written notice to the Association and each Mortgagee listed as a scheduled holder of a first Mortgage in the fidelity bond.

The Association will obtain, maintain and pay the premiums, as a Common Expense, on a policy of directors and officers liability insurance in such amounts as determined by the Board of Directors.

The Board of Directors will be authorized on behalf of the Association to obtain and maintain such other and further insurance as the Board of Directors may determine from time to time.

5.4 Authority to Adjust Loss.

The exclusive authority to negotiate, settle and otherwise deal in all respects with insurers and adjust all losses under policies provided for herein will be vested in the Board of Directors or its duly authorized agent for the benefit of all Owners and Mortgagees; provided, however, that all Owners and Mortgagees having an interest in such loss will be advised in advance of all actions anticipated to be taken of a material nature related to the adjustment of the loss. Each Owner, in accepting a deed to a Unit, expressly appoints the directors, and each of them, his due and lawful attorneys-in-fact, with full power of substitution, to act on behalf of the Owner as fully as the Owner could act in person on all matters related to the authority granted in this Section 5.4, including executing all documents required in connection therewith on behalf of the Owner.

5.5 Trustee.

(a) The Board of Directors may, from time to time, designate a third party Trustee hereunder. The Trustee, whether the Board of Directors acting in said capacity, or a third-party designated by the Board, will serve the Association and the Owners and their Mortgagees (as their interests may appear) as provided herein. Any third-party Trustee, but not the Board of Directors acting in such capacity, will be entitled to receive reasonable compensation for services rendered which will be a Common Expense of the Association.

(b) All insurance policies obtained by the Association will name the Association and the Trustee as loss payees. Immediately upon the receipt by the Association of any insurance proceeds, the Association will endorse the instrument by means of which such proceeds are paid and deliver the instrument to the Trustee. The Trustee will not be liable for payment of premiums, for the renewal or the sufficiency of the policies or for the failure to collect any insurance proceeds. Nor will the Trustee have any obligation to inspect the Project to determine whether a loss has been sustained or to file any claim or claims against any insurer or any other person.

(c) Among other things, the duties of the Trustee will be to receive proceeds delivered to it, hold such proceeds in trust for the benefit of the Owners and their Mortgagees, and disburse the proceeds as hereinafter provided.

(d) Proceeds of insurance policies received by the Trustee will be disbursed as follows:

(i) If the damage or destruction for which the proceeds are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purposes, will be disbursed in payment for such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs will be paid to the Association for the benefit of all Owners and their Mortgagees, if any;

(ii) If it is determined, as provided in Section 5.6, that the damage or destruction for which the proceeds are paid will not be repaired or reconstructed, such proceeds will be disbursed to such persons as therein provided;

(iii) Any and all disbursements of funds by the Trustee for any purpose whatsoever will be made pursuant to and in accordance with a certificate of the Association signed by the President and attested by the Secretary directing the Trustee to make the disbursements;

(iv) If the damage or destruction is to the Common Area and is to be repaired or reconstructed, two days prior written notice of each disbursement will be given to the Mortgagee known by the Trustee from the records of the Association to have the largest interest in or lien upon such Common Area; and if the damage or destruction is to one or more Units and is to be repaired or reconstructed, said notice will also be given to the Mortgagee or Mortgagees known to the Trustee from the records of the Association to have an interest in or lien upon such Unit or Units.

(e) The Trustee will not incur liability to any Owner, Mortgagee or other person for any disbursements made by it in good faith pursuant to and in accordance with the foregoing requirements.

5.6 Damage and Destruction.

(a) Immediately after all or any part of the Project covered by insurance is damaged or destroyed by fire or other casualty, the Board of Directors or its duly authorized agent will proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Section 5.6(a), means repairing or restoring the damaged property to substantially the same conditions in which it existed prior to the fire or other casualty, with each Unit and the Common Area having the same vertical and horizontal boundaries as before.

(b) Any such damage or destruction to the Project will be repaired; provided, however, that any such damage which requires the reconstruction of the whole or more than two-thirds (b) of the Project will not be undertaken unless sixty-seven percent (67%) of the Members agree, voting in person or by proxy at a meeting at which a quorum is present, duly called, in whole or in part, for the purpose of disapproving such repair or reconstruction. If the Project is not reconstructed, all insurance proceeds will be delivered in accordance with

the provisions of Section 5.6(c) below. Except as otherwise provided, any such damage or destruction which renders any Unit untenable or uninhabitable, or any such damage or destruction to the Common Area, will be repaired and reconstructed as promptly as practicable. No Mortgagee will have any right to restrict the use of insurance proceeds otherwise available for repair, reconstruction or rebuilding.

(c) In the event that it is determined by the Association in the manner prescribed above that the damage or destruction will not be repaired, reconstructed or rebuilt, then and in that event:

(i) The Project will be owned by the Owners as tenants-in-common;

(ii) The undivided interest in the Project of each Owner will be a percentage equal to the Percentage Interest appurtenant to the Unit theretofore owned by the Owner;

(iii) All liens affecting any of the Units will be deemed to be transferred in accordance with the existing priorities to the undivided interest of the Owners of the respective Units;

(iv) The Project will be subject to an action for partition at the instance of any Owner, in which event the net proceeds of the sale will be deposited with the Trustee;

(v) The Association will proceed to satisfy all of its liabilities and convert all of its assets to cash, which will be deposited with the Trustee;

(vi) The proceeds from the sale of the Project, the liquidation of the assets of the Association and the insurance proceeds related to the damage or destruction to the Project will be considered one fund which, after paying the reasonable expenses of the Trustee, will be distributed to all the Owners and their respective Mortgagees as their interests may appear in percentages equal to the Percentage Interests of said Owners. Distributions to such Owners and their Mortgagees will be made pursuant to certificates provided for in Section 5.5.

5.7 Insufficient Proceeds to Repair.

(a) If the damage or destruction for which the insurance proceeds are paid to the Trustee is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, or if no insurance proceeds exist with respect to such damage or destruction, the Board of Directors will levy an Assessment against the Owners of damaged or affected Units in sufficient amounts to provide funds to pay costs in excess of insurance proceeds for repair or reconstruction. Additional Assessments may be made at any time during or following the completion of any repair or reconstruction. That portion of such Assessments levied against each Owner will be equal to that percentage computed by dividing the Percentage Interest appurtenant to such Owner's Unit by the aggregate Percentage Interests appurtenant to all Units damaged or affected.

(b) Any and all sums paid to the Association under and by virtue of those Assessments provided for in subsection (a) of this Section 5.7 will be deposited by the Association with the Trustee. Such proceeds from insurance and Assessments, if any, received by the Trustee will be disbursed as provided in Section 5.5.

6 Condemnation

6.1 General.

Whenever all or any part of the Project will be taken by any authority having the power of condemnation or eminent domain, each Owner will be entitled to notice thereof; provided, however, that the exclusive right to negotiate, settle and otherwise deal in all respects with the condemning authority as to the taking

of the Common Area will be vested in the Board of Directors or its duly authorized agent on behalf of the Association. Each Owner, in accepting a deed to a Unit, expressly appoints the directors, and each of them, his due and lawful attorneys-in-fact, with full power of substitution, to act on behalf of the Owner as fully as the Owner could act in person in all matters related to the authority granted in this Section 6. 1, including executing all documents required in connection therewith on behalf of the Owner. The award made for such taking will be payable to the Trustee. Unless otherwise required by law at the time of such taking, any award made therefor will be disbursed by the Trustee, as hereinafter provided in this Section 6.

6.2 Non-Essential Areas

If the taking does not include any portion of any Unit or any portion of the Common Area essential to the continued occupancy of any Unit, then the Board of Directors will be permitted to replace any nonessential improvements to the extent deemed appropriate and the Trustee will disburse the proceeds of such awards in the same manner as hereinabove provided for and in connection with the repair, reconstruction or rebuilding of improvements after damage or destruction, with all excess proceeds to be distributed to the Association.

6.3 Essential Areas

If the taking includes any portion of a Unit or the Common Area essential to the use of any Unit, then the award will be disbursed, and all related matters, including, without limitation, alteration of the Percentage Interests appurtenant to each Unit, will be handled, by (a) the Developer during the Transition Period, and (b) thereafter, the Board of Directors in a just and equitable manner to all Owners; provided, however, that all action of the Board of Directors will be pursuant to and in accordance with a plan approved by Members representing at least sixty-seven (67%) percent of the total votes of the Association voting in person or by proxy, at a meeting at which a quorum is present, duly called, in whole or in part, for the purpose of approving such in a duly recorded amendment to this Master Deed. In the event that such an amendment will not be recorded within ninety (90) days after the taking, then such taking will be deemed to be and will be treated as damage or destruction which will not be repaired or reconstructed as provided for in Section 5.6, whereupon the Regime will be terminated in the manner therein prescribed.

7. Architectural Control

7.1 Approval Required for Unit Changes and Viewable Interior Features

To preserve the original architectural appearance of the Project, the structural integrity thereof and the Unit designs, including architectural and engineering aspects therein, no construction, reconstruction or Unit modification of any nature whatsoever, except as specified in the Regime Documents, will be commenced or maintained upon or within, the Building, including without limitation within a Unit and a Limited Common Area, nor will there be any change, modification or alteration of any nature whatsoever of the design and appearance of any surfaces or facades, nor will any Owner paint any gate, fence or roof, nor will any Owner change the design or color of the exterior lights, nor will any Owner install, erect or attach to any part of the exterior any addition or change until after the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same will have been submitted to and approved in writing as to harmony of design, color and location in relation to the surrounding features by the Board of Directors and pursuant to original plans and specifications or Design Guidelines adopted therefor. Furthermore, such required approval by the Board of Directors shall extend to any interior features or aesthetic elements that are proposed to be changed. The failure of an Owner to secure the required approval of the Board of Directors as aforesaid, or to take such action, remedial or otherwise, as the Board of Directors shall at any time determine to be required hereunder shall be subject to the authority and enforcement powers of the Board of Directors as set forth Section 17.5 below.

8. Maintenance

8.1 Responsibility of Association

Except as specifically provided to the contrary herein, the Association will maintain the Common Area in first class condition in accordance with proper maintenance procedures applicable thereto and will enforce all warranties with respect to the Common Area. In addition, the Association will repair or replace all parts of the Common Area as necessary. Except as otherwise provided herein, the cost of such will be charged to the Owners as a Common Expense.

8.2 Access to Units

The Association will have the irrevocable right, to be exercised by the Board of Directors or its agent, which term includes the Association manager, to have reasonable access to each Unit from time to time as may be necessary for the periodic inspection and application of termite and other bug control treatment for which the Association may contract, from time to time; to undertake such action as it may determine to prepare and secure the Building and the Unit in anticipation of storm or hurricane, provided the Association shall be under no obligation to an Owner to do so; and for the inspection, maintenance, repair or replacement of any of the Common Area accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the Common Area or to other Units.

8.3 Responsibility of Owner

In the event that the Board of Directors should determine that the need for maintenance or repairs by the Association as provided for in this Section 8.3 is caused through the willful or negligent act of an Owner or the lessee of an Owner, their families, invitees or guests, or the Owner's pets, the cost of which is not covered or paid for by insurance, then the cost, both direct and indirect, of such maintenance or repairs will be added to and become a part of the Assessment to which such Owner and his Unit are subject. Each Owner will maintain, repair or replace at his own expense all portions of his Unit which may become in need thereof, including the heating and air-conditioning system for such Unit, all bathroom and kitchen fixtures and appliances, light fixtures, interior non-load-bearing walls, carpeting, drapes, doors, windows, screens window and door hardware, and other items within the Unit. Further, each Owner will, at his own expense, maintain, repair and replace, when necessary, that portion of the heating and air-conditioning system exclusively servicing his Unit, which is located outside his Unit. Each Owner will, at his own expense, keep the Limited Common Area to which his Unit has exclusive access and to which he has exclusive use clean and neat, and will conduct maintenance and repair thereto as necessary. If the Owner does not make those repairs required to be made by him within thirty (30) days from the date of receipt of written demand from the Association, the same may be repaired by the Association and the cost thereof will be assessed against the Owner and Unit owned by such Owner.

9. Access, Ingress and Egress.

All Owners, by accepting title to a Unit, waive all rights of uncontrolled and unlimited access, ingress, and egress to and from such property and acknowledge and agree that such access, ingress, and egress will be limited to roadways, sidewalks and walkways located within the Project from time to time, provided that pedestrian and vehicular access to and from all such property will be provided at all times. There is reserved unto Developer, the Association, and their respective successors and assigns the right and privilege, but not the obligation, to maintain guarded or electronically-monitored gates controlling vehicular access to and from the Project, provided that access may be granted to any person who gives reasonable evidence satisfactory to entry guards, if there are any, that entry is with the specific permission of the Owner, or his duly authorized agent. Neither the Developer nor the Association will be responsible, in the exercise of its reasonable judgment, for the granting or denial of access to the Project in accordance with the foregoing.

NEITHER THE DEVELOPER NOR THE ASSOCIATION SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF ANY GATE OR CONTROLLED ACCESS TO THE PROJECT OR SAFETY MEASURES UNDERTAKEN WITH RESPECT THERETO BY EITHER OR BOTH OF THEM AND WHETHER OR NOT SUCH ACTIVITIES OR UNDERTAKINGS ARE REFERRED TO AS "SECURITY" MEASURES, NOR SHALL EITHER OR BOTH BE LIABLE FOR ANY LOSS OR DAMAGE RESULTING FROM ANY FAILURE TO PROVIDE CONTROLLED ACCESS OR SAFETY MEASURES, OR FROM LEAVING ANY GATE OPEN, AS PERMITTED UNDER SECTION 9.1 BELOW, OR FROM A FAILURE OR INEFFECTIVENESS OF ANY SUCH CONTROLLED ACCESS OR SAFETY MEASURES UNDERTAKEN BY EITHER OR BOTH OF THEM. NO REPRESENTATION, WARRANTY OR COVENANT IS GIVEN TO ANY OWNER OR OCCUPANT BY EITHER OR BOTH OF THE DEVELOPER AND THE ASSOCIATION THAT ANY CONTROLLED ACCESS OR SAFETY MEASURES INSTALLED OR UNDERTAKEN CANNOT BE BYPASSED OR COMPROMISED, OR THAT THEY 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 SHALL INDEMNIFY AND HOLD THE DEVELOPER AND ASSOCIATION HARMLESS FROM ANY DAMAGE AND COSTS AND EXPENSES, INCLUDING ATTORNEY FEES, INCURRED BY EITHER OR BOTH OF THEM AS A RESULT OF ANY SUCH ASSERTION OR DETERMINATION.

9.1 Developer's Right to Maintain Open Gate.

Notwithstanding anything herein contained to the contrary, the Developer hereby reserves unto itself, its successors and assigns, the right and option to control any gate to the Project and to leave the gate in an open position for the unobstructed and uncontrolled passage of construction vehicles for persons engaged in both infrastructure and building construction activities. The within right, if exercised, will be limited to the hours of 6 a.m. to 6 p.m. and will terminate upon expiration of the Transition Period.

9.2 Public Roadways Within The Regime

During the Transition Period, the Developer, and thereafter the Association, shall have the right to dedicate any portion of the roadways and/or entryways within the Regime to the State of South Carolina or any political subdivision thereof for the purpose of granting public access thereto and over said roadway and/or entryway and for the purpose of having said political subdivision assume responsibility for maintenance of such roadways and/or entryways. The Developer further reserves the right to impose upon the Association the requirement of maintaining any such dedicated roadway and/or entryway until such time as it is brought up to

standards acceptable to such public body and maintenance thereof is assumed by such public body; provided, however, the Developer may, in its sole discretion, reserve an easement over any such public roadway and/or entryway to be primarily maintained by such public body for the purpose of doing additional maintenance to said public areas and to maintain landscaping along the unpaved portions thereof, and thereafter denominate in a Site Plan or Amendment to this Master Deed that said easement will constitute a Common Area of the Regime to be maintained by the Association. The Board of Directors may levy a Special Assessment against all Owners, without the necessity of a vote pursuant to Section 4.4 hereof, in an amount sufficient to provide funds required to bring any roadway and/or entryway up to standards acceptable to any public body for the assumption by it of maintenance of a said roadway.

10. Unit Restrictions

10.1 Units

All Units will be, and the same are hereby restricted exclusively, for residential use, provided, however, a Unit may be used as a combined residence and executive or professional office by the Owner thereof so long as such use does not interfere with the quiet enjoyment by other Owners and does not include visitation by clients, or unreasonable levels of mail, shipping, storage or trash requirements. No immoral, improper, offensive or unlawful use will be made of any Unit and no use or condition will be permitted which is a source of unreasonable noise or interference with the peaceful possession and quiet enjoyment of any other portion of the Project by other Owners or lessees of Owners, their families, invitees and guests. All Units will be kept in a clean and sanitary condition and no rubbish, refuse or garbage will be allowed to accumulate. No fire hazard will be allowed to exist and no use or condition will be permitted which will increase any rate of insurance related to the Project. In addition, all Owners and lessees of Owners, their families, invitees and guests will abide by all Rules and Regulations in effect from time to time governing the use of Units.

10.2 Animals and Pets

No animals, livestock or poultry of any kind will be raised, bred or kept on any part of the Project, except that dogs, cats or other normal household pets may be kept by the respective Owners inside their respective Units provided that (i) the Board of Directors may, in its sole discretion, establish by rule that dogs of a certain breed are potential hazards to the Regime and its occupants, such as those known as Pit Bulls, Rotweillers, Dobermans, Chows and German Shepards, and are deemed not to be normal household pets; (ii) the Board of Directors may establish reasonable rules and regulations to insure that all permitted pets are properly licensed and inoculated for rabies and such other disease for which inoculation is customary for that breed of pet; (iii) an Owner execute a written indemnification and hold harmless agreement in favor of the Regime and the Regime's management company, in form and content satisfactory to counsel for the Board, prior to bringing the Owner's pet upon the Property; and (iv) permitted pets are not kept, bred or maintained for any commercial purpose and do not create any health hazard or, in the sole discretion of the Board of Directors, unreasonably disturb the peaceful possession and quiet enjoyment of any other portion of the Project by other Owners and lessees of Owners, their families, invitees and guests. Pets shall be kept on a leash at all times when outside of a Unit, and the Owner shall clean up after his or her pet.

10.3 Antennas

No television antenna, radio receiver, or other similar device will be attached to or installed on any portion of the Regime by an Owner, except as required by the Telecommunications Act of 1996 and implementing rules therefor issued by the Federal Communications Commission and by the Association in conformity with rules or guidelines of the Federal Communications Commission; provided, however, the Developer and the Association, and their successors and assigns, will not be prohibited from installing equipment necessary for master antenna, security, cable television, mobile radio, or other similar systems within the Regime.

10.4 Leasing of Units.

Any Owner will have the right to lease or rent his Unit; provided, however, that all leases and rental contracts will be for a duration of one (1) year or more and will be in writing and will require the lessee to abide by all conditions and restrictions placed on the use and occupancy of the Unit and the Common Area by the Regime Documents. The Board of Directors will have the right to approve the form of all such leases and rental contracts at any time if it elects to do so. Occupancy by a tenant or renter under any such approved form of lease or rental contract is subject to continuing approval of the Board thereunder, which may be removed at any time by the Board for any violation by any such tenant or renter of the Rules and Regulations of the Association.

10.5 Motor Homes, Trailers, Boats, Etc.

All vehicles will be parked in spaces within the Common Area designated therefor. There will be no storage or parking upon any portion of the Project of any mobile home, trailer (either with or without wheels), motor home, tractor, truck (other than pick-up trucks), commercial vehicles of any type, camper, motorized camper or trailer, boat or other watercraft, boat trailer, motorized go-cart, or any other related forms of transportation devices.

10.6 Signs.

Except as may be required by law or by legal proceedings, no signs or advertising posters of any kind, including, but not limited to, "For Rent," "For Sale," and other similar signs, shall be erected by an Owner, the Association, or any agent, broker, contractor or subcontractor thereof, nor shall any sign or poster be maintained or permitted on any window, or within a Unit and viewable through any window, or on the exterior of any improvements or on any unimproved portion of property located within the Project, without the express written permission of the Developer during the Transition Period, and thereafter without the written permission of the Board of Directors. The approval of any signs and posters, including, without limitation, name and address signs, shall be upon such conditions as may be from time to time determined by party entitled to approve the same and may be arbitrarily withheld. Notwithstanding the foregoing, the restrictions of this Section 10.6 shall not apply to the Developer or to any person having the prior written approval of the Developer. In addition, the Association shall have the right to erect reasonable and appropriate signs on any portion of the Common Areas in accordance with architectural design standards adopted therefor and approved by governmental authority with jurisdiction thereof.

10.7 Grills.

The Board of Directors shall specifically have the authority to prohibit the use of individual grills (charcoal, gas or electric) as a fire hazard if the Board determines that such prohibition is required or recommended by the City of Charleston Fire Department or the Regime property insurance carrier or agent.

11. Easements

11.1 Encroachments.

If any portion of the Common Area encroaches upon any Unit or any Unit encroaches upon any other Unit or upon any portion of the Common Area as a result of settling or shifting of the Building or variances from the Plans, an easement will exist for the encroachment and for the maintenance of the same so long as the Building stands. If the Building, any Unit, and/or any adjoining part of the Common Area will be partially or totally destroyed as a result of fire or other casualty or a result of eminent domain proceedings, and then rebuilt, encroachments of parts of the Common Area upon any Unit or of any Unit upon any other Unit or upon any portion of the Common Area due to such rebuilding, will be permitted, and valid easements for such encroachments and the maintenance thereof will exist so long as the Building will stand.

11.2 Easement for Air Space

The Owner of each Unit will have an exclusive easement for the use of the air space occupied by said Unit as it exists at any particular time and as said Unit may be altered or reconstructed from time to time pursuant to this Master Deed.

11.3 Utilities, etc.

There is hereby granted a blanket easement upon, across, over and under all the Project for ingress, egress, installation, replacing, repairing and maintaining a master television antenna or CATV system and all utilities, including, but not limited to water, gas, sewers, telephones and electricity, and other forms of telecommunication and technology cabling, now existing or developed in the future. Such easements grant to appropriate utility companies the right to erect and maintain the necessary poles and other necessary equipment on the Project and to affix and maintain utility wires, circuits and conduits on, above, across and under the roofs and exterior walls of the Units. In addition, the Board of Directors will be entitled to grant additional permits, licenses and easements over the Common Area for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance and operation of the Project.

11.4 Easement for Construction

Notwithstanding anything herein to the contrary, Developer and persons designated by the Developer will have an easement to enter upon and cross over the Common Areas for purposes of ingress and egress to all portions of the Project; to use portions of the Common Areas and any Units owned by the Developer for construction or renovation related purposes including the storage of tools, machinery, equipment, building materials, appliances, supplies and fixtures, and the performance of work respecting the Project; and to maintain and correct drainage of surface, roof or storm water.

11.5 Easement for Inspection by Developer

Notwithstanding anything herein to the contrary, Developer and persons designated by the Developer will have an easement to enter upon and cross over the Common Areas for purposes of ingress and egress to all portions of the Project; as well as an easement for reasonable access to each Unit as the Developer may find desirable, for the inspection of the whole or any portion of the Project, its Units and Common Areas, the components and structural parts thereof, as well as the their maintenance requirements and the maintenance performed thereon to the date of any such inspection. Nothing herein shall require the Developer to perform any such inspection, but if the Developer does undertake any such inspection, Developer shall provide to the Board of Directors a copy of its findings or the inspection report produced therefrom. Nothing herein shall relieve the Board from engaging a professional inspector to perform an annual maintenance audit as part of the Board's annual budgeting process under Section 4.2 above.

11.6 Easement for Sales Purposes

Developer and persons designated by the Developer will have an easement to maintain one or more sales offices, management offices and models throughout the Project and to maintain one or more advertising signs on the Common Areas while the Developer is selling Units in the Project or any contemplated expansion thereof. Developer reserves the right to place models, management offices and sales offices in any Units owned by Developer and on any portion of the Common Area in such number, of such size and in such locations as Developer deems appropriate. So long as Developer will be selling Units in the Project or any contemplated expansion thereof, Developer will have the right to restrict the use of a reasonable number of parking spaces, for purposes including, but not limited to, the providing of spaces for use by prospective Unit purchasers, Developer's employees and others engaged in sales, maintenance, construction or management activities.

11.7 Easements to Serve Adjacent Marina Development

The Company hereby reserves for itself and its duly authorized agents, representatives, successors, successors-in-title, assigns, licensees, and mortgagees, a perpetual nonexclusive easement over the Common Areas for the purposes of enjoyment, use, access, and development of any adjacent property developed, or which may be developed, as a marina or for related recreational purposes, whether public or private, and whether or not any such property is made subject to this Master Deed. This easement includes, but is not limited to, a right of ingress and egress over the Common Areas for construction of roads and for connecting and installing utilities and services on such property. The Company agrees that it and its successors or assigns shall be responsible for any damage caused to the Common Areas as a result of vehicular traffic connected with development of such property. The Company further agrees that if the easement is exercised for permanent access to such property and such property or any portion thereof is not made subject to this Master Deed, the Company, its successors or assigns shall enter into a reasonable agreement with the Association to share the cost of maintenance of any private roadway, boardwalk, sidewalk or other such facility serving such property.

11.8 No View Easements.

No view easements, express or implied, will be granted to any Owner in connection with the conveyance of a Unit to such Owner.

11.9 Other.

There is hereby granted to the Association, its directors, officers, agents and employees and to any manager employed by the Association and to all policemen, firemen, ambulance personnel, and all similar emergency personnel, an easement to enter upon the Project or any part thereof in the proper performance of their respective duties. Except in the event of emergencies, the rights under this Section 11.9 will be exercised only during reasonable daylight hours, and then, whenever practicable, only after advance notice to the Owner or Owners affected thereby.

12. Owner's Acknowledgment of Ashley River Bridge and River Noises and Nuisances.

Every Owner by acceptance of a deed to a Unit hereby acknowledges that the Project's proximity to the Ashley River Bridge and the vehicular traffic thereon, and the Ashley River and the boating traffic thereon, will result in noise emanating therefrom and the same may be a nuisance. Neither the Developer nor the Association, nor any of their respective directors, officers, employees, contractors, consultants, shareholders, affiliates, assignees, successors, nominees or agents, be liable to any Owner for any inconvenience or damage sustained by such Owner as a result of any such noise emanating from or in proximity to such river, including, but not limited to such noise as may emanate from persons using any roadways, bridges, docks, walkways, bulkheads, or piers adjacent thereto.

13. Assigned Value and Voting Rights

13.1 Units, Assigned Values, and Percentage Interests.

The Schedule of Percentage Interests contained in Exhibit "C" attached hereto shows the Assigned Value of each Unit in the Building and the Percentage Interest appurtenant to such Unit for all purposes.

13.2 Voting Rights.

Members and the Developer will be entitled to a vote in the Association and for all other purposes herein in accordance with the provisions of the Association's Articles of Incorporation attached hereto as Exhibit "D" and the By-Laws of the Association attached as Exhibit "E," and as the same may be hereafter amended.

(a) Voting by Multiple Owners. When any Unit is owned in the name of two or more persons, other than husband and wife, or entities, whether fiduciaries, or in any manner of joint or common ownership, the vote for such Unit will be exercised as such co-Owners determine among themselves and advise the Secretary of the Association in writing prior to any meeting; or the vote will be exercised by such co-Owner, or his duly appointed proxy, as will be designated in a writing by all co-Owners recorded in the RMC, a copy of which will be delivered to the Secretary of the Association and will remain effective for all meeting until revoked by the co-Owners in a similar writing or until such designation terminates pursuant to the terms of such writing.

14. The Development Plan For The Project

14.1 Single Phase Development.

The Regime constitutes a single Building with 54 Units, and the Common Area (including the parking and storage Limited Common Areas), as more fully described on Exhibit "B" attached hereto. The Regime may not be expanded and no right to do so is reserved.

14.2 Reservation of Right to Expand and Contract.

Anything to the contrary contained in this Master Deed notwithstanding, at any time during the Transition Period, the Developer will be entitled to expand the Regime by constructing upon any unimproved portion of the Common Areas such amenities, including, but not limited to, bulkheads, piers, docks, and similar facilities, as the Developer, in its sole discretion shall determine. Nothing herein shall require the Developer to construct any such amenities to be part of the Regime, and no Owner will have the right to require such construction be a part of the Regime. In lieu of constructing such amenities upon Common Areas, the Developer may construct such amenities upon any adjacent land (including any land withdrawn pursuant to Section 14.2(b) below) and operate the same on a fee basis and not as part of the Regime and subject to Assessments

(a) Expansion: Conversion of Common Area.

The Developer's right, but not its obligation, to expand the Regime during the Transition Period by constructing amenities on the Common Area and to submit said real property (or any portion thereof) and all improvements constructed thereon to the Regime shall be undertaken by filing one or more Amendments to this Master Deed (including amendments to the Exhibits). An Amendment will be executed solely by the Developer for itself and as attorney in-fact for all Owners. An Amendment will be effective upon recording such Amendment in the RMC

(b) Contraction: Withdraw of Unimproved Common Area.

During the Transition Period, the Developer is entitled to subdivide portions of the Common Area from the Project that are unimproved with structures and to remove the subdivided portion from the application of this Master Deed by filing one or more Amendments to this Master Deed (including amendments to the Exhibits). An Amendment will be executed solely by the Developer for itself and as attorney in-fact for all Owners. An Amendment will be effective upon recording such Amendment in the RMC.

14.3 Amenities: Required Expansion.

Amenities may be, but will not be required to be, constructed as part of the expansion of the Regime pursuant to this Section 14.3, all such amenities being optional with the Developer. No Owner will have the right to require construction or addition to the Regime under any circumstances.

14.4 Assignability of Rights.

The Developer will be entitled to assign the rights reserved in this Master Deed to any person or entity by an instrument recorded in the RMC.

14.5 Application of Master Deed.

Upon the filing of the Amendment prescribed by Section 14.2 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 Amendment to be treated as fully an integral part of the Regime as if said real property and improvements constituted a portion of the Project as of the effective date hereof.

14.6 No Consent Required.

Subject to the time limit set forth in Section 14.2 hereinabove, the Developer, its successors and assigns, will have the absolute right to effect an expansion or contraction of the Regime in accordance with Section 14.2 and to file Amendments to this Master Deed 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 assure the expansion of the Regime as provided in Section 14.2, each Owner, in accepting a deed to a Unit, agrees to undertake such actions and/or provide such consents as are reasonably requested, and expressly appoints the Developer his due and lawful attorney-in-fact, with full power of substitution, to execute all documents reasonably required to evidence the requisite action or consent.

14.7 Multiple Ownership.

No Unit in the Regime will be used for or subject to any type of Vacation Time Sharing Plan or Vacation Multiple Ownership Plan as defined by the 1976 Code of Laws for the State of South Carolina, as amended, Section 27-32-10, *et seq.*, or any subsequent laws of this State dealing with that or similar type of ownership by a Unit Owner, or which is used for, in conjunction with and/or as an advertised part of any time share exchange program which makes available as accommodations the Unit and which is not otherwise registered as a Vacation Time Sharing Plan or Vacation Multiple Ownership Plan or which utilizes the Unit as accommodations for time share sale prospects of any Person, without the prior written consent of the Developer during the Developer's Transition period and thereafter by the Board of Directors of the Association.

15 Transition Provisions

15.1 Appointment of Directors and Officers.

At all times during the Transition Period, the Developer will have the sole and exclusive right to appoint the Board of Directors and officers of the Association, fill any vacancy of the Board or officers caused by the withdrawal of any director or officer appointed by the Developer and veto the removal of any director or officer appointed by the Developer. Upon the expiration of the Transition Period, the Developer will retain the right to elect at least one (1) director. This right will continue for as long as the Developer holds for sale in the ordinary course of business one or more of Units included in the Regime.

15.2 Special Meeting to Elect Board.

Within sixty (60) days after the date on which Owners other than the Developer become entitled pursuant to Section 15.1 above to elect members of the Board of Directors of the Association, the Association will call, and give not less than thirty (30) days' and not more than sixty (60) days' notice of, a special meeting of the Members to elect the Board of Directors.

15.3 Cooperation

The Association will cooperate with the Developer to the extent reasonably requested by the Developer during and after the Transition Period to promote the orderly development and marketing of the additional Units planned for the Regime, and it is acknowledged by the Association that it is in the best interest of all Owners to expand the Regime to include all Units authorized by Section 14 hereof.

15.4 Controlling Provisions

In the event of any inconsistency between this Section 15 and the other provisions of the Regime Documents, this Section 15 will be controlling and binding on all parties having an interest in the Regime.

16. Alternative Dispute Resolution

16.1 Agreement to Avoid Costs of Litigation and to Limit Right to Litigate Disputes

The Developer, Association, Owners, and any Persons not otherwise subject to the Regime who agrees to submit to this Section 16 (collectively, "Bound Parties") agree to encourage the amicable resolution of disputes between and among themselves involving the Regime or the Project, and to avoid the emotional and financial costs of litigation. For purposes hereof, the architect and contractor for a Building and the Units constructed therein shall constitute Bound Parties hereunder. Accordingly, each Bound Party covenants and agrees that all claims, grievances and disputes (including those in the nature of counterclaims or cross-claims) between Bound Parties involving the Regime or the Project, including without limitation, claims, grievances or disputes arising out of or relating to the interpretation, application or enforcement thereof (collectively "Claims"), except for "Exempt Claims" under Section 16.2, are subject to the procedures set forth in Section 16.3

16.2 Exempt Claims

The following Claims ("Exempt Claims") are exempt from the provisions of Section 16.3:

- (a) any suit by the Association against a Bound Party to enforce any Assessments or other charges hereunder; and
- (b) any suit by the Association to obtain a temporary restraining order (or equivalent emergency equitable relief) and other relief the court may deem necessary in order to maintain the status quo and preserve any enforcement power of the Association hereunder until the matter may be resolved on the merits pursuant to Section 16.3 below; or
- (c) any suit between Owners which does not include the Developer or the Association as a party, if such suit asserts a Claim which would constitute a cause of action independent of the Regime and the Project; or
- (d) any suit in which an indispensable party is not a Bound Party; or
- (e) any suit which otherwise would be barred by any applicable statute of limitation; or
- (f) any suit involving a matter which is not an Exempt Claim under (a) through (e) above, but as to which matter the Bound Party against whom the Claim is made waives the mandatory provisions of Section 16.3 below.

Any Bound Party having an Exempt Claim may submit it to the alternative dispute resolution procedures set forth in Section 16.3, but there is no obligation to do so.

16.3 Mandatory Procedures for Non-Exempt Claims.

Any Bound Party having a Claim ("Claimant") against a Bound Party involving the Regime Documents or the Regime, or all or any combination of them ("Respondent"), other than an Exempt Claim under Section 16.2, will not file suit in any court or initiate any proceeding before any administrative tribunal seeking redress or resolution of the Claim until it has complied with the procedures set forth in Exhibit F, and then only to enforce the results hereof:

(a) Litigation.

No judicial or administrative proceeding with an amount in controversy exceeding \$25,000.00, will be commenced or prosecuted by the Association unless approved by 75% or more of the votes of the entire Association, by Referendum or at a duly held meeting of Members called for the purpose of approving the proceeding, which percentage will also constitute the quorum required for any such meeting. This Section will not apply, however, to actions brought by the Association to enforce the provisions of this Master Deed (including, without limitations, the foreclosure of liens); the imposition and collection of Assessments; proceedings involving challenges to ad valorem taxation; counterclaims brought by the Association in proceedings instituted against it; or actions brought by the Association to enforce written contracts with its suppliers and service providers. This Section will not be amended unless the amendment is approved by the requisite percentage of votes of Members, and pursuant to the same procedures, necessary to institute proceedings as provided above. This provision will apply in addition to the negotiation and arbitration provisions of this Section 16 and the procedures therefor set forth in Exhibit F, if applicable.

16.4 Miscellaneous Alternative Dispute Resolution Provisions.

(a) Conflicting Provisions.

Any conflict or discrepancy between the terms and conditions set forth in this Section 16 and the procedures set forth in Exhibit F and any term, condition or procedure of the American Arbitration Association, or any remedy allowed at law or in equity, the terms, conditions, procedures and remedies set forth herein and in Exhibit F will control.

(b) TIME IS OF ESSENCE.

All periods of time set forth herein or calculated pursuant to provisions of this Section 16 will be strictly adhered to, TIME BEING OF THE ESSENCE hereof.

17. General Provisions

17.1 Adherence to Provisions of Master Deed, Bylaws and Rules and Regulations.

Every Owner who rents his Unit must post inside his Unit a list of the Rules and Regulations of the Association. Any rental agency handling an Owner's rental must further agree to abide by the Rules and Regulations and will be responsible for informing persons renting through its agency of any breaches of the Rules and Regulations by said persons and for taking any and all necessary corrective action. Should a particular agency or person continue not to take corrective action against the renters it has contracted with, or refuse to cooperate with the Association in the enforcement of its Rules and Regulations or other provisions of the Regime Documents, the Association may require the Owner to cease using the services of that particular rental agency. Refusal to do so may result in fines against the Owner in an amount to be determined by the Board of Directors. Any fines will be added to and become a part of the Assessment against the Unit and Owner.

17.2 Amendment

Amendments to this Master Deed, except as herein expressly provided to the contrary, including, but not limited to amendments pursuant to Section 14 which may be made without the consent or approval of either the Board or the Members, will be proposed by the Board of Directors in accordance with the following procedure:

(a) Notice.

Notice of the subject matter of the proposed amendment or amendments will be included in the notice of the meeting of the Association at which such proposed amendment or amendments are to be considered.

(b) Amendment.

The Master Deed may be amended at any time and from time to time at a meeting of the Association called in accordance with the Bylaws and this Master Deed upon the vote of Members holding sixty-seven (67%) or more of the total vote in the Association; provided, however, that if the Association will vote to amend the Bylaws in any respect, such amendment will be set forth in an amendment to this Master Deed and will be valid only when approved by Members holding more than fifty percent (50%) of the total vote in the Association

(c) Nondiscrimination.

Irrespective of the foregoing, no amendment will (i) alter the Percentage Interest applicable to each Unit (except as permitted in accordance with Sections 6, 3.3 and 13.1 hereof); or (ii) discriminate against any Owner or against any Unit or class or group of Units, unless in each instance all Owners adversely affected thereby expressly consent thereto in writing. Notwithstanding any Rule or Regulation or other restriction, the Board of Directors of the Association will make reasonable accommodations in its Rules and Regulations or other restrictions as may be necessary to afford a handicapped person equal opportunity to use and enjoy his Unit and the Common Area, and in furtherance thereof is authorized and empowered to assign Common Area parking spaces for handicap parking generally or to assign same for exclusive use of a Person as handicap parking.

(d) Necessary Amendments.

Notwithstanding any other provisions of this Master Deed to the contrary, if any amendment is necessary in the judgment of the Board to cure any ambiguity or to correct or supplement any provisions of the Regime Documents that are defective, missing or inconsistent with any other provisions thereof,

or if such amendment is necessary to conform to the requirements of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the Veterans Administration or other secondary Mortgage market lenders, guarantors or insurers with respect to condominium projects, then at any time and from time to time the Board may effect an appropriate corrective amendment so long as written objection to such amendment is not received from Members representing at least fifty-one percent (51%) of the total votes of the Association within twenty (20) days after written notice of the proposed amendment is given to all Members.

(e) Recording.

A copy of each amendment provided for in this Section 17.2 will be certified by the Association as having been duly adopted and will be effective when recorded.

In recognition of the fact that certain provisions of this Master Deed are for the benefit of the Developer, no amendment in derogation of any right reserved or granted to the Developer by provisions of this Master deed may be made without the written approval of the Developer.

17.3 Termination

The Regime may be terminated and the Project removed from the provisions of the Act in the following manner:

(a) Agreement.

All of the Owners may remove the Project from the provisions of the Act by an instrument to that effect, duly recorded, subject to Sections 13.1 and 13.2 of this Master Deed.

(b) Destruction.

In the event it is determined in the manner provided in Section 5.6 that the Project will not be repaired or reconstructed after casualty, the Regime will be terminated and the Regime Documents revoked. The determination not to repair or reconstruct after casualty will be evidenced by a certificate of the Association certifying as to the facts effecting the termination.

(c) Condemnation.

In the event that any part of a Unit, or the Common Area essential to the use of any Unit will be taken by an authority having the power of eminent domain and the consent of Members representing at least sixty-seven (67%) percent of the total votes of the Association as provided in Section 6.3 to a plan for continuation of the Regime will not be expressed in an amendment to this Master Deed duly recorded within ninety (90) days after such taking, the Regime will be terminated and the Regime Documents revoked. A certificate of the Association certifying as to the facts effecting the termination will evidence such taking.

17.4 Covenants Running With the Land.

All provisions of this Master Deed will be construed to be covenants running with the land, and with every part thereof and interest therein, including, but not limited to, every Unit and the appurtenances thereto; and each and every provision of this Master Deed will bind and inure to the benefit of the Developer and all Owners and claimants of the Regime or any part thereof or interest therein, and their heirs, executors, administrators, successors and assigns.

17.5 Enforcement.

Each Owner will comply strictly with the Bylaws and with the Rules and Regulations of the Association, as either of the same may be lawfully amended from time to time, and with the covenants, conditions and restrictions set forth in this Master Deed and in the deed to his Unit. Failure to comply with any of the same will be grounds for an action to recover sums due, for damages or injunctive relief, or for all three, maintainable by the Board of Directors on behalf of the Association or by any aggrieved Owner. In addition, the rights of any Owner or lessee of an Owner, their families, invitees or guests to use and to enjoy the Common Area may be suspended by the Board of Directors for continued violation of the Rules and Regulations. Failure by the Association or any Owner to enforce any of the foregoing will in no event be deemed a waiver of the right to do so thereafter.

(a) Authority and Enforcement.

Subject to the provisions of Section 17.5(b) hereof, upon the violation of this Master Deed, the Bylaws, or any rules and regulations duly adopted hereunder, including, without limitation, the failure to timely pay any Assessments, the Board will have the power (i) to impose reasonable monetary fines which will constitute an equitable charge and a continuing lien as a specific Assessment, (ii) to suspend an Owner-Member's right to vote in the Association, or (iii) to suspend an Owner's or Occupant's right to use any of the Common Areas. The Board will have the power to impose all or any combination of these sanctions, and may establish each day a violation remains uncured as a separate violation for which a fine is due; provided, however, an Owner's access to its property over the private roads and streets constituting Common Areas will not be terminated hereunder. An Owner or Occupant will be subject to the foregoing sanctions in the event of such a violation by such Owner or Occupant. Any such suspension of rights may be for the duration of the infraction and for any additional period thereafter, not to exceed thirty (30) days.

(b) Procedure.

Except with respect to the failure to pay Assessments, the Board will not impose a fine, suspend voting rights, or infringe upon or suspend any other rights of an Owner or other Occupant of the Project for violations of the Master Deed, By-Laws, or any rules and regulations of the Association, unless and until the following procedure is followed:

(i) Demand to Cease and Desist. Written demand to cease and desist from an alleged violation will be served upon the Owner responsible for such violation specifying:

(A) The alleged violation;

(B) The action required to abate the violation; and

(C) A time period of not less than ten (10) days during which the violation may be abated without further sanction, if such violation is a continuing one, or if the violation is not a continuing one, a statement that any further violation of the same provision of this Master Deed, the By-Laws, or of the rules and regulations of the Association may result in the imposition of sanctions after notice and hearing.

(ii) Notice of Hearing. Within twelve (12) months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same violation subsequently occurs, the Board may serve such Owner with written notice of a hearing to be held by the Board in executive session. The notice will contain:

(A) The nature of the alleged violation;

(B) The time and place of the hearing, which time will be not less than ten (10) days from the giving of the notice;

(C) An invitation to attend the hearing and produce any statement, evidence, and witnesses on his behalf; and

(D) The proposed sanction to be imposed.

(iii) Hearing. The hearing will be held in executive session of the Board of Directors pursuant to the notice and will afford the alleged violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard will be placed in the minutes of the meeting. Such proof will be deemed adequate if a copy of the notice together with a statement of the date and matter of delivery is entered by the officer, director, or other individual who delivered such notice. The notice requirement will be deemed satisfied if an alleged violator appears at the meeting. The minutes of the meeting will contain a written statement of the results of the hearing and the sanction imposed, if any.

17.6 Severability.

All provisions of this Master Deed and all of the Regime Documents will be construed in a manner that complies with the Act and South Carolina law to the fullest extent possible. If all or any portion of any provision of this Master Deed or any other Regime Documents will be held to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability will not affect any other provision hereof or thereof, and such provision will be limited and construed as if such invalid, illegal or unenforceable provision or portion thereof were not contained herein or therein.

17.7 Gender or Grammar.

The singular whenever used herein will be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, will in all cases be assumed as though in each case fully expressed. In addition, the use of the terms "herein" or "hereof" will mean this Master Deed and not merely the Section or paragraph in which such term is utilized.

17.8 Headings.

All Section headings are utilized merely for convenience and will not restrict or limit the application of the respective Sections.

17.9 Powers of Attorney.

By acceptance of a deed or other conveyance of an interest in a Unit, all Members do hereby grant, and if further required, do agree to vote in a manner to provide to, and to ratify and confirm retention by, Developer of Developer's rights under this Master Deed, including, without limitation, the right to amend this Master Deed in accordance with the provisions hereof. In connection with this voting agreement, each member appoints Developer as proxy for such member with full power of substitution to vote for the member on all such matters on which the member may be entitled to vote, and with respect to which there is a reservation or designation of voting rights in Developer under this Master Deed, and with all powers which the member would possess if personally present at any meeting of members. Such appointment will be, upon acceptance of a deed or other conveyance by the member and without the necessity of further action by the Developer or the member, a power coupled with an interest and will be irrevocable. Such appointment will be effective as of the date on which a deed or other conveyance of an interest to the Member is recorded in the RMC. This irrevocable proxy will automatically terminate thirty (30) days after the conveyance of forty-nine (49) Units in the ordinary course

of Developer's business. The within voting agreement and proxy are in addition to, and not in substitution of, all rights of Developer herein provided, which will run with the land.

17.10 Unit Deeds.

In accepting a deed to any Unit, the grantee will be deemed to have accepted and agreed to all terms and conditions contained in this Master Deed and the Exhibits, as amended, and further agrees to execute any and all documents reasonably requested by the Developer or the Association from time to time to expressly evidence the foregoing

17.11 Counterpart Execution.

This Master Deed may be executed in any number of counterparts, each of which shall be an original, and all of which taken together shall constitute a single agreement, with the same effect as if the signatures thereto and hereto were upon the same instrument.

18. Exhibits Attached

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

Description	Identification
Legal Description of the Land	A
Site Plan and Floor Plans	B
Schedule of Assigned Values and Percentage Interests	C
Articles of Incorporation of Association	D
Bylaws of the Association	E
Alternative Dispute Resolution Procedures	F

19. Joinder of Wachovia Bank, National Association.

Wachovia Bank, National Association, Successor by Merger to First Union National Bank, lender to the Developer, executes this Master Deed to signify its consent and agreement that its mortgage dated November 9, 2000, and recorded of even date therewith in the RMC in Book H-358, Page 368 is and shall remain subordinate to this Master Deed and the other Regime Documents incorporated herein by reference.

[Remainder of Page Purposely Left Blank]

JOINDER OF MORTGAGEE

The undersigned, Wachovia Bank, National Association, Successor by Merger to First Union National Bank, has hereby caused this instrument to be executed this 30th day of AUGUST, 2002 to signify its consent, joinder and subordination pursuant to Section 19 of this Master Deed.

Wachovia Bank, National Association,
Successor by Merger to First Union National Bank

Donna M. Bucci
Witness #1

By: [Signature]
Its: SENIOR VICE PRESIDENT

Elisabeth Peavy
Witness/Notary

STATE OF SOUTH CAROLINA)

COUNTY OF Charleston)

Personally appeared before me undersigned witness and made an oath that (s)he saw Wachovia Bank, National Association, Successor by Merger to First Union National Bank, by its duly authorized officer(s), sign, seal, and as its act and deed deliver the within written Master Deed of The Bristol Horizontal Property Regime, and that (s)he, with the other subscribing witness, witnessed the execution thereof.

Donna M. Bucci (SEAL)
Witness #1

Sworn to before me this
30th day of August, 2002.

Elisabeth Peavy
Notary Public for South Carolina

My Commission expires: June 24 2006

Exhibit "A"

Legal Description of The Land

All that certain piece, parcel or lot of land, situate, lying and being on Lockwood Boulevard in the City of Charleston, County of Charleston, State of South Carolina, containing 4.28 acres, more or less, shown and designated as "Tract 1" on a plat entitled "Plat of Tract 1 Prepared for the Beach Company, City of Charleston, Charleston County, South Carolina", prepared by F. Elliott Quinn, Registered Land Surveyor No. 10292, dated April 6, 1999, and recorded at the Charleston County R.M.C. Office on August 4, 2000, in Plat Book EE, at Page 212.

SAVING AND EXCEPTING therefrom the following, according to said plat: Beginning at an iron pin on the southeastern right-of-way line of Lockwood Boulevard (120' right-of-way), at a point 78 feet, more or less, from the intersection of U.S. Highway 17 and Lockwood Boulevard, said iron pin being the POINT OF BEGINNING; thence leaving the POINT OF BEGINNING, turning and running South $62/25^{\circ}00'W$ for a distance of 373.04' to a point; thence turning and running $N29/44^{\circ}46'E$ for a distance of 6.20' to a point; thence turning and running $N42/44^{\circ}12'E$ for a distance of 9.28' to a point; thence turning and running $N33/05^{\circ}08'E$ for a distance of 10.70' to a point; thence turning and running $S66/53^{\circ}46'E$ for a distance of 7.46' to a point; thence turning and running $N57/28^{\circ}27'E$ for a distance of 7.28' to a point; thence turning and running $N38/50^{\circ}05'W$ for a distance of 9.55' to a point; thence turning and running $N47/56^{\circ}07'E$ for a distance of 18.47' to a point; thence turning and running $N55/29^{\circ}36'E$ for a distance of 19.11' to a point; thence turning and running $N32/15^{\circ}42'E$ for a distance of 20.72' to a point; thence turning and running $N46/42^{\circ}35'E$ for a distance of 9.33' to a point; thence turning and running $N58/12^{\circ}33'E$ for a distance of 16.70' to a point; thence turning and running $N59/24^{\circ}06'E$ for a distance of 20.22' to a point; thence turning and running $N69/00^{\circ}19'E$ for a distance of 20.78' to a point; thence turning and running $N68/46^{\circ}38'E$ for a distance of 16.13' to a point; thence turning and running $N68/37^{\circ}52'E$ for a distance of 14.35' to a point; thence turning and running $N37/59^{\circ}06'E$ for a distance of 12.80' to a point; thence turning and running $N60/55^{\circ}32'E$ for a distance of 20.66' to a point; thence turning and running $N49/33^{\circ}30'E$ for a distance of 17.96' to a point; thence turning and running $N49/02^{\circ}41'E$ for a distance of 19.49' to a point; thence turning and running $N47/05^{\circ}17'E$ for a distance of 16.35' to a point; thence turning and running $N51/32^{\circ}52'E$ for a distance of 20.22' to a point; thence turning and running $S58/55^{\circ}13'E$ for a distance of 9.55' to a point; thence turning and running $N89/34^{\circ}54'E$ for a distance of 10.35' to a point; thence turning and running $N53/09^{\circ}20'E$ for a distance of 18.81' to a point; thence turning and running $N42/54^{\circ}51'E$ for a distance of 20.42' to a point; thence turning and running $N00/09^{\circ}13'E$ for a distance of 12.60' to a point; thence turning and running $N27/28^{\circ}03'W$ for a distance of 15.80' to a point; thence turning and running $S45/31^{\circ}40'E$ for a distance of 82.80' to a point, being the SAID POINT OF BEGINNING. Said parcel containing 0.30 acres, more or less, according to said plat.

ALSO, SAVING AND EXCEPTING therefrom, the following, according to said plat: Beginning at an iron pin on the southeastern right-of-way line of Lockwood Boulevard (120' right-of-way), at a point 522.08 feet, more or less, from the intersection of U.S. Highway 17 and Lockwood Boulevard, said iron pin being the POINT OF BEGINNING; thence leaving the POINT OF BEGINNING, turning and running $S45/31^{\circ}40'E$ for a distance of 37.21' to a point; thence turning and running $S44/28^{\circ}20'E$ for a distance of 16.07' to a point; thence turning and running $S75/33^{\circ}00'W$ for a distance of 10.64' to a point; thence

turning and running S65/29'27"W for a distance of 15.42' to a point; thence turning and running N21/53'53"W for a distance of 17.55' to a point; thence turning and running S52/20'54"W for a distance of 12.87' to a point; thence turning and running S21/58'08"E for a distance of 19.26' to a point; thence turning and running S37/06'08"E for a distance of 14.68' to a point; thence turning and running S34/25'13"W for a distance of 26.84' to a point; thence turning and running S42/36'14"E for a distance of 12.50' to a point; thence turning and running S57/10'37"W for a distance of 14.00' to a point; thence turning and running N81/20'50"W for a distance of 25.01' to a point; thence turning and running S66/02'57"W for a distance of 20.83' to a point; thence turning and running S57/50'59"W for a distance of 20.20' to a point; thence turning and running S65/25'51"W for a distance of 23.08' to a point; thence turning and running S62/05'24"W for a distance of 25.98' to a point; thence turning and running S75/31'28"W for a distance of 16.50' to a point; thence turning and running S62/55'52"W for a distance of 20.24' to a point; thence turning and running N54/42'28"W for a distance of 14.94' to a point; thence turning and running S70/29'24"W for a distance of 19.88' to a point; thence turning and running N41/53'40"W for a distance of 12.36' to a point; thence turning and running N55/41'12"W for a distance of 15.98' to a point; thence turning and running N84/11'46"W for a distance of 6.50' to a point; thence turning and running N61/59'25"E for a distance of 295.05' to a point, being the POINT OF BEGINNING. Said parcel containing 0.30 acres, more or less, according to said plat.

Being a portion of the property conveyed to Brittlebank Condominium, LLC by deed of G.F. Development, LLC, dated November 9, 2000 and recorded in the RMC November 15, 2000 in Book H-358, Page 166.

The within conveyance is subject to all easements of record and/or upon the ground.

Pursuant to South Carolina Code Ann. Section 48-39-330 (1995 supp.), grantor hereby discloses that the subject premises or a portion thereof may be subject to statutory regulations imposed by the South Carolina Coastal Zone Act of 1997, South Carolina Code Ann. Section 48-39-10, ET. Seq. (1995 Supp.) as amended by the South Carolina Beach Management Act, South Carolina Code Ann. 48-39-270, ET. Seq. (1995 Supp.) (Hereinafter collectively referred to as the "Coastal Zone and Beach Management Acts"). Pursuant to the Coastal Zone and Beach Management Acts, the subject premises or a portion thereof is or may be affected by the baseline and setback line, the location of which lines are available from the South Carolina Department of Health and Environmental Control, Office of Ocean and Coastal Resource Management. The grantor makes no representation to grantee concerning the location of such base line, setback lines and the erosion rate, the effect of such regulations on the subject premises, or the accuracy of the foregoing disclosures.

Pursuant to Section 27-31-100 of The South Carolina Code (1976), as amended, notice is given that all activities on or over and all uses of any submerged land and other critical areas are subject to the jurisdiction of the Office of Ocean and Coastal Resource Management ("OCRM") of the South Carolina Department of Health and Environmental Control (formerly known as, "The South Carolina Coastal Council"), including, but not limited to, the requirements that any activity or use must be authorized by OCRM. Any owner to the extent of his ownership is liable for any

damages to, any inappropriate or unpermitted uses of, and any duties or responsibilities concerning, any submerged land, coastal waters, or any other critical area.

Exhibit "B"

Site Plan and Floor Plans

BRISTOL HORIZONTAL PROPERTY REGIME

NOTE

Exhibit "B" is a survey showing the location of the Building 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. Both plat and plans are attached. Said Exhibit further includes the matters set forth below.

The Building consists of fifty-four (54) Units located in one (1), five-story Building. Each Unit in the Building is individually numbered and described on the floor plans as Units 301 through, and including, 318; 401 through, and including, 418; and 501 through, and including, 518. Each of the Units is also known by its mailing address on Old Bridgeview Lane, those being 3001 through, and including, 3018; 4001 through, and including, 4018; and 5001 through, and including, 5018, respectively.

Each of the Units in the Building has a separate entrance door off of an interior corridor, and is a one-story flat of one (1) of nine (9) floor plans shown and designated as Type A, Type B, Type C, Type D, Type E, Type F, Type G, Type H-1, Type H-2 and Type I, and each such Type is called by a distinct name.

The name by which each Unit type is known, the number of bedrooms and baths each of the Unit types has, and the approximate square footage calculations¹ of each of them is as follows:

Unit Type	Bedrooms and Baths	Heated Sq. Ft.	Balcony Sq. Ft.	Gross Sq. Ft.
A - The Aberdeen	2 bedrooms, 2 baths	1,376	126	1,502
B - The Buckingham	2 bedrooms, 2 baths	1,398	126	1,524
C - The Canterbury	2 bedrooms, 2½ baths	1,605	195	1,800
D - The Devonshire	2 bedrooms, 2½ baths	1,626	195	1,821
E - The Essex	2 bedrooms, 2½ baths	1,675	258	1,933
F - The Faversham	2 bedrooms, 2½ baths	1,861	195	2,056
G - The Greenwich	2 bedrooms, 2½ baths	1,937	358	2,295
H - The Hampton	3 bedrooms, 2½ baths	2,213	300	2,513
I - The Inverness	3 bedrooms, 2½ baths	2,125	303	2,428

¹ Square footage calculations are an approximation. The actual square footages calculation for heated area, balconies and gross area for each Unit is controlled by actual, on-site dimensions.

The Units are located on the third, fourth and fifth floors of the Building. There are two assigned parking spaces and one assigned storage space for each Unit (constituting Limited Common Areas of the Unit to which assigned) on the first and second floors; and there are other general Common Areas located on the first and second floors. Exhibit "C" to this Master Deed sets forth by number the parking spaces and storage space assigned to each Unit.

The floor plans for the Building by Niles Bolton Associates, dated May 24, 2000 shows the locations of each of the Units and the general Common Areas and the Limited Common Areas identified on said plans, including the location of each numbered parking space and storage space; and the as-built survey by Absolute Surveying, Inc. dated August 22, 2002 will control over the said floor plans as to actual ground location and floor elevation of the items shown upon said plot plan.

As to each Unit: All built-in kitchen appliances, the refrigerator, air conditioner units and condensers and hot water heater located in each Unit are part of the Unit in which they are located and are not Common Areas. Each balcony adjacent to and accessible solely through a Unit, including the railing thereof, is a Limited Common Area of that Unit and is subject to restrictions as set forth elsewhere in this Master Deed.

Reference to areas as Common Areas and Limited Common Areas in this Exhibit "B" will be in addition to and read in conjunction with the further designations to Common Areas and Limited Common Areas set out in other portions of this Master Deed and the survey and floor plans making up the balance of this Exhibit "B". The parking area designated on the as-built survey is a Common Area.

Exhibit "B" is deemed to include the attached certification letter dated August 27, 2002 from Niles Bolton Associates, architects of the above referenced floor plans recorded simultaneously herewith.

3060 Peachtree Road, NW
Suite 600
Atlanta, Georgia 30305
404 365 7600
FAX 404 365 7610
EMAIL nba@nilesbolton.com

August 27, 2002

Brian F. Kernaghan, Esquire
Nexsen Pruet Jacobs Pollard & Robinson, LLP
2411 North Oak Street, Suite 105
Myrtle Beach, SC 29577

Re: **The Bristol Condominiums, Charleston, SC**
NBA #99030.10



Dear Mr. Kernaghan:

This letter is to serve as the Architect's Certification for the above referenced project as requested by you for attachment to the Master Deed.

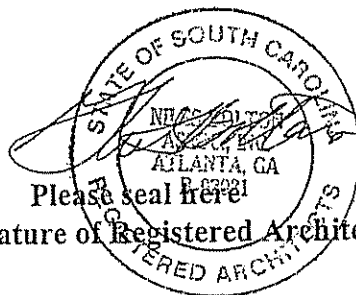
The under signed Architect, registered to practice architecture in the State of South Carolina, certifies that these documents reflect, to the best of the Architect's knowledge, information and belief, the observable and accessible configuration of the structures as designed by the Architect. They show floor plans and elevations of the building, and graphically show the dimensions, area and locations of each condominium therein, with the dimensions, areas and location of the common elements affording access to each condominium.

Please do not hesitate to call with any questions and/or comments.

Sincerely,

NILES BOLTON ASSOCIATES

G. Niles Bolton, AIA

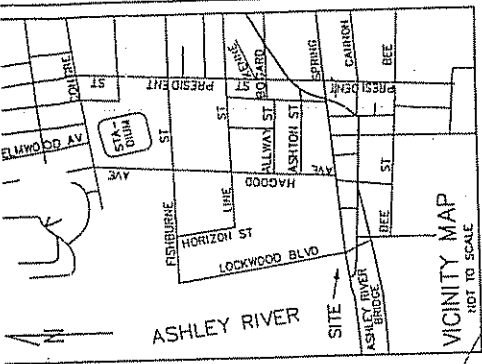


Z:\ADMIN\STUDIO\Bristol Condominium\Kernaghan-01_ltr.wpd

Alexandria,
Virginia
703 836 0915
FAX 703 684 3653

Jose,
California
408 279 5476
FAX 408 297 2995

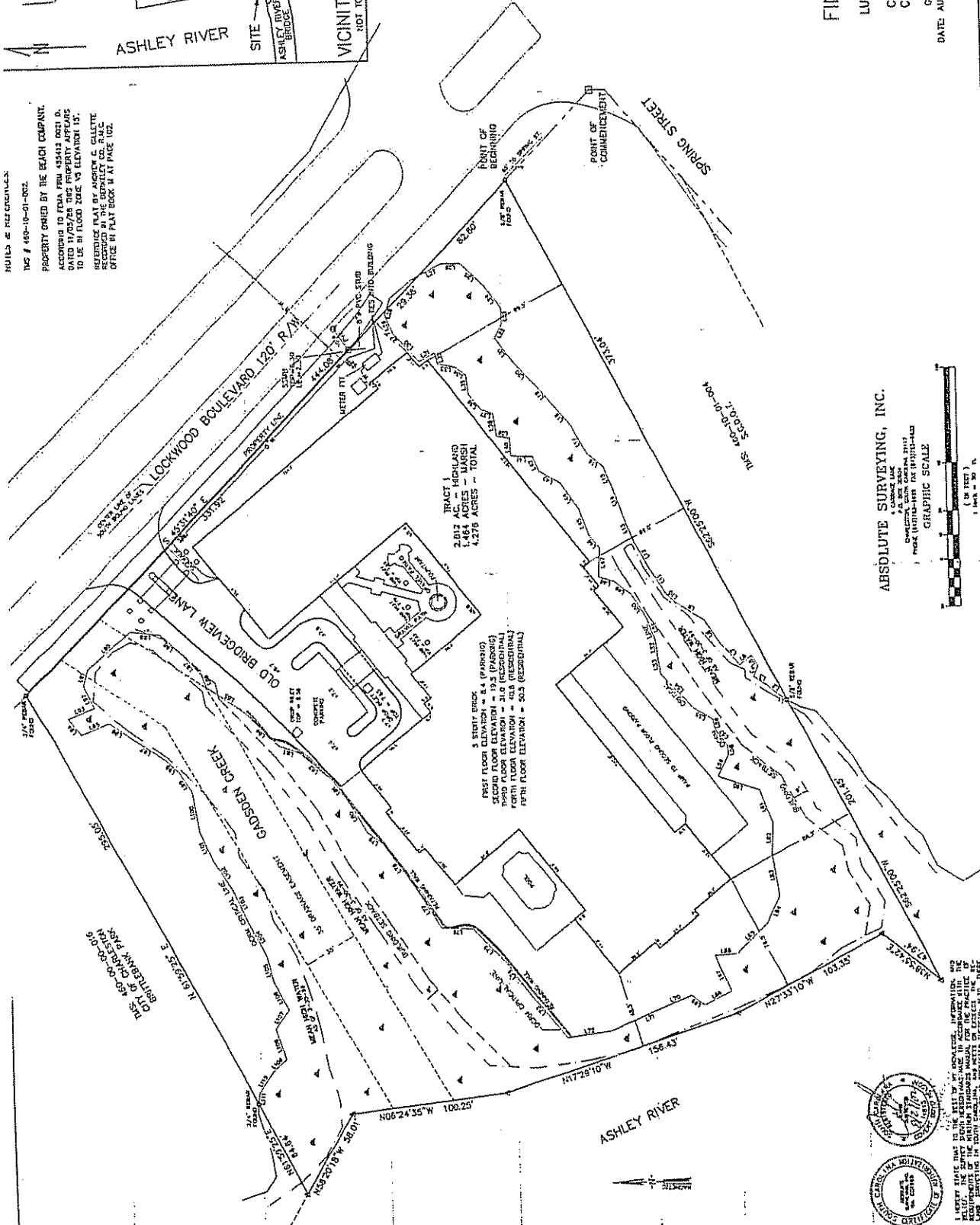
EXHIBIT B - Page iii



FINAL SURVEY
 THE BRISTOL
 LUXURY CONDOMINIUMS
 LOCKWOOD DRIVE
 CITY OF CHARLESTON
 CHARLESTON COUNTY
 PREPARED FOR
 GULFSTREAM CONSTRUCTION

DATE: AUGUST 22, 2002 SCALE: 1" = 30'

NOTES & REFERENCES:
 THIS IS 440-10-01-002.
 PROPERTY OWNED BY THE BEACH COMPANY.
 ACCORDING TO FEMA FIRM 45543 D001 D,
 THE 100-YEAR FLOOD ZONE FOR THIS PROPERTY APPEARS
 TO BE IN FLOOD ZONE VS ELEVATION 15'.
 REVISIONS MADE BY ANDREW C. CALLETTE
 RECORDED IN THE DEEDS BOOK NO. 11111
 OFFICE IN PLAT BOOK II AT PAGE 102.



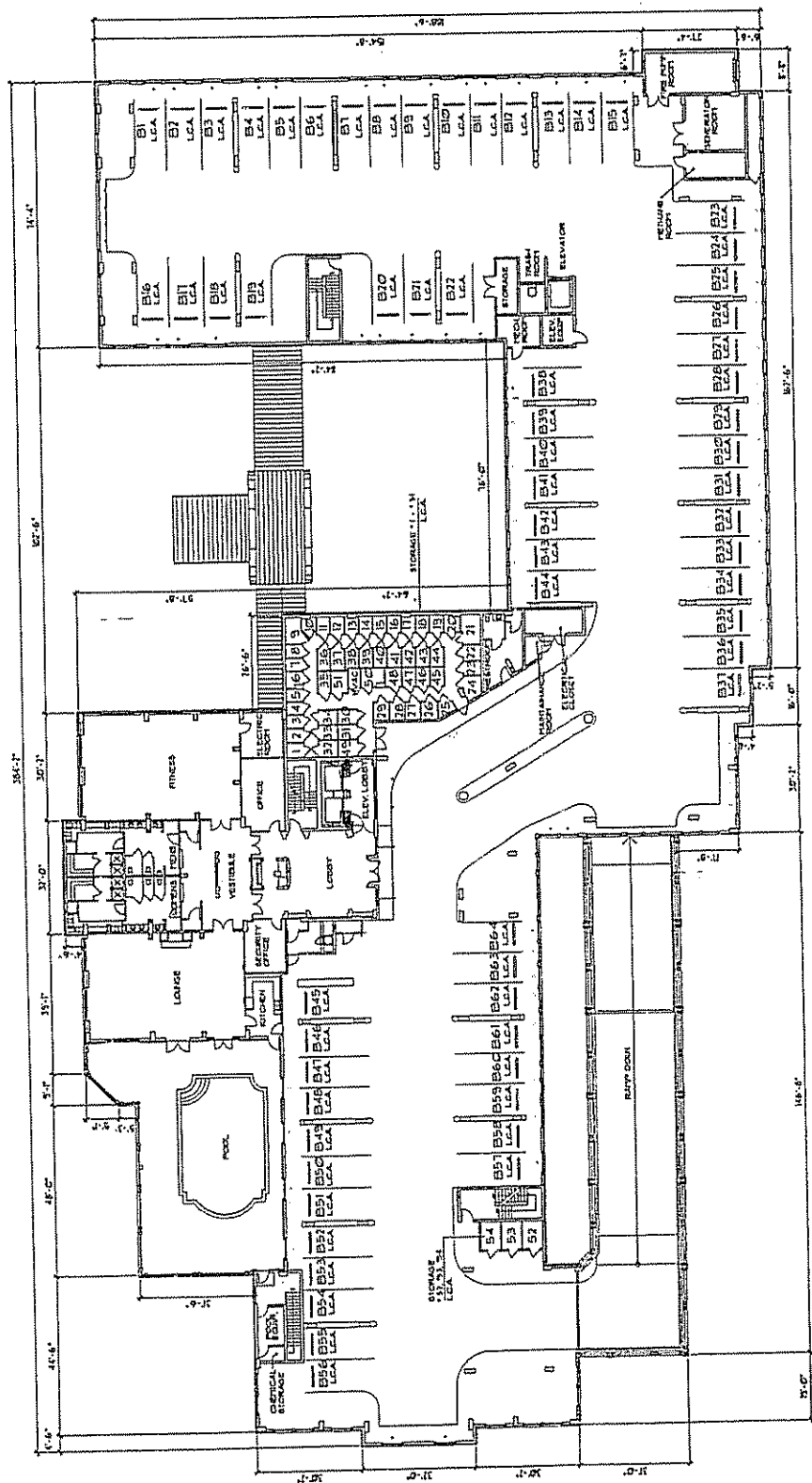
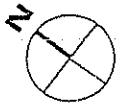
ABSOLUTE SURVEYING, INC.



I HEREBY STATE THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF, THE SURVEYING INSTRUMENTS AND METHODS USED IN THE CONDUCT OF THIS SURVEYING IN THIS STATE AS DESCRIBED IN THIS PLAT, AND THE RESULTS THEREOF, COMPLY WITH THE REQUIREMENTS OF THE PROFESSIONAL SURVEYING ACT AND THE REGULATIONS THEREUNDER, AND I AM NOT PROVIDING ANY OTHER INFORMATION.



LINE	BEARING	DISTANCE	AREA
L1	N 00° 00' 00" E	100.00	100.00
L2	S 00° 00' 00" E	100.00	100.00
L3	S 00° 00' 00" W	100.00	100.00
L4	N 00° 00' 00" W	100.00	100.00
L5	N 00° 00' 00" E	100.00	100.00
L6	S 00° 00' 00" E	100.00	100.00
L7	S 00° 00' 00" W	100.00	100.00
L8	N 00° 00' 00" W	100.00	100.00
L9	N 00° 00' 00" E	100.00	100.00
L10	S 00° 00' 00" E	100.00	100.00
L11	S 00° 00' 00" W	100.00	100.00
L12	N 00° 00' 00" W	100.00	100.00
L13	N 00° 00' 00" E	100.00	100.00
L14	S 00° 00' 00" E	100.00	100.00
L15	S 00° 00' 00" W	100.00	100.00
L16	N 00° 00' 00" W	100.00	100.00
L17	N 00° 00' 00" E	100.00	100.00
L18	S 00° 00' 00" E	100.00	100.00
L19	S 00° 00' 00" W	100.00	100.00
L20	N 00° 00' 00" W	100.00	100.00
L21	N 00° 00' 00" E	100.00	100.00
L22	S 00° 00' 00" E	100.00	100.00
L23	S 00° 00' 00" W	100.00	100.00
L24	N 00° 00' 00" W	100.00	100.00
L25	N 00° 00' 00" E	100.00	100.00
L26	S 00° 00' 00" E	100.00	100.00
L27	S 00° 00' 00" W	100.00	100.00
L28	N 00° 00' 00" W	100.00	100.00
L29	N 00° 00' 00" E	100.00	100.00
L30	S 00° 00' 00" E	100.00	100.00
L31	S 00° 00' 00" W	100.00	100.00
L32	N 00° 00' 00" W	100.00	100.00
L33	N 00° 00' 00" E	100.00	100.00
L34	S 00° 00' 00" E	100.00	100.00
L35	S 00° 00' 00" W	100.00	100.00
L36	N 00° 00' 00" W	100.00	100.00
L37	N 00° 00' 00" E	100.00	100.00
L38	S 00° 00' 00" E	100.00	100.00
L39	S 00° 00' 00" W	100.00	100.00
L40	N 00° 00' 00" W	100.00	100.00
L41	N 00° 00' 00" E	100.00	100.00
L42	S 00° 00' 00" E	100.00	100.00
L43	S 00° 00' 00" W	100.00	100.00
L44	N 00° 00' 00" W	100.00	100.00
L45	N 00° 00' 00" E	100.00	100.00
L46	S 00° 00' 00" E	100.00	100.00
L47	S 00° 00' 00" W	100.00	100.00
L48	N 00° 00' 00" W	100.00	100.00
L49	N 00° 00' 00" E	100.00	100.00
L50	S 00° 00' 00" E	100.00	100.00
L51	S 00° 00' 00" W	100.00	100.00
L52	N 00° 00' 00" W	100.00	100.00
L53	N 00° 00' 00" E	100.00	100.00
L54	S 00° 00' 00" E	100.00	100.00
L55	S 00° 00' 00" W	100.00	100.00
L56	N 00° 00' 00" W	100.00	100.00
L57	N 00° 00' 00" E	100.00	100.00
L58	S 00° 00' 00" E	100.00	100.00
L59	S 00° 00' 00" W	100.00	100.00
L60	N 00° 00' 00" W	100.00	100.00
L61	N 00° 00' 00" E	100.00	100.00
L62	S 00° 00' 00" E	100.00	100.00
L63	S 00° 00' 00" W	100.00	100.00
L64	N 00° 00' 00" W	100.00	100.00
L65	N 00° 00' 00" E	100.00	100.00
L66	S 00° 00' 00" E	100.00	100.00
L67	S 00° 00' 00" W	100.00	100.00
L68	N 00° 00' 00" W	100.00	100.00
L69	N 00° 00' 00" E	100.00	100.00
L70	S 00° 00' 00" E	100.00	100.00
L71	S 00° 00' 00" W	100.00	100.00
L72	N 00° 00' 00" W	100.00	100.00
L73	N 00° 00' 00" E	100.00	100.00
L74	S 00° 00' 00" E	100.00	100.00
L75	S 00° 00' 00" W	100.00	100.00
L76	N 00° 00' 00" W	100.00	100.00
L77	N 00° 00' 00" E	100.00	100.00
L78	S 00° 00' 00" E	100.00	100.00
L79	S 00° 00' 00" W	100.00	100.00
L80	N 00° 00' 00" W	100.00	100.00
L81	N 00° 00' 00" E	100.00	100.00
L82	S 00° 00' 00" E	100.00	100.00
L83	S 00° 00' 00" W	100.00	100.00
L84	N 00° 00' 00" W	100.00	100.00
L85	N 00° 00' 00" E	100.00	100.00
L86	S 00° 00' 00" E	100.00	100.00
L87	S 00° 00' 00" W	100.00	100.00
L88	N 00° 00' 00" W	100.00	100.00
L89	N 00° 00' 00" E	100.00	100.00
L90	S 00° 00' 00" E	100.00	100.00
L91	S 00° 00' 00" W	100.00	100.00
L92	N 00° 00' 00" W	100.00	100.00
L93	N 00° 00' 00" E	100.00	100.00
L94	S 00° 00' 00" E	100.00	100.00
L95	S 00° 00' 00" W	100.00	100.00
L96	N 00° 00' 00" W	100.00	100.00
L97	N 00° 00' 00" E	100.00	100.00
L98	S 00° 00' 00" E	100.00	100.00
L99	S 00° 00' 00" W	100.00	100.00
L100	N 00° 00' 00" W	100.00	100.00



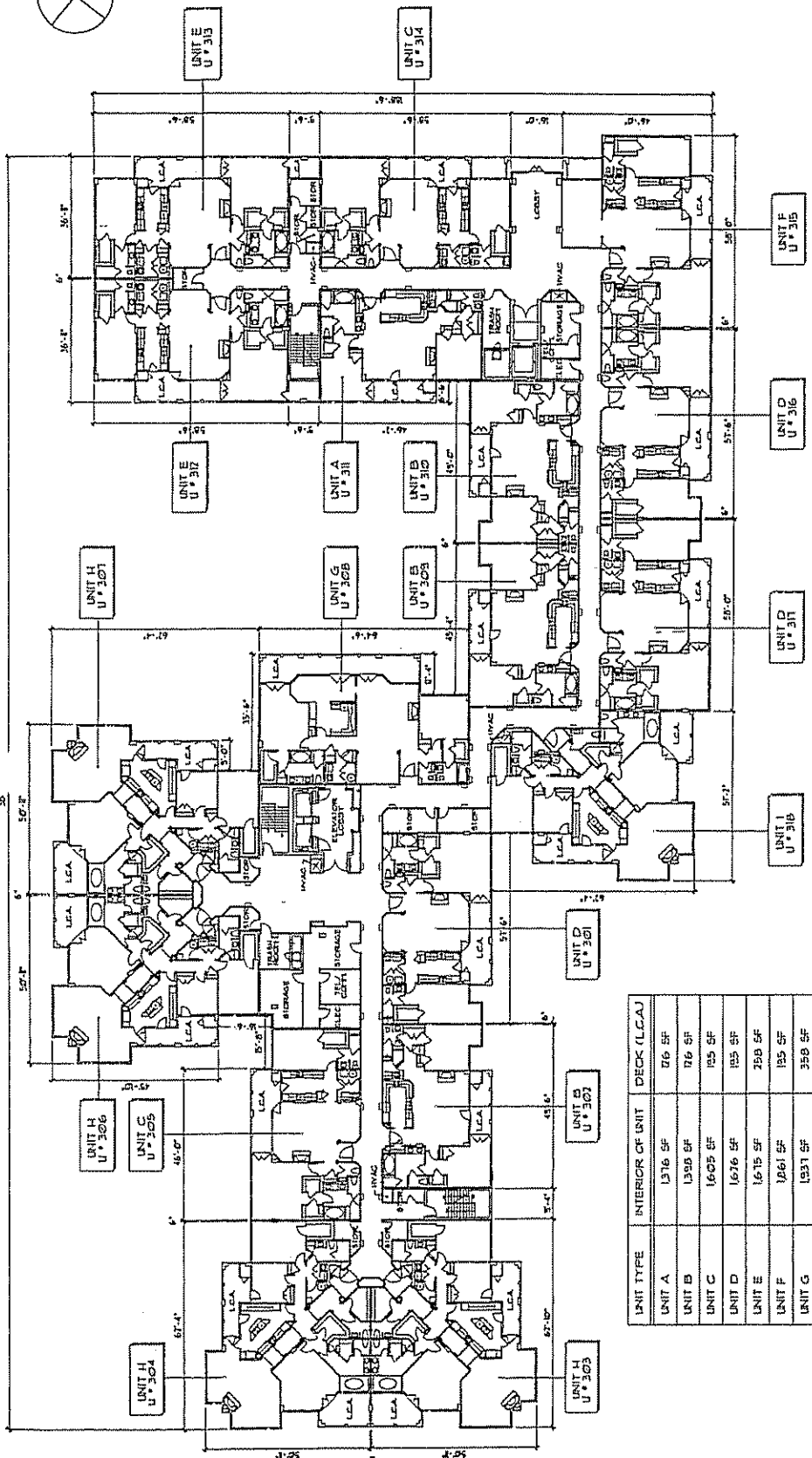
SECOND LEVEL PLAN

Scale: 1" = 40'-0"

BRISTOL HORIZONTAL PROPERTY REGIME

THIS FLOOR PLAN AND THE DIMENSIONS AND SQUARE FOOTAGE CALCULATIONS SHOWN THEREIN ARE ONLY APPROXIMATIONS. ANY UNIT OWNER WHO IS CONCERNED ABOUT ANY REPRESENTATIONS REGARDING THE ACCURACY OF THE DIMENSIONS, SQUARE FOOTAGE, OR UNIT IDENTIFICATION AND NUMBER, SHOULD CONSULT THE ARCHITECT'S OFFICE FOR FURTHER INFORMATION.

UNIT IDENTIFICATION AND NUMBER CORRELATIONS MAY VARY BASED ON UNIT REVISIONS.



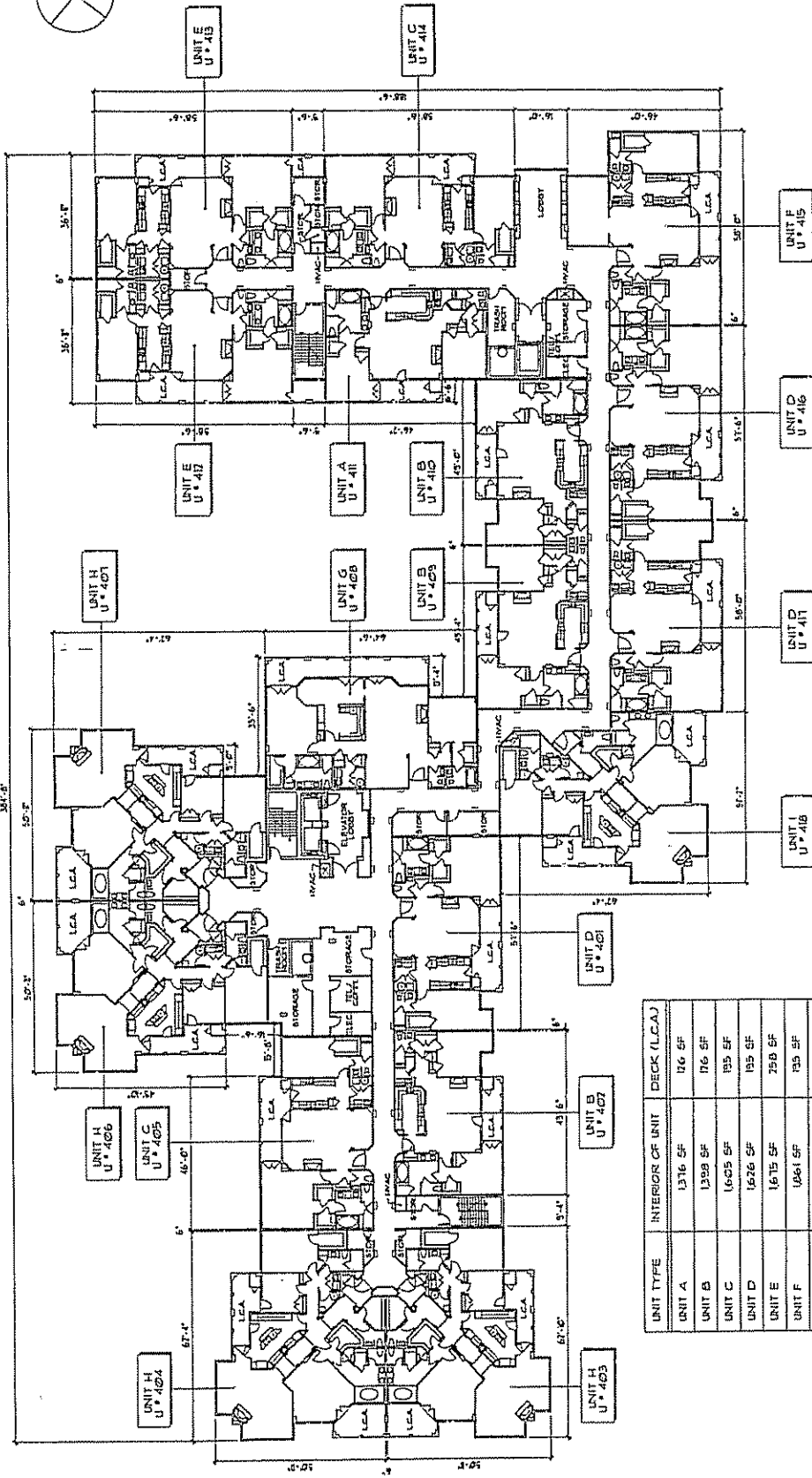
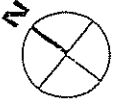
THIRD LEVEL PLAN

Scale: 1" = 40'-0"

UNIT TYPE	INTERIOR OF UNIT	DECK (LCA)
UNIT A	1376 SF	76 SF
UNIT B	1398 SF	76 SF
UNIT C	1605 SF	125 SF
UNIT D	1676 SF	125 SF
UNIT E	1675 SF	258 SF
UNIT F	1261 SF	125 SF
UNIT G	1931 SF	358 SF
UNIT H	2213 SF	300 SF
UNIT I	2125 SF	303 SF

THIS FLOOR PLAN AND THE DIMENSIONS AND SQUARE FOOTAGE CALCULATIONS SHOWN THEREIN ARE ONLY APPROXIMATIONS. ANY UNIT OR FLOOR PLANS SHOULD BE REVERSED OR INVESTIGATED AS TO THE DIMENSIONS, HEIGHTS, AND SQUARE FOOTAGE OF THE UNIT. REFER TO LAYOUT AND WORKING COORDINATIONS FOR UNIT BASED ON UNIT LOCATIONS.

BRISTOL HORIZONTAL PROPERTY REGIME



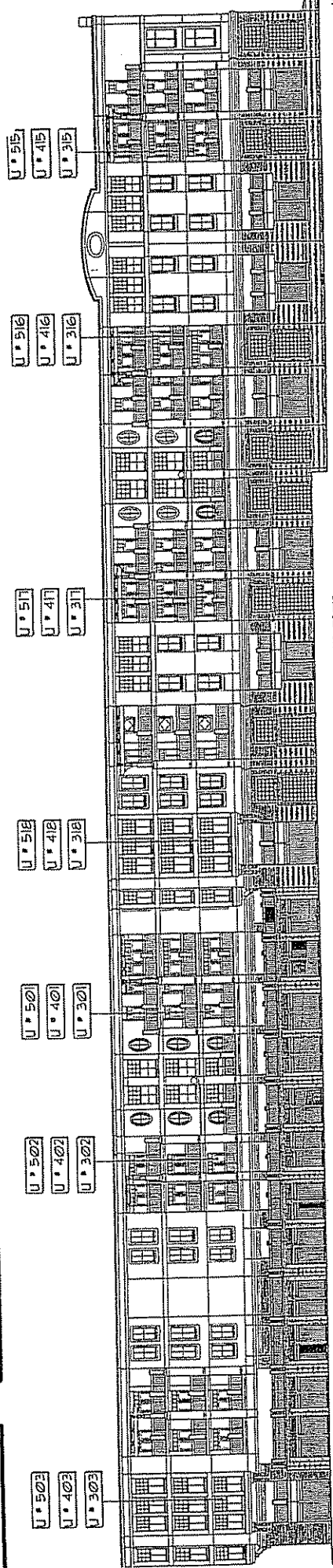
UNIT TYPE	INTERIOR OF UNIT	DECK (L.C.A.)
UNIT A	1376 SF	176 SF
UNIT B	1398 SF	176 SF
UNIT C	1605 SF	195 SF
UNIT D	1626 SF	195 SF
UNIT E	1675 SF	258 SF
UNIT F	1861 SF	195 SF
UNIT G	1931 SF	358 SF
UNIT H	2713 SF	300 SF
UNIT I	2795 SF	303 SF

THIS FLOOR PLAN AND THE DIMENSIONS AND SQUARE FOOTAGE CALCULATIONS CONTAINED HEREIN ARE THE PROPERTY OF BRISTOL. THIS FLOOR PLAN IS FOR INFORMATION ONLY AND IS NOT TO BE USED FOR DESIGN, CONSTRUCTION, OR ANY OTHER PURPOSE. DIMENSIONS, WEIGHTS, AND SQUARE FOOTAGE OF THE UNIT, INTERIOR LAYOUT AND WINDOW CONFIGURATION MAY VARY BASED ON UNIT LOCATION.

FOURTH LEVEL PLAN

Scale: 1" = 40'-0"

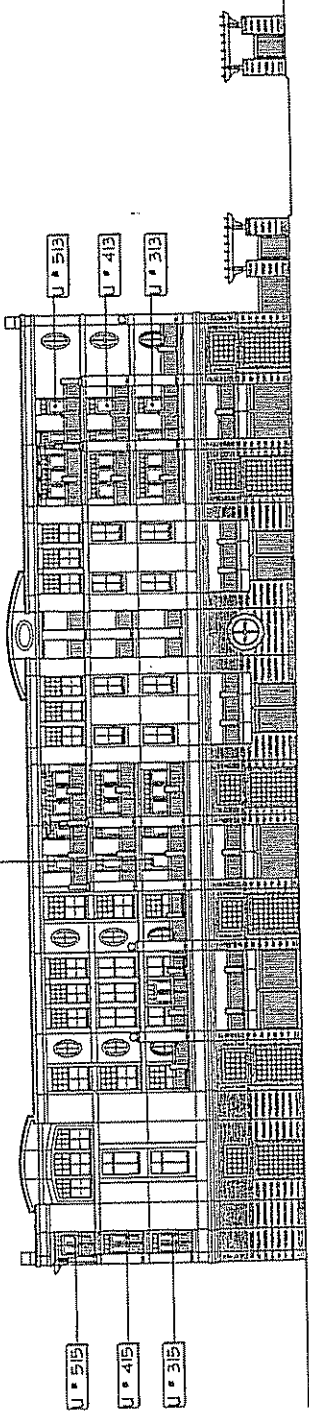
BRISTOL HORIZONTAL PROPERTY REGIME



SOUTH EAST ELEVATION

Scale: 1" = 40'-0"

U * 514
U * 414
U * 314

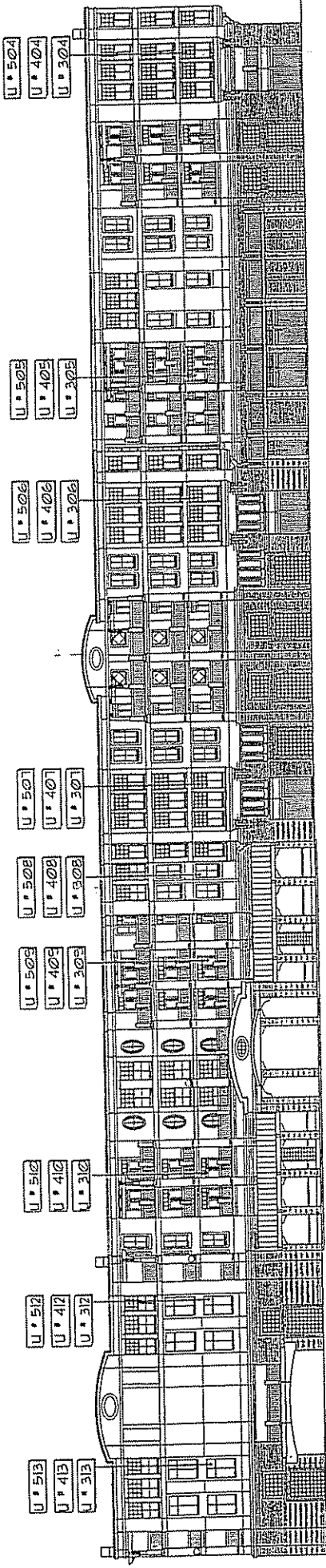


NORTH EAST ELEVATION

Scale: 1" = 40'-0"

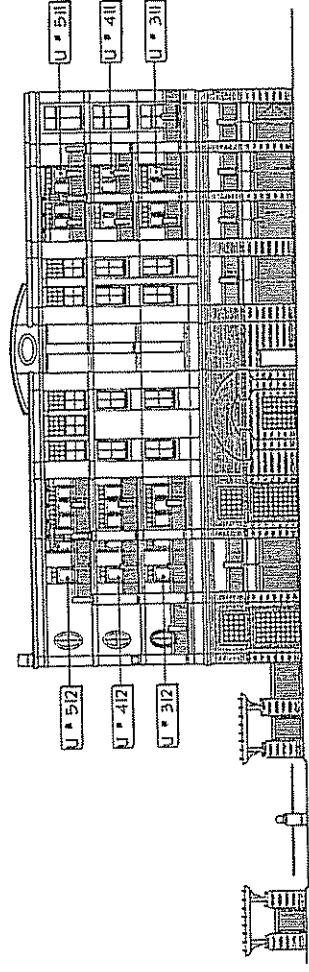
THIS IS DONE BY THIS ARCHITECTURE FIRM SQUARE FOOTAGE CALCULATIONS CONTAIN NEARLY ALL APPROXIMATIONS. ANY SET OWNER WHO IS CONCERNED ABOUT ANY REPRESENTATIONS REGARDING SQUARE FOOTAGE SHOULD CONSULT WITH THE ARCHITECT FOR A MORE DETAILED AND ACCURATE SQUARE FOOTAGE OF THE UNIT. INTERPOLATED AND VISUAL CORRECTIONS MAY VARY BASED ON UNIT TECHNIQUE.

BRISTOL HORIZONTAL PROPERTY REGIME



NORTH WEST ELEVATION

Scale: 1" = 40'-0"

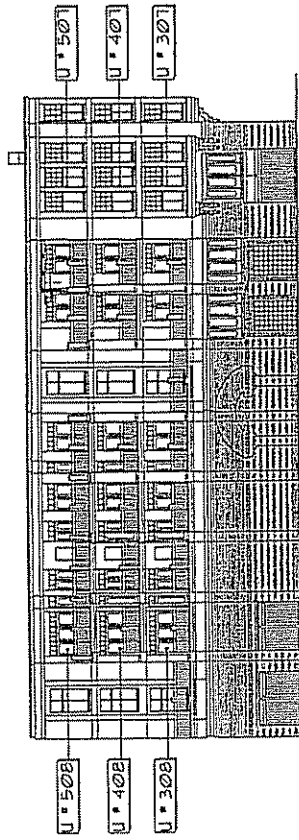


SOUTH WEST COURTYARD ELEVATION

Scale: 1" = 40'-0"

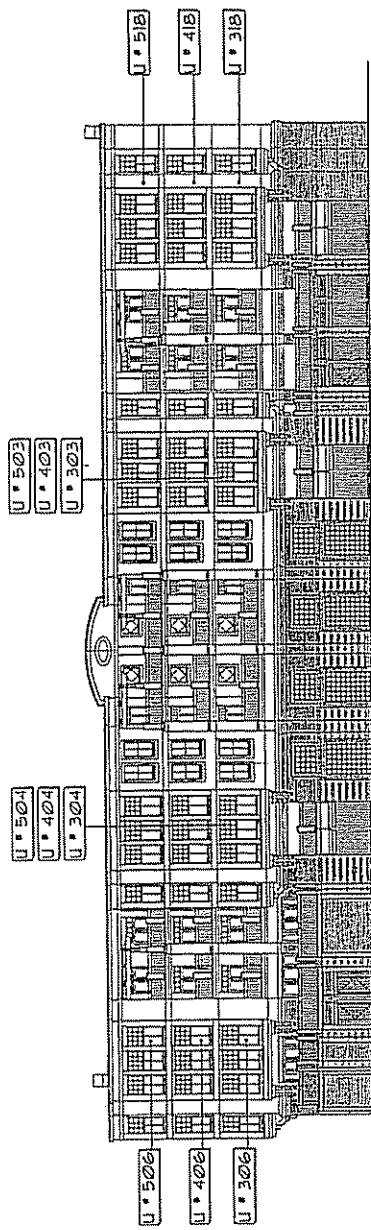
THIS FLOOR PLAN AND THE DIMENSIONS AND SQUARE FOOTAGE CALCULATIONS SHOWN HEREIN ARE ONLY APPROXIMATIONS. ACCORDING TO THE FLOOR PLAN SHOWN AND THE DIMENSIONS AND SQUARE FOOTAGE CALCULATIONS, DIMENSIONS, AND SQUARE FOOTAGE OF THE UNIT. INTERIOR LAYOUT AND VISION COEFFICIENTS MAY VARY BASED ON UNIT LOCATIONS.

BRISTOL HORIZONTAL PROPERTY REGIME



NORTH EAST COURTYARD ELEVATION

Scale: 1" = 40'-0"



SOUTH WEST ELEVATION

Scale: 1" = 40'-0"

BRISTOL HORIZONTAL PROPERTY REGIME

THIS FLOOR PLAN AND THE DIMENSIONS AND SQUARE FOOTAGE ARE FOR INFORMATION ONLY. THE ARCHITECT HAS CONDUCTED VISUAL GENERAL VERIFICATION ONLY. THIS FLOOR PLAN SHOULD NOT BE USED FOR ANY INVESTIGATION AS TO THE PHYSICAL DIMENSIONS, AND SQUARE FOOTAGE OF THE UNIT. PREVIOUS LAYOUT AND VOLUME CONSTRUCTION MAY VARY BASED ON SITE CONDITIONS.

Exhibit "C"

Schedule of Assigned Values, Percentage Interests, Storage Space and Parking Spaces for Each Unit

This is a schedule of Assigned Values and Percentage Interests in the Common Areas appurtenant to Units in the Bristol Horizontal Property Regime. This Schedule also set forth the assigned storage and parking spaces' Limited Common Areas appurtenant to each Unit. The Assigned Value is for statutory purposes only and has no relationship to the actual value of each Unit.

The Bristol							
Unit Number by Architect's Floor Plan	Unit Number by Regime Address ¹	Statutory Value	Statutory Percentage	Assigned Storage Space LCA	Assigned Parking Spaces LCA		Architectural Type
301	3001	\$2,000	1.85185%	38	A36	A35	D -- The Devonshire
302	3002	\$2,000	1.85185%	39	A24	A25	B -- The Buckingham
303	3003	\$2,000	1.85185%	40	A67	A68	H -- The Hampton
304	3004	\$2,000	1.85185%	43	A69	A70	H -- The Hampton
305	3005	\$2,000	1.85185%	42	A71	A72	C -- The Canterbury
306	3006	\$2,000	1.85185%	41	A73	A74	H -- The Hampton
307	3007	\$2,000	1.85185%	46	A43	A44	H -- The Hampton
308	3008	\$2,000	1.85185%	45	A41	A42	G -- The Greenwich
309	3009	\$2,000	1.85185%	44	A32	A33	B -- The Buckingham
310	3010	\$2,000	1.85185%	1	A30	A31	B -- The Buckingham
311	3011	\$2,000	1.85185%	2	A12	A13	A -- The Aberdeen
312	3012	\$2,000	1.85185%	3	A3	A4	E -- The Essex
313	3013	\$2,000	1.85185%	4	A5	A6	E -- The Essex
314	3014	\$2,000	1.85185%	5	A7	A8	C -- The Canterbury
315	3015	\$2,000	1.85185%	6	A9	A10	F -- The Faversham
316	3016	\$2,000	1.85185%	7	A14	A15	D -- The Devonshire
317	3017	\$2,000	1.85185%	9	A16	A17	D -- The Devonshire
318	3018	\$2,000	1.85185%	10	A47	A48	I - The Inverness
401	4001	\$2,000	1.85185%	47	B55	B54	D -- The Devonshire
402	4002	\$2,000	1.85185%	48	B53	B52	B -- The Buckingham
403	4003	\$2,000	1.85185%	49	B51	B50	H -- The Hampton
404	4004	\$2,000	1.85185%	4	B49	B48	H -- The Hampton
405	4005	\$2,000	1.85185%	27	A58	A57	C -- The Canterbury
406	4006	\$2,000	1.85185%	28	A56	A55	H -- The Hampton
407	4007	\$2,000	1.85185%	29	A54	A53	H -- The Hampton
408	4008	\$2,000	1.85185%	30	A52	A51	G -- The Greenwich

¹ Old Bridgeview Lane, Charleston, South Carolina 29403

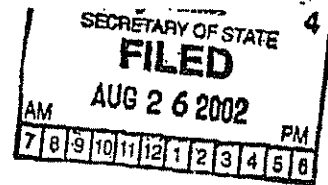
The Bristol							
Unit Number by Architect's Floor Plan	Unit Number by Regime Address ¹	Statutory Value	Statutory Percentage	Assigned Storage Space LCA	Assigned Parking Spaces LCA		Architectural Type
409	4009	\$2,000	1.85185%	31	B23	B24	B -- The Buckingham
410	4010	\$2,000	1.85185%	32	B15	B23	B -- The Buckingham
411	4011	\$2,000	1.85185%	33	B24	B25	A -- The Aberdeen
412	4012	\$2,000	1.85185%	19	B26	B29	E -- The Essex
413	4013	\$2,000	1.85185%	20	B30	B31	E -- The Essex
414	4014	\$2,000	1.85185%	21	B32	B33	C -- The Canterbury
415	4015	\$2,000	1.85185%	22	A18	A19	F -- The Faversham
416	4016	\$2,000	1.85185%	23	A20	A21	D -- The Devonshire
417	4017	\$2,000	1.85185%	24	A22	A23	D -- The Devonshire
418	4018	\$2,000	1.85185%	25	A49	A50	I - The Inverness
501	5001	\$2,000	1.85185%	51	B58	B59	D -- The Devonshire
502	5002	\$2,000	1.85185%	52	B60	B61	B -- The Buckingham
503	5003	\$2,000	1.85185%	53	B62	B63	H -- The Hampton
504	5004	\$2,000	1.85185%	54	B64	B65	H -- The Hampton
505	5005	\$2,000	1.85185%	18	B46	B47	C -- The Canterbury
506	5006	\$2,000	1.85185%	12	B45	B44	H -- The Hampton
507	5007	\$2,000	1.85185%	16	B43	B42	H -- The Hampton
508	5008	\$2,000	1.85185%	15	B36	B37	G -- The Greenwich
509	5009	\$2,000	1.85185%	14	B14	B13	B -- The Buckingham
510	5010	\$2,000	1.85185%	34	B40	B39	B -- The Buckingham
511	5011	\$2,000	1.85185%	26	B11	B12	A -- The Aberdeen
512	5012	\$2,000	1.85185%	8	B21	B20	E -- The Essex
513	5013	\$2,000	1.85185%	13	B19	B18	E -- The Essex
514	5014	\$2,000	1.85185%	12	B3	B4	C -- The Canterbury
515	5015	\$2,000	1.85185%	11	B5	B6	F -- The Faversham
516	5016	\$2,000	1.85185%	35	B7	B8	D -- The Devonshire
517	5017	\$2,000	1.85185%	36	B9	B10	D -- The Devonshire
518	5018	\$2,000	1.85185%	37	B35	B34	I - The Inverness
		\$108,000	99.99990%				

¹ Old Bridgeview Lane, Charleston, South Carolina 29403

Exhibit "D"

Articles of Incorporation

Attached Hereto



STATE OF SOUTH CAROLINA
SECRETARY OF STATE
JIM MILES
NONPROFIT CORPORATION
ARTICLES OF INCORPORATION

- 1. The name of the nonprofit corporation is Bristol Condominium Property Owners' Association
2. The initial registered office of the nonprofit corporation is 211 King Street, Suite 200
Street & Number,

Charleston Charleston S.C. 29401
City, County, State, Zip Code

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

John Darby

- 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. [x] The nonprofit corporation is a mutual benefit corporation.

CERTIFIED TO BE A TRUE AND CORRECT COPY
AS TAKEN FROM AND COMPARED WITH THE
ORIGINAL ON FILE IN THIS OFFICE

AUG 26 2002

- 4. Check (a) or (b), whichever is applicable:

- a. [x] This corporation will have members.
b. [] This corporation will not have members.

Jim Miles
SECRETARY OF STATE OF SOUTH CAROLINA

- 5. The address of the principal office of the nonprofit corporation is 211 King St., Suite 200
Street & Address,

Charleston Charleston S.C. 29401
City, County, State, Zip Code

- 6. If this nonprofit corporation is either a public benefit or religious corporation (box a. or b. of 3. is checked), 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 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.

b. Upon dissolution of the corporation, consistent with law, the remaining assets of the corporation shall be distributed to: _____

7. If the corporation is a mutual benefit corporation (box "c" of 3 is checked), 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 benefitting or serving.

b. Upon dissolution of the mutual benefit corporation the [remaining] assets, consistent with 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 § 33-31-202(c) of the 1976 South Carolina Code, the applicable comments thereto, and the instructions to this form):

a. **Capitalized Words.** The use of capitalized words herein shall have the meanings attributed to them in the Master Deed of The Bristol Horizontal Property Regime, hereinafter the "Master Deed," recorded or to be recorded in the Office of Register of Mesne Conveyances for Charleston County, South Carolina.

b. **Purpose.** This Association does not contemplate pecuniary gain or profit, and the specific, primary purposes for which it is formed are to provide for management, administration, maintenance and preservation of The Bristol Horizontal Property regime and the Common Areas thereof, all according to the Master Deed. No part of the net earnings of the Association shall inure to the benefit of any person, other than for acquiring, constructing, or providing management, maintenance, and care of Association property, and other than by a rebate of excess Association fees and assessments, if any.

c. **Right to Appoint Directors and Officers.** The Developer under the Master Deed shall have the right to appoint or remove any member or members of the Board of Directors or any officer or officers of the Association until such time as the first of the following dates: (i) December 31, 2008; (ii) three (3) months after the conveyance by the Developer, in the ordinary course of business to persons other than a successor Developer, of forty-nine (49) Units; (iii) or three (3) months following the date the Developer surrenders its authority to appoint directors of the Association by an express amendment to the Master Deed executed and filed in the Office of Register of Mesne Conveyances for Charleston County, South Carolina by the Developer.

d. **Membership.** Every person or entity who is a record owner of a fee or undivided fee interest in a Unit which is subject to the Master Deed (including the Developer) shall be a member of the Association. Until the expiration of the Developer's right to appoint directors and officers of the Association pursuant to subparagraph c of this 8, the Developer, and its

successors and assigns, other than as an owner of a Unit, shall be a member of the Association. The membership of each owner of a Unit shall be appurtenant to and may not be separated from ownership of the Unit and ownership of a Unit shall be the sole qualification for such membership. In the event that fee title to a Unit is transferred or otherwise conveyed, the membership in the Association that is appurtenant thereto shall automatically pass to such transferee, notwithstanding any failure of the transferor to endorse to his transferee any certificates or other evidences of such membership. Any person or entity who holds an interest in a Unit merely as security for the performance of an obligation shall not be a member of this Association.

e. Voting Rights. The Association shall have two (2) classes of voting membership. Members are divided into classes for the sole purpose of computing voting rights and shall not vote as a class.

Class A. Class A members of the Association shall be all owners of Units (including the Developer). A Type A Member shall be entitled to one (1) vote for each Unit owned. When more than one (1) person holds an interest in any Unit, all such persons shall be Members. The vote for such Unit shall be exercised as they among themselves determine as provided in the Master Deed, but in no event shall more than one (1) vote be cast with respect to any Unit.

Class B The Type B member shall be the Developer or its designated assign, in its capacity other than as an Owner of a Unit. The Type B member shall be entitled to three (3) votes for each vote held by Type A members, plus one (1) vote, until the expiration of the Developer's right to appoint directors and officers of the Association pursuant to subparagraph c of this 8. Thereafter, the Type B member shall exercise votes only as to its Type A memberships.

9. The name and address (with zip code) of each incorporator is as follows (only one is required):

Name	Address (with zip code)
<u>Brian F. Kernaghan</u>	<u>2411 N. Oak Street, Suite 105, Myrtle Beach, SC 29577</u>

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

Signature of director _____
(only if named in articles)

Signature of director _____
(only if named in articles)

Signature of director _____
(only if named in articles)

11. Each incorporator must sign the articles.

Brian F. Kernaghan
Signature of incorporator Brian F. Kernaghan

STATE OF SOUTH CAROLINA
SOUTH CAROLINA TAX COMMISSION
INITIAL ANNUAL REPORT OF CORPORATIONS

CL-1
(Rev. 7/91)
3134

File Number _____ ENDING PERIOD _____
Month _____ Year _____
FILE THIS RETURN WITH ARTICLES OF INCORPORATION OR APPLICATION FOR AUTHORITY TO DO BUSINESS.

NAME OF CORPORATION BRISTOL CONDOMINIUM PROPERTY OWNERS' ASSOCIATION		
ADDRESS OF CORPORATION (NUMBER AND STREET) 211 KING STREET, SUITE 300		
CITY AND STATE CHARLESTON, SOUTH CAROLINA	ZIP 29576	COUNTY CHARLESTON
Date "Application for Charter" filed with Secretary of State AUG 26 2002		
Date of "Request for authority to do business in this state" (Foreign Corp.) <u>N/A</u>		
IRS Employer Identification Number	Applied For	Business Code
1. State of Incorporation: South Carolina		
2. Nature of principal business in South Carolina: Property Owners' Association		
3. Location of registered office of the corporation in the state of South Carolina is <u>211 King Street, Suite 300</u> the city of <u>Charleston</u> Registered agent at such address is <u>John Darby</u>		
4. Location of principal office in South Carolina (street, city and county): <u>above address</u>		
5. Date business commenced in South Carolina: Date of Incorporation _____ Telephone: 843-722-2615		
6. The corporation's books are in care of <u>John Darby</u> located at <u>211 King Street, Suite 300, Charleston, SC 29401</u>		
7. Indicate date corporation closes its books: To Be Determined		
8. If a professional corporation are all shareholders, one-half of the directors (or individuals functioning as directors) and all officers (other than the secretary and treasurer) qualified to practice the professional services engaged in by the corporation?		
9. The names and business addresses of the directors (or individuals functioning as directors) and principal officers in the corporation are:		
Name	Business Address and Office	
Timothy Walter	211 King Street, Suite 300, Charleston, SC 29401	Director, President
J. Glenn Hollis	"	Director, Vice President
J. Patrick McDermott	"	Director, Secretary/Treasurer
10. The total number of authorized shares of capital stock itemized by class and series, if any, within each class is as follows:		
<u>Number of Shares</u>	<u>Class</u>	<u>Series</u>
0	N/A	
11. The total number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class is as follows:		
<u>Number of Shares</u>	<u>Class</u>	<u>Series</u>
0	N/A	
1. Fee due with this report	▶ 1. _____	25 00
2. Interest due	▶ 2. _____	
3. Penalty due	▶ 3. _____	
4. Total - Fee, Interest and Penalty (make remittance payable to SC Tax Commission)	▶ 4. _____	25 00

AFFIDAVIT

I, the undersigned, principal of the corporation for which this return is made, declare that this return including accompanying statements and schedules, has been examined by me and is to the best of my knowledge and belief a true and complete return made in good faith

THIS RETURN PREPARED BY: **Brian F. Kernaghan**

Brian F. Kernaghan
DATE: **August 23, 2002**

Brian F. Kernaghan
Brian F. Kernaghan - Incorporator

Exhibit "E"

By-Laws of the Association

Attached Hereto

BYLAWS OF
BRISTOL CONDOMINIUM PROPERTY OWNERS' ASSOCIATION

ARTICLE I

NAME AND LOCATION

1.1 Name and Location. The name of the corporation is BRISTOL CONDOMINIUM PROPERTY OWNERS' ASSOCIATION, hereinafter referred to as the "Association." The principal office of the Association shall be located at the Project, or at such other place as may be designated by the Board.

ARTICLE II

DEFINITIONS

2.1 Incorporation. The definitions contained in the Master Deed are incorporated by reference herein.

(a) The Master Deed. "Master Deed" shall mean and refer to the Master Deed Of Bristol Horizontal Property Regime recorded in the Office of Register of Mesne Conveyances for Charleston County, South Carolina, and subsequent amendments thereto.

ARTICLE III

MEETING OF MEMBERS AND VOTING

3.1 Annual Meeting. The first meeting of the Members, whether an annual or a special meeting, shall be held on such day and at such time as the Board, upon majority vote, shall determine and which shall occur not more than twelve (12) months following the date of the close of the sale of the first Unit in the Regime. Subsequent annual meetings of the Members shall be held thereafter at an hour and place within thirty (30) days of the same month and day of such first meeting, as set by the Board.

3.2 Special Meetings. Special meetings of the Members shall be promptly scheduled at any time by the Board upon vote of a majority of the Board of Directors or upon written request of the President. A special meeting of the Members shall be called upon written demand delivered to the Secretary by the Members representing five percent (5%) of the total voting power of the Association, notice of which shall be by written notice to all Members within thirty (30) days of the Secretary's receipt of the demand. For purposes of determining the five percent (5%), the record date shall be thirty (30) days before delivery of the written demand. Upon the failure of the Association to send notice of a special meeting within thirty (30) days following delivery of written demand as aforesaid, any Member signing the demand may set the time and place of the special meeting and give notice thereof to all Members in accordance with the Nonprofit Corporation Act.

3.3 Notice and Place of Meetings. Unless otherwise provided in the Master Deed, the Articles of Incorporation, in these By-Laws, or in the Nonprofit Corporation Act, written notice of each meeting of the Members, annual or special, shall be given by, or at the direction of, the Secretary, by mailing a copy of such notice, first class mail, postage prepaid, at least thirty (30) but not more than sixty (60) days before such meeting to each Member, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. In the case of written demand of Members representing five percent of the total voting power of the (5%) Association, written notice of such meeting shall be given not more than thirty (30) days after written demand is delivered to the Association. Such notice shall

specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting, and shall provide for voting by proxy. If action is proposed to be taken at any meeting for approval for any of the following proposals, the notice shall also state the general nature of the proposal: (a) removing a Director without cause; (b) filling vacancies in the Board of Directors by the Members; or (c) amending the Articles of Incorporation. Meetings shall be held within the Project or at a meeting place within the same county, as close to the Project as possible.

Notice of a meeting of Members need not be given to any Member who signs a waiver of notice, in person or by proxy, either before or after the meeting. The waiver must be delivered to the Association for inclusion in the minutes or filing with the corporate records. Attendance of a Member at a meeting, in person or by proxy, shall of itself constitute waiver of notice, except when the Member attends a meeting solely for the purpose of stating his objection, at the beginning of the meeting, to the transaction of any business on the ground that the meeting is not lawfully called or convened. Objection by a Member shall be effective only if written objection to the holding of the meeting or to any specific action so taken is filed with the Secretary of the Association.

3.4 Quorum. Unless otherwise provided herein, in the Master Deed, the Articles of Incorporation, or the Nonprofit Corporation Act, the presence of Members representing one-third (a) of the votes of all Members, in person or by proxy, shall constitute a quorum for the transaction of business. The Members present at a duly called or held meeting at which a quorum of one-third (a) of the votes of all Members is present may continue to do business until adjournment, notwithstanding the withdrawal from the meeting of enough Members to leave less than such required quorum, provided that Members representing twenty percent (20%) of the total votes of the Association remain present in person and/or by proxy, and provided further that any action taken shall be approved by a majority of the Members required to constitute such quorum. If the required quorum is not present, another meeting may be called, not less than ten (10) nor more than sixty (60) days following the first meeting, and the required quorum at the subsequent meeting shall be the Members present, in person or by proxy, and entitled to vote. Unless otherwise provided, any reference hereafter to "votes cast" at a duly called meeting shall be construed to be subject to the quorum requirements established by this Section 3.4. If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to Members in the manner prescribed in Section 3.3.

3.5 Ballots and Representative Voting.

(a) Written Ballots. Any vote of Members on a matter that would be cast at an annual, regular or special meeting may be taken, without a meeting, by written ballot delivered to every Member by the Association. The ballot shall set forth the matter to be voted upon and provide thereon a place to vote for or against such matter. Approval by written ballot without a meeting shall be effective only when the number of votes cast by ballot equals or exceeds the quorum required to be present had the matter been considered at a meeting, and the number voting for the matter equals or exceeds the number of votes required to approve it had the matter been considered at a meeting at which the requisite quorum is present. A solicitation of votes by ballot shall (1) indicate the record date for Members eligible to vote; (2) indicate the number of returned ballots voting for or against the matter that is required to satisfy the quorum requirement; (3) state the required number of votes or percentage voting in favor of the matter required to approve it (except in the case of election of directors, which shall be by plurality); and (4) state the date and time by which a Member's completed ballot must be received by the Secretary in order to be counted in the vote to be taken. A ballot, once delivered to the Secretary, may not be revoked. A Member's signed ballot shall be delivered to the Secretary by hand delivery, by U.S. mail, or by such other means as shall be permitted under South Carolina law, including, but not limited to and if allowed, overnight courier service, facsimile and e-mail transmission, internet form submission, or by any other technology or medium, now existing or hereafter devised, provided in every such case the sender retains proof of transmission and receipt.

specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting, and shall provide for voting by proxy. If action is proposed to be taken at any meeting for approval for any of the following proposals, the notice shall also state the general nature of the proposal: (a) removing a Director without cause; (b) filling vacancies in the Board of Directors by the Members; or (c) amending the Articles of Incorporation. Meetings shall be held within the Project or at a meeting place within the same county, as close to the Project as possible.

Notice of a meeting of Members need not be given to any Member who signs a waiver of notice, in person or by proxy, either before or after the meeting. The waiver must be delivered to the Association for inclusion in the minutes or filing with the corporate records. Attendance of a Member at a meeting, in person or by proxy, shall of itself constitute waiver of notice, except when the Member attends a meeting solely for the purpose of stating his objection, at the beginning of the meeting, to the transaction of any business on the ground that the meeting is not lawfully called or convened. Objection by a Member shall be effective only if written objection to the holding of the meeting or to any specific action so taken is filed with the Secretary of the Association.

3.4 Quorum. Unless otherwise provided herein, in the Master Deed, the Articles of Incorporation, or the Nonprofit Corporation Act, the presence of Members representing one-third (a) of the votes of all Members, in person or by proxy, shall constitute a quorum for the transaction of business. The Members present at a duly called or held meeting at which a quorum of one-third (a) of the votes of all Members is present may continue to do business until adjournment, notwithstanding the withdrawal from the meeting of enough Members to leave less than such required quorum, provided that Members representing twenty percent (20%) of the total votes of the Association remain present in person and/or by proxy, and provided further that any action taken shall be approved by a majority of the Members required to constitute such quorum. If the required quorum is not present, another meeting may be called, not less than ten (10) nor more than sixty (60) days following the first meeting, and the required quorum at the subsequent meeting shall be the Members present, in person or by proxy, and entitled to vote. Unless otherwise provided, any reference hereafter to "votes cast" at a duly called meeting shall be construed to be subject to the quorum requirements established by this Section 3.4. If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to Members in the manner prescribed in Section 3.3.

3.5 Ballots and Representative Voting.

(a) Written Ballots. Any vote of Members on a matter that would be cast at an annual, regular or special meeting may be taken, without a meeting, by written ballot delivered to every Member by the Association. The ballot shall set forth the matter to be voted upon and provide thereon a place to vote for or against such matter. Approval by written ballot without a meeting shall be effective only when the number of votes cast by ballot equals or exceeds the quorum required to be present had the matter been considered at a meeting, and the number voting for the matter equals or exceeds the number of votes required to approve it had the matter been considered at a meeting at which the requisite quorum is present. A solicitation of votes by ballot shall (1) indicate the record date for Members eligible to vote; (2) indicate the number of returned ballots voting for or against the matter that is required to satisfy the quorum requirement; (3) state the required number of votes or percentage voting in favor of the matter required to approve it (except in the case of election of directors, which shall be by plurality); and (4) state the date and time by which a Member's completed ballot must be received by the Secretary in order to be counted in the vote to be taken. A ballot, once delivered to the Secretary, may not be revoked. A Member's signed ballot shall be delivered to the Secretary by hand delivery, by U.S. mail, or by such other means as shall be permitted under South Carolina law, including, but not limited to and if allowed, overnight courier service, facsimile and e-mail transmission, internet form submission, or by any other technology or medium, now existing or hereafter devised, provided in every such case the sender retains proof of transmission and receipt.

(b) Proxies. All of the provisions of this Section 3.5(b) are subject to the Master Deed. To the extent that a provision set forth in this Section is inconsistent with the Master Deed, the provisions of the Master Deed shall control. At all meetings of Members, each Member may vote in person or by proxy. The appointment form of proxy shall be in writing and received by the Secretary before the appointed time of the meeting. Every proxy appointment shall automatically cease upon conveyance by the Member of his Unit, or upon receipt of written notice by the Secretary of the death or judicially declared incompetence of a Member prior to the counting of the vote, upon revocation of the appointment of the proxy in accordance with the Nonprofit Corporation Act, or upon the expiration of eleven (11) months from the date of the proxy. Unless the proxy appointment form otherwise states, it shall be deemed to confer the authority to execute consents and waivers and to exercise the right to examine the books and records of the Association. Any proxy appointment form distributed by any person to the membership of the Association shall afford the opportunity to specify a choice between approval and disapproval of each matter or group of matters to be acted upon set forth in the notice of the meeting. The appointment shall provide that, where the Member specifies a choice, the vote shall be cast by the proxy in accordance with that choice. The form shall also identify the person or persons acting as the proxy and the length of time it will be valid. In addition, voting by a proxy shall comply with any other applicable requirements of the Nonprofit Corporation Act. The Member's signed proxy appointment form shall be delivered to the Secretary by hand delivery, by U.S. mail, and by such other means as shall be permitted under South Carolina law, including, but not limited to and if allowed, overnight courier service, facsimile and e-mail transmission, internet form submission, or by any other technology or medium, now existing or hereafter devised, provided in every such case the sender retains proof of transmission and receipt.

3.6 Membership and Voting. The Association shall have two (2) classes of voting membership:

Type A: The Type A Members shall be all Owners, including the Developer (as defined in the Master Deed) and shall be entitled to one (1) vote for each Unit owned. When more than one (1) person holds an interest in any Unit, all such persons shall be Members. The vote for such Unit shall be exercised as they among themselves determine as provided in the Master Deed, but in no event shall more than one (1) vote be cast with respect to any Unit.

Type B: The Type B Member shall be the Developer whose voting rights shall be three (3) votes for each vote held by Type A Members, plus one (1) vote. The Type B membership shall cease upon the first of the following dates:

- (a) December 31, 2008;
- (b) three (3) months following the date on which the Developer has conveyed forty-nine (49) Units to Owners in the ordinary course of its business; or
- (c) three (3) months following the date the Developer surrenders the authority to appoint and remove Directors and officers of the Association by an express amendment to the Master Deed executed and filed in the Office of Register of Mesne Conveyances for Charleston County, South Carolina by the Developer.

Except as otherwise provided in the Master Deed, the Articles of Incorporation, these By-Laws, or the Nonprofit Corporation Act, any action by the Association which must have the approval of the Members before being undertaken shall require voting approval by a majority of the votes cast by Members at which the required quorum is present. An abstention shall be counted as a negative vote in calculating the majority. Members are divided into Type A and Type B Members for the sole purpose of computing voting rights and shall not vote as a class. Owners of Units in all phases shall have the same voting rights.

specify those matters the Board intends to present for action by the Members, but, except as otherwise provided by law, any proper matter may be presented at the meeting for action. Members of the Association shall have access to Association records in accordance with the Nonprofit Corporation Act. Any Member of the Association may attend meetings of the Board, except when the Board adjourns to executive session to consider litigation, matters that relate to the formulation of contracts with third parties, or personnel matters. Any matter discussed in executive session shall be generally noted in the minutes of the Board. In any matter relating to the discipline of an Association Member, the Board shall meet in executive session if requested by that Member, and the Member shall be entitled to attend the executive session.

ARTICLE IV

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

4.1 Number. A Board of Directors, all directors of which must be Members of the Association, or an officer, director, employee or agent of a Member, including Developer, shall manage the affairs of the Association. The initial Board of Directors shall consist of three (3) Directors who shall be appointed by the Developer. The Developer shall have the sole right to appoint and remove any member or members of the Board of Directors of the Association pursuant to the Master Deed until the expiration of the Transition Period. Within sixty (60) days after the expiration of the Transition Period, the Members shall elect five (5) Directors. The Association shall either call, and give not less than thirty (30) days' and not more than sixty (60) days' notice of, such special meeting of the Members to elect the Board of Directors, or the date on which the Association shall count the written ballots distributed to the Members with such notice or the election of the Board of Directors. Each year thereafter, the Members shall elect such number of Directors as shall exist whose terms are expiring.

4.2 Term of Office. The election of Directors shall be by plurality, the number of nominees equal to the number of vacancies to be filled receiving the greatest number of votes being elected. However, at the meeting of the Association following expiration of the Transition Period held to elect five (5) Directors or the date following expiration of the Transition Period when written ballots are to be counted for the election of such Directors pursuant to Section 4.1, the two (2) nominees receiving the highest number of votes will each be elected for a term of two (2) years, and the next three (3) nominees receiving the highest number of votes will each be elected for a term of one (1) year. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve for a term of two (2) years. Unless vacated sooner, each Director shall hold office until the Director's term expires and a successor is elected.

4.3 Removal; Vacancies. A Director appointed by the Developer may only be removed by the Developer, otherwise, a Director may be removed from office, with or without cause, at any regular or special meeting of the Members by sixty-seven percent (67%) of the votes of the Members voting in person or by proxy at a meeting at which a quorum is present. A successor to any removed Director may be elected at the same meeting at which the vacancy is created by the removal of the Director. A Director whose removal is proposed to be voted upon at any meeting shall be given notice of the proposed removal not less than 10 days prior to the date of the meeting and shall be given an opportunity to be heard at the meeting. In the event of death or resignation of a Director, the vacancy shall be filled by majority vote of the Board at a duly held meeting, or by the sole remaining Director. A successor Director shall serve for the unexpired term of his or her predecessor. The Members may elect a Director at any time to fill any vacancy not filled by the Directors.

4.4 Compensation. No Director shall receive compensation for any service rendered to the Association. However, any Director may be reimbursed for his actual expenses, if reasonable, that are incurred in the performance of his or her duties, including, but not limited to, travel expenses.

4.5 Indemnification of Corporate Agents. The Association shall indemnify any present or former Director, officer, employee or other agent of the Association to the fullest extent authorized under the Nonprofit

Corporation Act, or any successor statute, and may advance to any such person funds to pay expenses that may be incurred in defending any action or proceeding on receipt of an undertaking by or on behalf of such person to repay such amount unless it is ultimately determined that such person was not entitled to indemnification under this provision.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

5.1 Nomination. The Board shall make nomination for election to the Board of Directors from the membership, and if the election is to take place at a meeting and not solely by written ballot, nominations may also be made from the floor at the meeting. The Board shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. All candidates shall have reasonable opportunity to communicate their qualifications to Members and to solicit votes.

5.2 Election. The first election of the Board shall be conducted as set forth in Section 4.1. At such election the Members or their proxies may cast as many votes as they are entitled to exercise under the provisions of the Master Deed. The persons receiving the largest number of votes shall be elected. No cumulative voting shall be permitted. Voting for Directors at a meeting shall be by secret written ballot. Voting for Directors may also be conducted by written ballot pursuant to Section 3.5(a).

ARTICLE VI

MEETINGS OF DIRECTORS

6.1 Regular Meetings. Regular meetings of the Board of Directors shall be held at least annually at such place within the Project, and at such hour as may be fixed from time to time by resolution of the Board. If a larger meeting room is required than exists with the Project, the Board shall select a room as close as possible to the Project. Should a regularly scheduled meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday, excluding Saturday and Sunday.

6.2 Special Meetings. Special meetings of the Board of Directors shall be held when called by written notice signed by the President, Vice President or Secretary of the Association, or by any two (2) Directors. Notice of the special meeting shall specify the time and place of the meeting and the nature of the special business to be considered.

6.3 Quorum. A majority of the Directors then in office (but not less than two (2)) shall constitute a quorum for the transaction of business. Every act performed or decisions made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by a majority of the required quorum for that meeting.

6.4 Executive Session. The Board may, with approval of a majority of the Directors present at a meeting in which a quorum for the transaction of business has been established, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel and matters involving contracts of which the Association is a party, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

6.5 Telephone Meetings. Any meeting, regular or special, may be held by conference telephone or similar communication equipment, so long as all Directors participating in the meeting can hear one another, and

all such Directors shall be deemed to be present in person at such meeting. An explanation of the action shall be filed with the minutes of the proceedings of the Board.

6.6 Waiver of Notice. The transaction of any meeting of the Board of Directors, 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 (a) a quorum is present, and (b) either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minute. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

6.7 Notice of Adjourned Meeting. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

6.8 Action Without Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board, individually or collectively, consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

6.9 Notices Generally. Notice of any meeting of the Board of Directors, whether regular or special, shall be given to each Director by one (1) of the following methods; (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, either directly to the Director or to a person at the Director's office who would reasonably be expected to communicate such notice promptly to the Director; (d) by telegram, charges prepaid; or (e) by facsimile transmission to the fax number of the Directors or to e-mail address of the Directors, with proof of transmission and receipt thereof being retained in the minutes of the meeting. All such notices shall be given or sent to the Director's address, telephone number, fax number or e-mail address as shown on the records of the Association. Such notice shall be sent to all Directors not less than seventy-two (72) hours prior to the scheduled time of the meeting, provided, however, notices sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, telegraph, facsimile transmission or e-mail shall be delivered, telephoned, given to the telegraph company, faxed or e-mailed, as the case may be, at least seventy-two (72) hours before the time set for the meeting. Notice of any meeting need not be given to any Director who has signed a waiver of notice or written consent to holding of the meeting.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

- 7.1 Duties. It shall be the duty of the Board of Directors to:
- A. Maintenance: Perform the maintenance described in the Master Deed;
 - B. Insurance: Maintain insurance as required by the Master Deed;
 - C. Discharge of Liens: Discharge by payment, if necessary, any lien against the Common Area and assess the cost thereof to the Member or Members responsible for the existence of the lien (after notice and hearing as required by these Bylaws);
 - D. Assessments: Fix, levy, collect and enforce Assessments as set forth in the Master Deed;

E. Expenses and Obligations: Pay all expenses and obligations incurred by the Association in the conduct of its business including, without limitation, all licenses, taxes, or governmental charges levied or imposed against the property of the Association;

F. Records: Cause to be kept a complete record of all its acts and affairs and to present a statement thereof to the Members at the annual meeting of the Members, at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class "A" Members; keep adequate and correct books and records of account, minutes of proceedings of its Members, Board and committees, and a record of its Members giving their names and addresses and classes of membership;

G. Supervision: Supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;

H. Enforcement: Enforce these Bylaws and the Master Deed;

I. Review of Financial Records: Review on at least a quarterly basis a current reconciliation of the Association's operating and reserve accounts, the current year's actual reserve revenues and expenses compared to the current year's budget, and an income and expense statement for the Association's operating and reserve accounts. In addition, the Board shall review the latest account statements prepared by the financial institutions where the Association has its operating and reserve accounts. For purposes herein, "reserve accounts" shall mean monies that the Association's Board has identified for use to defray the future repair or replacement of, or additions to, these major components that the Association is obligated to maintain.

J. Reserve Account Withdrawal Restrictions: Require that at least two (2) signature is needed for the withdrawal of monies for the Association's reserve accounts, at least one (1) of whom shall be a member of the Board. One (1) signature may be that of the Association's manager or such manager's designee.

K. Reserve Account Fund Management: The Board shall not expend funds designated as reserve funds for any purpose other than the repair, restoration, replacement, or maintenance of, or litigation involving the repair, restoration, replacement, or maintenance of, major components which the Association is obligated to repair, restore, replace, or maintain and for which the reserve fund was established.

L. Reserve Studies. At least every five (5) years the Board shall cause an independent analysis of the reserve component of the operating budget to be conducted to confirm that component replacement costs and useful lives are accurately reflected in the reserve allocation.

7.2 Powers. The Board of Directors shall have power to:

A. Manager: Employ a manager as provided in the Master Deed;

B. Adoption of Rules; Set Aside Common Area Parking for Handicap: Adopt rules in accordance with the Master Deed, including rules setting aside Common Area parking spaces as handicap parking only, and adopt rules limiting the number of cars which will be permitted to be parked in the Common Area parking spaces;

C. Assessments, Liens and Fines: Levy and collect Assessments and impose fines as provided in the Master Deed

D. Enforcement (Notice and Hearing): Enforce these Bylaws and/or the Master Deed, provided that at least fifteen (15) days' prior notice of any charges (other than Assessment) or potential discipline or fine and the reasons therefor are given to the Member affected, and that an opportunity is provided for the Member to be heard, orally or in writing not less than five (5) days before the effective date of the discipline or

fine, said hearing to be before the Board. Any notice required herein shall be given by any method reasonably calculated to provide actual notice. Any notice given by mail shall be given by first class or registered mail sent to the last address of the Member as shown on the Association's records.

E. Contracts: Contract for goods and/or services in accordance with the Master Deed.

F. Delegation: Delegate its authority and powers to committees, officers or employees of the Association or to a manager employed by the Association. The Board may not delegate the authority to procure insurance, make capital expenditures for additions or improvements chargeable against the reserve funds; to conduct hearings concerning compliance by an Owner or his tenant, lessee, guest or invitee with the Master Deed or rules and regulation promulgated by the Board, or to make a decision to levy monetary fines, impose special Assessments against individual Units, temporarily suspend an Owner's rights as a Member of the Association or otherwise impose discipline following any such hearing; to make a decision to levy Annual or Special Assessments; or to make a decision to bring suit, record a claim of lien, or institute foreclosure proceedings for default in payment of Assessments. Any such delegation shall be revocable by the Board at any time. The members of the Board, individually or collectively, shall not be liable for any omission or improper exercise by the manager of any such duty, power or function so delegated by written instrument executed by a majority of the Board.

G. Appointment of Trustee: Appoint a trustee as provided in the Master Deed.

H. Borrowings. Borrow money (i) for the purpose of improving the Regime, or any portion thereof, (ii) for constructing, repairing, maintaining or improving any facilities located or to be located within the Regime, (iii) for providing services authorized herein, and, (iv) to give as security for the payment of any such loan a mortgage or other security instrument conveying all or any portion of the Common Areas; provided, however, that the lien and encumbrance of any such security instrument given by the Association will be subject and subordinate to any and all rights, interest, options, licenses, easements, and privileges herein reserved or established for the benefit of Developer, any Owner, or the holder of any Mortgage, irrespective of when such Mortgage is executed or given.

I. Other Powers: In addition to any other power contained herein or in the Master Deed, the Association may exercise the powers granted to a nonprofit mutual benefit corporation as enumerated in the Nonprofit Corporation Act.

7.3 Prohibited Acts. The Board shall not take any of actions prohibited of it under the Master Deed except with the vote or written consent of a majority of the Members other than Developer.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

8.1 Enumeration of Officers. The officers of this Association shall be a President and Secretary, who shall at all times be members of the Board of Directors, a Vice President, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

8.2 Election of Officers. The Developer shall have the sole right to appoint and remove officers during the Transition Period. Thereafter, all officers shall hold office at the pleasure of the Board.

8.3 Term. The Board shall elect the officers of this Association annually and each shall hold office for one (1) year unless he or she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

8.4 Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

8.5 Resignation and Removal. Any officer may be removed from office (but not from the Board, if the officer is also a Board member) by the Board with or without cause. 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 receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

8.6 Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

8.7 Duties. The duties of the officers are as follows:

A. President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall sign all promissory notes. The President shall have the general powers and duties of management usually vested in the office of the President of a South Carolina nonprofit mutual benefit corporation, and shall have such powers and duties as may be prescribed by the Board or by these Bylaws.

B. Vice President. The Vice President shall act in the place of the President in the event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.

C. Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with the addresses, and shall perform such other duties as required by the Board. The ministerial functions of the Secretary in recording votes, keeping minutes, sending notices, and keeping the records of names and addresses of Members may be delegated to an Association manager.

D. Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all promissory notes of the Association; shall keep proper books of account; and shall prepare and shall distribute budgets and statements. The ministerial functions of the Treasurer in sending Assessment notices, receiving and depositing Assessments, keeping books and ledgers of account, and preparing and distributing budgets and statements may be delegated to an Association manager.

ARTICLE IX

COMMITTEES

9.1 Appointment. An Architectural Review Committee may be appointed as provided in the Master Deed. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out its purpose. No committee, regardless of Board resolution, may: (a) take any final action on matters which, under the Nonprofit Corporation Act also requires Members' approval; (b) fill vacancies on the Board of Directors or in any committee; (c) amend or repeal Bylaws or adopt new Bylaws; (d) amend or repeal any resolution of the Board of Directors; (e) appoint any other committees of the Board of Directors or the members of those committees; (f) approve any transaction to which the Association is a party and in which one (1) or more Directors have a material financial interest.

ARTICLE X

BOOKS AND RECORDS

10.1 Inspection by Members. The membership register (including names, mailing addresses, telephone numbers and voting rights), books of account and minutes of meetings of the Members, of the Board (including drafts and summaries), and of committees shall be made available for inspection and copying by any Member of the Association, or by his duly appointed representative, at any reasonable time and for a purpose reasonably related to his interest as a Member, at the office of the Association or at such other place within the Project as the Board shall prescribe. Board minutes shall be available to Members within thirty (30) days of the meeting, and shall be distributed to any Member upon request and upon reimbursement of the costs in making that distribution.

10.2 Rules for Inspection. The Board shall establish reasonable rules with respect to:

- A. Notice to be given to the custodian of the records by the Member desiring to make the inspection;
- B. Hours and days of the week when such an inspection may be made;
- C. Payment of the cost of reproducing copies of documents requested by a Member

10.3 Inspection by Directors. Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make extracts and copies of documents, at the expense of the Association.

10.4 Documents Provided by Board. Upon written request, the Board shall, within ten (10) days of the mailing or delivery of such request, provide an Owner with a copy of the governing documents of the Regime, a copy of the most recent budget and statements of the Association, and a true statement in writing from an authorized representative of the Association as to the amount of the Association's current Annual and Special Assessments and fees, as well as any Assessments levied upon the Owner's interest which, as of the date of the statement, are or may be made a lien upon the Owner's Unit. The Board may impose a fee for providing the foregoing which may not exceed the reasonable cost to prepare and reproduce the requested documents.

ARTICLE XI

MISCELLANEOUS

11.1 Amendments. Prior to close of the sale of the first Unit, Developer may amend these Bylaws. After sale of the first Unit these Bylaws may be amended, only as provided in the Master Deed or in the Nonprofit Corporation Act.

11.2 Conflicts. In the case of any conflict between the Articles of Incorporation and the Bylaws, the Articles of Incorporation shall control; and in the case of any conflict between the Master Deed and these Bylaws, the Master Deed shall control.

11.3 Fiscal Year. Unless directed otherwise by the Board, the fiscal year of the Association shall begin on the first day of January and end on the thirty-first (31st) day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Exhibit "F"
Alternative Dispute Resolution Procedures

1. Mandatory Procedures for Non-Exempt Claims. Any Claimant with a Claim against a Respondent shall comply with the following procedures.

1.1 Notice. Within a reasonable time after the Claim in question has arisen, and in each event prior to the date when institution of legal or equitable proceedings based on the Claim would be barred by the applicable statute of limitation, Claimant will notify Respondent in writing of the Claim (the "Notice"), stating plainly and concisely:

(a) the nature of the Claim, including applicable date, time, location, Persons involved, Respondent's role in the Claim and the provisions of the Regime Documents or other authority out of which the Claim arises;

(b) what Claimant wants Respondent to do or not do to resolve the Claim; and

(c) 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.

1.2 Negotiation.

(a) Each Claimant and Respondent (the "Parties") will make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation, not later than 30 days following the Notice, unless otherwise agreed by the Parties.

(b) Upon receipt of a written request from any Party, accompanied by a copy of the Notice, the Board may appoint an attorney licensed to practice law in the State of South Carolina to assist the Parties in resolving the dispute by negotiation, if in its discretion it believes his or her efforts will be beneficial to the Parties. Such an attorney will have been actively engaged in the practice of law for at least fifteen (15) years, specializing in commercial transactions with substantial experience in planned real estate developments and will not have a conflict of interest with any of the Parties.

1.3 Final and Binding Arbitration.

(a) 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 Negotiation"), a Claimant will have 30 days within which to submit the Claim to binding arbitration under the auspices and the Commercial Arbitration Rules of the American Arbitration Association; and in accordance with the substantive and procedural laws of the state of South Carolina, except as said rules, procedures and substantive laws are applied otherwise as follows:

(i) Unless the parties mutually set another date, within ten (10) days following Termination of Negotiation, Claimant and Respondent will jointly select one arbitrator, whose decision will be absolutely binding on all Parties; provided, however, if Claimant and Respondent are unable to jointly select one arbitrator within said ten (10) -day period, or on or before any later day set by them by which to select an arbitrator, the arbitrator will be selected in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The arbitration will be conducted in Charleston, South Carolina before a neutral person who is a member of the Bar of the State of South Carolina, who has been actively engaged in the practice of law for at least fifteen (15) years, specializing in commercial transactions with substantial experience in planned real estate developments, and who has no conflict of interest with any Party. The arbitrator may award any remedy or

(d) If the Claimant makes no written offer of settlement, the amount of the Claim made or asserted by the Claimant during the action is deemed to be such Claimant's final offer of settlement hereunder.

(e) If the Respondent makes no written offer of settlement, the final offer of settlement by the Respondent will be the amount asserted during the action to be due in satisfaction of the Claimant's claims, otherwise the Respondent's offer of settlement hereunder is deemed to be zero.

(f) If the respondent asserts a counterclaim, then offers of settlement shall take into consideration such counterclaim in the manner above provided. Furthermore, any Award shall also take into account such counterclaim.

(g) The Party(ies) whose offer, made or deemed made, is closer to the Award granted in the proceeding is considered the "Prevailing Party" hereunder. If the difference between Claimant's and Respondent's offers and the Award is equal, neither Claimant nor Respondent is considered to be the Prevailing Party for purposes of determining the award of fees, costs and expenses of arbitration.

3. Enforcement of Resolution. If the Parties agree to resolve any Claim through negotiation in accordance with Paragraph 1.2 and any Party thereafter fails to abide by the terms of the agreement reached through negotiation, or if, following arbitration, any Party thereafter fails to comply with the Award, then any other Party may file suit or initiate administrative proceedings to enforce the agreement or Award without the need to again comply with the procedures set forth in Section 16.3 of the Master Deed. In such event, the Party taking action to enforce the agreement or Award is entitled to recover from the noncomplying Party (or if more than one noncomplying Party, from all the Parties jointly and severally) all costs incurred in enforcing the agreement or Award, including, without limitation, attorney's fees and court costs.

relief that a court of the State of South Carolina could order or grant, including, without limitation, specific performance of any obligation created under the Regime Documents, or the issuance of an injunction, as well as the imposition of sanctions for abuse or frustration of the arbitration process; provided, however, the arbitrator will have no authority to award punitive damages or any other damages not measured by the actual damages of the "Prevailing Party," as said term is hereinafter defined, and may not, in any event, make any ruling, finding or award that does not conform to the terms and conditions of the Regime Documents.

(b) In the event Claimant does not submit the Claim to binding arbitration as aforesaid, the Claim is deemed abandoned, and Respondent is released and discharged from any and all liability to Claimant arising out of the Claim; provided, nothing herein will release or discharge Respondent from any liability to a Person not a Party to the foregoing proceedings, or the mandatory requirements of this Paragraph 1.3 with respect to any subsequently arising new dispute or claim by the Claimant which is identical or similar to the Claim previously deemed abandoned under this Paragraph 1.3(b).

This Paragraph 1 is an agreement of the Bound Parties to arbitrate all Claims against Respondent, except Exempt Claims, and is specifically enforceable under South Carolina law. The arbitration award (the "Award") is final and binding on the Parties, and judgment upon the Award rendered by the arbitrator may be entered upon it in any court of competent jurisdiction.

2. Allocation of Costs of Resolving Claims.

2.1 Costs of Notice and Negotiation. Each Party will bear all of its own costs incurred prior to and during the proceedings described in Paragraphs 1.1 and 1.2, including the fees of its attorney or other representative. Claimant and Respondent will share equally the costs and expenses of any attorney appointed by the Board pursuant to Paragraph 1.2, whose compensation will be at a rate equal to his or her then current regular hourly billing rate, unless the Board is able to arrange with the Parties and the arbitrator to agree otherwise, and who will be entitled to receive his or her then customary costs and expenses.

2.2 Arbitration Costs. In the event the Claim proceeds to arbitration pursuant to Paragraph 1.3, the "Prevailing Party," as hereinafter defined, will receive from the non-Prevailing Party, all of its costs and expenses, including reasonable expert and attorney's fees, incurred from commencement of selection of the arbitrator under Paragraph 1.3 to the issuance of the Award. Furthermore, the non-Prevailing Party will pay all costs and expenses of the arbitration, including the costs and expenses of any attorney appointed by American Arbitration Association pursuant to Paragraph 1.3, whose compensation will be at a rate equal to his or her then current regular hourly billing rate, unless the American Arbitration Association is able to arrange with the Parties and the arbitrator to agree otherwise, and who will be entitled to receive his or her then customary costs and expenses. The "Prevailing Party" will be determined as follows:

(a) Not less than ten (10) days prior to the first day of the proceeding, a Party or Parties may file and serve on the other Party(ies) an offer of settlement, and within five (5) days thereafter the Party(ies) served may respond by filing and serving such Party(ies) its own offer of settlement. An offer of settlement will state that it is made under this paragraph and will specify the amount which the Party(ies) serving the settlement offer is/are willing to agree constitutes a settlement of all claims in dispute, including the Claim and all counterclaims.

(b) An offer of settlement is considered rejected by the recipient unless an acceptance, in writing, is served on the Party(ies) making the offer prior to the first day of the proceeding.

(c) If an offer of settlement is rejected, it may not be referred to for any purpose in the proceeding, but may be considered solely for the purpose of awarding fees, costs and expenses of the proceeding under Paragraph 1.3 and as provided in this paragraph.

