

Book E-598

Page 487

9/14/06

**RETURN TO:**


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Charleston, SC 29401

**MASTER DEED**

**FOR**

**THE HERITAGE AT DUNES WEST HORIZONTAL PROPERTY REGIME**

CERTIFIED TO BE A TRUE  
AND CORRECT COPY

  
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(SEAL)  
Notary Public - South Carolina  
Commission Expires: 5/23/13

REC'D. PAYMENT  
PER CLERK  
RMC OFFICE  
CHARLESTON COUNTY, SC

9/14/06

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**MASTER DEED**

**FOR**

**THE HERITAGE AT DUNES WEST HORIZONTAL PROPERTY REGIME**

THIS MASTER DEED is made on the date set forth below by John Wieland Homes and Neighborhoods of the Carolinas, Inc., a Georgia corporation (hereinafter referred to as "Developer");

**WITNESSETH**

WHEREAS, Developer is the owner of the real property which is located in Charleston County, South Carolina and is described in Exhibit "A" attached hereto and incorporated herein by this reference; and

WHEREAS, this Master Deed is intended to establish the condominium form of ownership for the property described on Exhibit "A";

WHEREAS, Developer desires to subject the real property described in Exhibit "A" hereto, including the improvements thereon, to the provisions of this Master Deed and to the South Carolina Horizontal Property Act §§27-31-10 *et seq.* South Carolina Code of Laws (1976); and

NOW, THEREFORE, Developer hereby declares that the real property described in Exhibit "A" of this Master Deed, including the improvements located thereon, is hereby submitted and made subject to the form of ownership set forth in the South Carolina Horizontal Property Act, and is hereby subjected to the provisions of this Master Deed. By virtue of the recording of this Master Deed, said property shall be held, sold, transferred, conveyed, used, occupied and mortgaged or otherwise encumbered subject to provisions of the South Carolina Horizontal Property Act and the covenants, conditions, restrictions, easements, assessments and liens set forth in this Master Deed, which are for the purpose of protecting the value and desirability of, and which shall run with the title to, the real property subject to this Master Deed, shall be binding on all Persons having any right, title or interest in all or any portion of the real property subject to this Master Deed, their respective heirs, legal representatives, successors, successors-in-title and assigns, and shall be for the benefit of all owners of the property subject to this Master Deed.

1. NAME.

The name of the horizontal property regime is The Heritage at Dunes West Horizontal Property Regime (hereinafter sometimes called the "Condominium" or "Regime," as further defined herein), which condominium is a residential project which is hereby submitted to the South Carolina Horizontal Property Act §§27-31-10 *et seq.* South Carolina Code of Laws (1976).

2. DEFINITIONS.

Generally, terms used in this Master Deed, the Bylaws and the Articles of Incorporation shall have their normal, generally accepted meanings or the meanings given in the Act or the South Carolina Nonprofit Corporation Act of 1994. Unless the context otherwise requires, certain terms used in this Master Deed, the Bylaws and the Articles of Incorporation shall be defined as follows:

(a) Act means the South Carolina Horizontal Property Act §§27-31-10 *et seq.* South Carolina Code of Laws (1976), as may be amended.

(b) Additional Property means that property described on Exhibit "A-1," attached hereto and incorporated herein, which may be submitted to the Regime as provided in this Master Deed.

(c) Architectural Control Committee or ACC means the committee established to exercise the architectural review powers set forth in Section 13.

(d) Area of Common Responsibility means the General Common Elements, together with those areas, if any, which by the terms of this Master Deed or by agreement with any other Person become the Association's responsibility.

(e) Articles or Articles of Incorporation means the Articles of Incorporation of The Heritage at Dunes West Condominium Association, Inc. which have been filed with the Secretary of State of the State of South Carolina.

(f) Association or Counsel of Co-Owners means The Heritage at Dunes West Condominium Association, Inc., a South Carolina nonprofit corporation, its successors or assigns.

(g) Board or Board of Directors or Board of Administration means the elected body responsible for management and operation of the Association.

(h) Bylaws means the Bylaws of The Heritage at Dunes West Condominium Association, Inc., attached hereto as Exhibit "D" and incorporated herein by this reference.

(i) Common Expenses mean the expenses incurred or anticipated to be incurred by the Association for the general benefit of the Condominium, including, but not limited to, those expenses incurred for maintaining, repairing, replacing and operating the General Common Elements and Limited Common Elements as provided for herein.

(j) Community-Wide Standard means the standard of conduct, maintenance or other activity generally prevailing within the Condominium. Such standard may be more specifically determined by the Board and the ACC.

(k) Condominium or Horizontal Property Regime means all that property described in Exhibit "A," attached hereto and incorporated herein by this reference, submitted to the provisions of the Act by this Master Deed and any property described on Exhibit "A-1" which is later submitted to the provisions of the Act and this Master Deed as an additional phase or stage.

(l) Condominium Instruments mean this Master Deed and all exhibits hereto, including the Bylaws, Survey and Floor Plans, and plot plans, all as may be supplemented or amended.

(m) Developer shall mean and refer to John Wieland Homes and Neighborhoods of the Carolinas, Inc., a Georgia corporation, and its successors-in-title and assigns, provided that, in an instrument of conveyance to or any other document involving any such successor-in-title or assign, such successor-in-title or assign is designated as "Developer" hereunder by the grantor/maker of such conveyance or document, which grantor/maker shall be "Developer" hereunder at the time of such conveyance or execution of such document; provided, further, upon such designation of such successor Developer, all rights of the former Developer in and to such status as "Developer" hereunder shall cease, it being understood that as to the Condominium, there shall be only one Person entitled to exercise the rights and powers of "Developer" hereunder at any one point in time. An "affiliate" of Developer John Wieland Homes and Neighborhoods, Inc. shall mean any entity in which John Wieland Homes or Neighborhoods, Inc. or John Wieland (and/or member(s) of his immediate family) own or control at least twenty (20%) percent of the beneficial interest thereof.

(n) Eligible Mortgage Holder means a holder of a first Mortgage on a Unit, secured by the Unit, who has requested notice of certain matters as set forth herein.

(o) Floor Plans means any and all floor plans for The Heritage at Dunes West Horizontal Property Regime attached hereto and made a part hereof as amended from time to time.

(p) General Common Elements mean those portions of the property subject to this Master Deed which are not included within the boundaries of a Unit, as more particularly described herein.

(q) Limited Common Elements mean a portion of the General Common Elements reserved for the exclusive use of those entitled to occupy one (1) or more, but less than all, Units, as more particularly set forth herein.

(r) Majority means those eligible votes, Owners or other group as the context may indicate totaling at least fifty-one percent (51%) of the total eligible number.

(s) Master Association shall mean Dunes West Property Owners Association, Inc., a South Carolina nonprofit corporation, its successors and assigns. Pursuant to the Declaration of Covenants, Conditions and Restrictions for Dunes West, executed on September 18, 1999 and recorded in Book 188, page 68 of the Charleston County, South Carolina land records ("Master Declaration"), the Units will be subject to assessment by the Master Association.

(t) Mortgage means any mortgage, deed to secure debt, deed of trust or other transfer or conveyance for the purpose of securing the performance of an obligation, including, but not limited to, a transfer or conveyance of fee title for such purpose.

(u) Mortgagee or Mortgage Holder means the holder of any Mortgage.

(v) Neighborhood shall refer to each separately developed residential area within the real property subject to the Master Declaration, which area shall be governed by a condominium association or townhome association ("Neighborhood Association"). Any such Neighborhood is also subject to the terms of the Master Declaration.

(w) Occupant means any Person occupying all or any portion of a Unit for any period of time, regardless of whether such Person is a tenant or the Owner of such property.

(x) Owner or Co-Owner means the record title holder of a Unit, but shall not include a Mortgage Holder.

(y) Person means any individual, corporation, firm, association, partnership, trust or other legal entity.

(z) Survey means any and all plats of survey for The Heritage at Dunes West Horizontal Property Regime attached to this Master Deed as an exhibit or attached to any amendment of this Master Deed as an exhibit and recorded in the Charleston County, South Carolina Office of Register of Mesne Conveyance ("RMC").

(aa) Unit or Apartment means that portion of the Condominium intended for individual ownership and use, as more particularly described herein and shall include the undivided ownership in the General Common Elements assigned to the Unit hereunder.

### 3. LOCATION, PROPERTY DESCRIPTION, SURVEY AND FLOOR PLANS.

The Land which is being submitted to the Condominium created and established by this Master Deed is more particularly described in Exhibit "A" hereto and incorporated herein by this reference. Survey and Floor Plans relating to the Condominium Units are attached hereto as Exhibit "B" and "C," respectively, and are made a part hereof. Survey and Floor Plans are incorporated herein by reference as fully as if the same were set forth in their entirety herein. So long as Developer owns at least one (1) Unit, Developer reserves the right, but shall have no obligation, to make improvements and changes to all or part of the General Common Elements and the Units owned by Developer or its affiliates (other than changes to the location of Unit boundaries unless expressly permitted herein), including, without limitation, addition and realignment of parking spaces, renovation and installation of changes to utility systems and facilities, rearrangement and installation of security and refuse facilities, work relating to building exteriors, and extension of the drives and utility lines and pipes located in the Regime.

### 4. UNITS AND BOUNDARIES.

The Regime as initially constructed will contain fifty-eight (58) Units, the Limited Common Elements and the General Common Elements as depicted on Exhibit "B" ("Phase 2A"). **The Developer specifically reserves the right, but shall not be obligated, to construct two additional buildings containing two (2) dwellings each or one additional building containing four (4) dwellings each upon the area to the North of Building 100 identified on the plat attached hereto as Exhibit "B" so that the maximum number of Units in Phase 2A is sixty-two (62).** If all of the Additional Property is developed and added to the Regime, the Regime at completion is expected to contain one hundred sixty-five (165) total Units. In Phase 2B, the Developer intends to submit the Additional Property and improvements thereon which

will consist of sixty-nine (69) Units and Common Property. In Phase 2C, the Developer intends to submit the Additional Property and improvements thereon which will consist of thirty-four (34) Units and Common Property. Each Unit shall be conveyed as a separately designated and legally described freehold estate subject to the Act and the Condominium Instruments. The Units are depicted on Exhibit "C." Each Unit includes that part of the structure which lies within the boundaries described in subsections (a) and (b) below.

(a) Vertical Boundaries. The vertical boundaries of each Unit shall be the vertical planes of the unfinished surfaces of the interior walls of the Unit. The vertical boundaries include the sheet rock on the Unit side of the walls, and they are extended to their intersections with each other and the upper and lower horizontal boundaries of the Unit.

(b) Horizontal Boundaries. The lower horizontal boundaries of a Unit shall be the plane formed by the upper finished surface of the concrete slab on which the Unit is constructed, with the flooring and subflooring constituting part of the Unit. The upper horizontal boundary shall be the plane formed by the uppermost, unexposed surface of the wall board or other material comprising a part of the ceiling enclosing the uppermost story of the Unit.

If any chutes, flues, ducts, conduits, wires, pipes or other apparatus are partially within and partially outside the designated boundaries of a Unit, any portion thereof which serves only that Unit shall be deemed to be a part of that Unit, while all portions thereof which serve more than one Unit or any portion of the General Common Elements shall be deemed a part of the General Common Elements. Entry doors and exterior glass surfaces, including, but not limited to, windows and glass doors, serving the Unit shall be included within the boundaries of the Unit. Heating and/or air conditioning systems serving a single Unit (including any part of any such system located outside the boundaries of the Unit), all duct work for such heating and/or air conditioning systems, and appliances and plumbing fixtures within a Unit shall be part of the Unit.

In interpreting deeds and plans, the existing physical boundaries of a Unit as originally constructed or 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 in which the Unit is located, 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, whether or not separately described in the conveyance thereof, that percentage of the right, title and interest in the General Common Elements attributable to such Unit, together with membership in the Association and an undivided interest in the funds and assets held by the Association.

## 5. GENERAL COMMON ELEMENTS.

The General Common Elements consist of all portions of the Condominium not located within the boundaries of a Unit, which General Common Elements include, but are not limited to, certain utilities, fences, paved areas, walls, retaining walls, roofs, roof decks, exterior walls of the building(s), outside parking areas and lighting for same, landscaping and entry features, if any.

Ownership of the General Common Elements shall be by the Owners as tenants-in-common. The percentage of undivided interest in and to the General Common Elements attributable to each Unit is set forth in Exhibits "E-1" and "E-2" attached hereto. In the event that the Developer exercises its right to construct the four (4) additional Units, as set forth in Section 4 herein, the percentage interest for the Units in Phase 2A will adjust in accordance with Exhibit "E-2" attached hereto. Likewise, in such event, the percentage interest for future phases will be adjusted in accordance with Exhibit "E-2" attached hereto. Such percentages may be altered only with the consent of all Owners and Mortgagees, or such lesser number as may be prescribed by the Act, expressed in a duly recorded amendment to this Master Deed, except as provided in Section 14(c) and except in the case of the addition of additional phases to the Regime as provided in Section 24.

The General Common Elements shall remain undivided, and no Owner or any other Person shall bring any action for partition or division of the whole or any part thereof except as provided in the Act. Except as provided for Limited Common Elements or as otherwise provided herein, each Owner and the Association may use the General Common Elements for the purposes for which they are intended, but no such use shall enter or encroach upon the lawful rights of the other Owners.

6. LIMITED COMMON ELEMENTS.

(a) General. The Limited Common Elements located on the Condominium and the Units to which they are assigned are:

(i) any portion of any heating and/or air conditioning system or other utility system (including the duct work from such system) which serves more than one Unit, but less than all Units, is assigned as a Limited Common Element to the Units so served;

(ii) the real property on which there is located any portion of the heating and/or air conditioning system (including the duct work from such system) serving a single Unit is assigned as Limited Common Element to the Unit so served;

(iii) any balcony or deck attached to and serving only one (1) Unit is assigned as a Limited Common Element to the Unit to which it is attached and which it serves;

(iv) any utility meter which serves only one Unit is assigned as a Limited Common Element to the Unit so served;

(v) any utility meter and/or utility meter area serving more than one Unit, but less than all Units, is assigned as Limited Common Elements to the Units so served;

(vi) the mailbox assigned to a Unit is a Limited Common Element of the Unit to which it is assigned; and

(vii) any driveway serving only one Unit is assigned as a Limited Common Element to the Unit so served.

(b) Assignment and Reassignment. The Board, without need for a membership vote, is hereby authorized to assign and reassign Limited Common Elements and to assign General



Common Elements, not previously assigned, as Limited Common Elements. A General Common Element not previously assigned as a Limited Common Element may be so assigned by the Board, and a Limited Common Element may be reassigned by the Board, without need for a membership vote, upon written application to the Board by the Owner or Owners requesting the exclusive use of such General Common Element, or in the case of a reassignment of a Limited Common Element, upon written application to the Board by the Owner(s) of the Unit(s) to which the Limited Common Element appertains and the Owner(s) of the Unit(s) to which the Limited Common Element is to be reassigned. The Board has the right and authority to approve or disapprove any such application; provided, however, so long as Developer owns at least one (1) Unit or has the right to expand the Horizontal Property Regime, it shall be mandatory that the Board approve any such application upon request made by the Developer. Upon Board approval of the application, an amendment to the Master Deed assigning the General Common Element as a Limited Common Element or reassigning the Limited Common Element shall be prepared and executed on behalf of the Association, without need for a membership vote, which amendment shall be executed by the Owner or Owners making such application and recorded in the RMC Office for Charleston County, South Carolina. Assignments and reassignments of Limited Common Elements and assignments of General Common Elements other than as provided in this subsection are prohibited.

7. ASSOCIATION MEMBERSHIP AND ALLOCATION OF VOTES.

All Owners, by virtue of their ownership of a fee or undivided fee interest in any Unit, excluding Persons holding such interest under a Mortgage, are members of the Association, and, except as otherwise provided herein or in the Bylaws, shall be entitled to vote on all matters upon which Association members are entitled to vote pursuant to the Condominium Instruments. Subject to the provisions of the Condominium Instruments, each Owner shall be entitled to one (1) vote for each Unit in which such Owner holds the interest required for membership, which shall be appurtenant to such Unit, and which shall be in accordance with the percentage of undivided interest in the General Common Elements attributable to the Unit as set forth in Exhibits "E-1" and "E-2" attached hereto and by this reference incorporated herein.

8. RELATIONSHIP TO MASTER ASSOCIATION

The Condominium is located within a planned community which includes the Association, the Condominium Association, the Master Association, and such other condominium associations and townhome associations as may be established by the Developer and submitted to the jurisdiction of the Master Declaration and Master Association. In addition to being subject to the terms of this Master Deed, each Owner, upon accepting title to a Unit, hereby agrees to be subject to the terms of the Master Declaration and the jurisdiction of the Master Association. Every Unit shall be subject to assessment by the Association for its pro rata share of the Master Association's common expenses ("Master Association Assessment").

9. ALLOCATION OF LIABILITY FOR COMMON EXPENSES.

Except as otherwise provided herein, each Unit is hereby allocated liability for Common Expenses apportioned in accordance with the percentage of undivided interest in the General Common Elements appurtenant to the Unit, as shown on Exhibits "E-1" and "E-2" attached hereto and by this reference incorporated herein.

(a) Common Expenses. Except as provided below or elsewhere in the Act or Condominium Instruments, the amount of all Common Expenses shall be assessed against all the Units in accordance with the above allocation of liability for Common Expenses.

(b) Special Assessment. The Board shall have the power to assess specially pursuant to this subsection and to Section 27-31-190 of the Act as, in its discretion, it shall deem appropriate. Failure of the Board to do so shall not be grounds for any action against the Association or the Board and shall not constitute a waiver of the Board's right to do so in the future, including, without limitation, with respect to expenses for which the Board has not previously exercised such power. Fines levied pursuant to this Master Deed and/or the Bylaws, fines levied by the Master Association pursuant to the terms of the Master Declaration and/or the Master Association's bylaws, and the cost of maintenance performed by the Association for which the Owner is responsible under Article VI of the Bylaws shall be special assessments.

#### 10. ASSOCIATION RIGHTS AND RESTRICTIONS.

In addition to and not in limitation of all other rights it may have, the Association, acting through the Board, shall have the right:

(a) in accordance with Section 27-31-280 of the Act, and as otherwise provided herein, to enter any portion of the Condominium for maintenance, emergency, security or safety purposes, or otherwise to discharge its powers or responsibilities hereunder, which right may be exercised by the Association's Board, officers, agents, employees or managers; except in an emergency situation, entry into Units shall be only during reasonable hours and after reasonable notice to the Owner or Occupant; for purposes hereof, an emergency justifying immediate entry into a Unit shall include, but not be limited to, the following situations: a water or other utility leak, fire, strong foul odor, obvious insect infestation, or sounds indicating that an individual or animal might be injured or sick and require immediate medical attention; no one exercising the rights granted in this subsection shall be liable for trespass, damages or in any other manner by virtue of exercising such rights; the failure to exercise the rights herein or to exercise said rights in a timely manner shall not create liability for any of the above-referenced parties, it being deemed and agreed that no duty to enter a Unit and/or any other portion of the Condominium shall exist;

(b) to make and to enforce reasonable rules and regulations governing the use of the Condominium, including the Units, Limited Common Elements and General Common Elements;

(c) to enforce use restrictions, other Master Deed and Bylaws provisions, and rules and regulations by the imposition of reasonable monetary fines and suspension of use and voting privileges (which shall not be construed as limiting any other legal means of enforcement);

(d) to grant permits, licenses, utility easements and other easements;

(e) to control, manage, operate, maintain, improve and replace all portions of the Area of Common Responsibility;

(f) to deal with the Condominium in the event of damage or destruction as a result of casualty loss, condemnation or eminent domain, in accordance with the provisions of the Act and this Master Deed;

(g) to represent the Owners in dealing with governmental entities with respect to the Area of Common Responsibility;

(h) to require each Owner to install separate utility meters for each Owner's Unit at the Owner's cost, or to install such meters and assess the costs thereof against each Unit as provided herein;

(i) to acquire, hold, and dispose of tangible and intangible personal property and real property;

(j) to approve contractors or subcontractors who have access to the Condominium for the purpose of making repairs, improvements or modifications to Units based on criteria adopted by the Board, which may include, without limitation, insurance requirements, deposits for use of any trash receptacle, if any, and construction deposits to be paid to the Association; costs for repair of damage to the Condominium due to or as a result of such work may be deducted from construction deposits and any additional costs may be specially assessed against the Unit pursuant to Section 9(b);

(k) at the sole expense of the Association, without need for a membership vote, and without the consent of any affected Owner, to relocate any portion of the air conditioning, heating, plumbing, ventilating, exhaust, electrical or other utility system serving a particular Unit, provided that after such relocation, the system serving the Unit functions at least as well and at no greater cost to the Unit as existed prior to the relocation; and

(l) to close permanently or temporarily any portion of the General Common Elements (except for the Limited Common Elements, any General Common Elements the use of which is reasonably necessary for access to or egress from a Unit, and any portion of the General Common Elements over, on or upon which the Developer or the Master Association has an easement) with thirty (30) days prior notice to all Owners, except that in emergency situations requiring a temporary closing, prior notice shall not be required so long as notice is given within three (3) days after the closing explaining the reason for the closing; notwithstanding the above, the Owners may re-open closed General Common Elements by a Majority of the total Association vote cast at a duly called special or annual meeting.

## 11. INSURANCE.

The Association shall obtain and maintain at all times, as a Common Expense, insurance as required by Section 27-31-240, as amended, and as required herein. The Association's insurance policy may exclude improvements and betterments made by the Owners and may exclude the finished surfaces of perimeter and partition walls, floors, and ceilings within the Units (i.e., paint, wallpaper, paneling, other wall covering, tile, carpet and any floor covering; provided, however, floor covering does not mean unfinished hardwood or unfinished parquet flooring).

All insurance purchased by the Association pursuant to this Section shall run to the benefit of the Association, the Board, officers, all agents and employees of the Association, the Owners, and their respective Mortgagees, and all other Persons entitled to occupy any Unit, as their interests may appear. The Association's insurance policy may contain a reasonable deductible, and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance equals at least the replacement cost of the insured property.

The Board shall make available for review by Owners a copy of the Association's insurance policy to allow Owners to assess their personal insurance needs, and each Owner shall have the right to obtain additional coverage at such Owner's own expense.

All Association insurance coverage shall be written in the name of the Association as trustee for itself, each of the Owners, and the Mortgagees, if any. At least every two (2) years the Board shall conduct an insurance review to verify that the policies in force are adequate to meet the Association's needs. Such responsibility may be performed, and shall be deemed reasonably performed, by the Board requesting the Association's insurance agent to so verify.

(a) General. The Board shall utilize reasonable efforts to secure a blanket hazard insurance policy providing "all risk" coverage in an amount equal to full replacement cost, before application of deductibles, of all improvements located on the Condominium. If "all risk" coverage is not reasonably available at reasonable cost, the Board shall obtain, at a minimum, fire and extended coverage, including coverage for vandalism and malicious mischief, in like amounts. The Board shall use reasonable efforts to obtain policies that will provide the following:

(i) the insurer waives its rights of subrogation of any claims against directors, officers, the managing agent, the individual Owners, Occupants, and their respective household members;

(ii) any "other insurance" clause contained in the master policy shall expressly exclude individual Owners' policies from its operation;

(iii) until the expiration of thirty (30) days after the insurer gives notice in writing to the Mortgagee of any Unit, the Mortgagee's insurance coverage will not be affected or jeopardized by any act or conduct of the Owner of such Unit, the other Owners, the Board, or any of their agents, employees or household members, nor be canceled for nonpayment of premiums;

(iv) the master policy may not be canceled, substantially modified, or subjected to nonrenewal without at least thirty (30) days prior notice in writing to the Board and all Mortgagees of Units; and

(v) an agreed value endorsement and an inflation guard endorsement.

(b) Company. All policies of insurance shall be written with a company licensed to do business in the State of South Carolina. The company shall provide insurance certificates to each Owner and each Mortgagee upon request.

(c) Losses. Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Board; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(d) Contribution: Owner Policies. In no event shall the insurance coverage obtained and maintained by the Association hereunder be brought into contribution with insurance purchased by individual Owners or their Mortgagees. Each Owner shall notify the Board of all

structural improvements made by the Owner to such Owner's Unit. Any Owner who obtains an individual insurance policy covering any portion of the Condominium, other than improvements and betterments made by such Owner at such Owner's expense and personal property belonging to such Owner, shall file a copy of such individual policy or policies with the Board within thirty (30) days after the purchase of such insurance. Such Owner shall also promptly notify the Board in writing in the event such policy is canceled.

(e) Other Insurance. In addition to the insurance required above, the Board shall obtain as a Common Expense:

(i) worker's compensation insurance if and to the extent necessary to meet the requirements of law;

(ii) public liability insurance in the amount of at least One Million Dollars, and officers' and directors' liability insurance in such amounts as the Board may determine; the public liability insurance shall contain a cross liability endorsement;

(iii) fidelity bonds or dishonesty insurance, if reasonably available, covering officers, directors, employees, and other Persons who handle or are responsible for handling Association funds; such bonds, if reasonably available, shall be of an amount in the business judgment of the Board, but in no event less than three (3) month's assessments plus a reasonable amount to cover all or a reasonable portion of reserve funds in the custody of the Association at any time during the term of the bond; provided, however, fidelity coverage may be less than the foregoing based on the implementation of financial controls which take one or more of the following forms: (a) the Association or management company, if any, maintains a separate bank account for the working account and the reserve account, each with appropriate access controls, and the bank in which funds are deposited sends copies of the monthly bank statements directly to the Association; (b) the management company, if any, maintains separate records and bank accounts for each association that uses such company's services and the management company does not have the authority to draw checks on, or to transfer funds from, the Association's reserve account; or (c) two (2) members of the Board must sign any checks written on the reserve account; and

(iv) such other insurance as the Board may determine to be necessary.

(f) Exclusions. Insurance carried by the Association as a Common Expense shall not be required to include any part of a Unit which is not depicted on the original Survey or Floor Plans or included in the original mortgage, nor shall the Association include public liability insurance for individual Owners for liability arising within the Unit.

(g) No Priority for Disbursement. Nothing contained herein gives any Owner or other party a priority over any rights of first Mortgagees as to distribution of insurance proceeds. Any insurance proceeds payable to the Owner of a Unit on which there is a Mortgagee endorsement shall be disbursed jointly to such Owner and the Mortgagee. This is a covenant for the benefit of any such Mortgagee and may be enforced by any such Mortgagee.

(h) Owner Insurance. Every Owner shall be obligated to obtain and maintain at all times insurance covering those portions of such Owner's Unit to the extent not insured by policies maintained by the Association. Upon request by the Board, the Owner shall furnish a

copy of such insurance policy or policies to the Association. In the event that any Owner fails to obtain insurance as required hereunder, the Association may purchase such insurance on behalf of the Owner and assess the cost thereof to the Owner and such Owner's Unit, to be collected in the manner provided for collection of assessments under Article VI of the Bylaws.

(i) Insurance Deductibles. In the event of an insured loss, any required deductible shall be paid by the Person or Persons who would be responsible for such loss in the absence of insurance. If the loss affects more than one Unit or a Unit and General Common Elements, the cost of the deductible may be apportioned equitably by the Board among the parties suffering loss in proportion to each affected Person's portion of the total cost of repair or otherwise as the Board determines to be equitable. Notwithstanding this, if the insurance policy provides that the deductible will apply to each Unit separately or to each occurrence, each Owner shall be responsible for paying any deductible pertaining to such Owner's Unit. If any Owner fails to pay the deductible when required hereunder, then the Association may pay the deductible and assess the cost to the Owner and such Owner's Unit pursuant to Section 9.

(j) Payment of Claims to Delinquent Owners. Notwithstanding anything to the contrary herein, in the event of an insured loss under the Association's master hazard insurance policy for which the Association receives from the insurer payment for a loss sustained by an Owner who is delinquent in any payment owed to the Association, including, without limitation, any assessment under Article VI of the Bylaws, the Association may retain and apply such proceeds to the delinquency. Any surplus remaining after application of the proceeds to any delinquency shall be paid by the Association to the affected Owner.

## 12. REPAIR AND RECONSTRUCTION.

In the event of damage to or destruction of all or any part of the Condominium as a result of fire or other casualty, unless Owners representing at least eighty percent (80%) of the total Association vote, including the Owner(s) of any damaged Unit(s), elect not to proceed with the reconstruction and repair of the structure, the Board or its agent shall arrange for and supervise the prompt repair and restoration of the structure. In the event of substantial damage or destruction, each institutional holder of a first Mortgage shall be entitled to written notice of the damage, and nothing in the Condominium Instruments shall be construed to afford a priority to any Owner with respect to the distribution of proceeds to any Unit.

(a) Cost Estimates. Promptly after a fire or other casualty causing damage to the Condominium, the Board shall obtain reliable and detailed estimates of the cost of repairing and restoring the structures (including any damaged Unit) to substantially the condition which existed before such casualty, allowing for any changes or improvements necessitated by changes in applicable building codes. Such costs may also include professional fees and premiums for such bonds as the Board determines to be necessary.

(b) Source and Allocation of Proceeds. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair, as determined by the Board, or if at any time during the reconstruction and repair or upon completion of reconstruction and repair the funds for the payment of the costs thereof are insufficient, the additional costs shall be assessed against the Unit(s) damaged in proportion to the damage to such Unit(s) or against all Units, in the case of insufficient funds to cover damage to the General Common Elements. This assessment shall not be considered a special assessment as discussed in Article VI(e) of the

Bylaws. If there are surplus funds after repair and reconstruction is completed, such funds shall be common funds of the Association to be used as directed by the Board.

(c) Plans and Specifications. Any such reconstruction or repair shall be substantially in accordance with the plans and specifications under which the Condominium was originally constructed, except where changes are necessary to comply with current applicable building codes or where improvements not in accordance with the original plans and specifications are approved by the Board. To the extent insurance proceeds are available, the Association may reconstruct or repair Owner improvements damaged as a result of fire or other casualty.

(d) Encroachments. Encroachments upon or in favor of Units which may be created as a result of such reconstruction or repair shall not constitute a claim or basis for any proceeding or action by the Owner upon whose property such encroachment exists, provided that such reconstruction was substantially in accordance with the architectural plans under which the Condominium was originally constructed. Such encroachments shall be allowed to continue in existence for so long as the reconstructed building shall stand.

(e) Construction Fund. The net proceeds of the insurance collected on account of a casualty and the funds collected by the Association from assessments on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the cost of reconstruction and repair as set forth in this Section, to be disbursed by the Association in appropriate progress payments to such contractor(s), supplier(s), and personnel performing the work or supplying materials or services for the repair and reconstruction of the buildings as are designated by the Board.

### 13. ARCHITECTURAL CONTROLS.

(a) Architectural Standards. Except as provided herein, no Owner, Occupant, or any other Person (including, without limitation, the Association) may make any encroachment onto the General Common Elements or Limited Common Elements, or make any exterior or interior change, alteration, or construction in or to a Unit (including painting, utility work and/or alteration, installation of alarms and/or alarm systems, and landscaping), nor erect, place or post any object, sign, clothesline, speaker, playground equipment, light, storm door or window, door knob or knocker, artificial vegetation, woodpiles, exterior sculpture, fountains, flags, or thing on the exterior of the buildings (except for reasonable seasonal decorations displayed in only windows between Thanksgiving and January 15), in any windows (except window treatments as provided herein), on any Limited Common Elements or on any other General Common Elements, without first obtaining the prior written approval of the Architectural Control Committee (ACC); in addition to approval by the ACC, any and all of the foregoing shall be subject to prior written approval by the Master Association, as provided in the Master Declaration. Any application vetoed or disapproved by the Master Association shall be disapproved by the ACC, Board and Association. The standard for approval of such improvements shall include, but not be limited to, aesthetic consideration, materials to be used, harmony with the external design of the existing buildings, Units and structures, and the location in relation to surrounding structures and topography. Notwithstanding the above, Developer and its affiliates shall not be required to obtain any approvals under this Section.

Applications for approval of any such modification or addition shall be in writing and shall provide such information as the ACC or Master Association may reasonably require. The Master

Association and the ACC shall be the sole arbiters of such application and each may withhold approval for any reason, including purely aesthetic considerations, and each shall be entitled to stop any construction which is not in conformance with approved plans. Pursuant to the terms of Article 5 of the Master Declaration, any application for additions or alterations approved by the ACC shall be immediately forwarded to the Master Association's architectural control authority for review as provided in the Master Declaration. If an application is vetoed by the Master Association, the notice to the Owner shall so state and shall set forth any appeal rights that may be provided. The Board or ACC may publish written architectural standards for exterior, interior and General Common Element alterations or additions. Any such architectural standards shall be submitted to, and shall be subject to prior written approval by, the Master Association architectural control authority.

If the ACC or Master Association fails to approve or to disapprove such application within forty-five (45) days after the application and all information as may be reasonably required have been actually received by it, approval will not be required and this subsection will be deemed complied with; provided, however, even if the requirements of this subsection are satisfied, nothing herein shall authorize anyone to construct or maintain any structure or improvement that is otherwise in violation of the Master Deed, the Bylaws, or the rules and regulations, or in violation of the Master Declaration or the Master Association's bylaws and rules and regulations.

(b) Architectural Control Committee. The ACC shall constitute a standing committee of the Association and shall consist of the Board unless the Board delegates to other Owners the authority to serve on the ACC. The chairperson of the ACC shall be a Board member.

(c) Condition of Approval. As a condition of approval for requested construction, change, addition, or alteration, an Owner, on behalf of such Owner and such Owner's successors-in-interest, shall assume all responsibilities for maintenance, repair, replacement and insurance of such construction, change, modification, addition, or alteration. It is the responsibility of each Owner to determine on such Owner's own behalf what modifications have been made to such Owner's Unit by any predecessor-in-interest. In the discretion of the ACC and/or Master Association, an Owner may be made to verify such condition of approval by written instrument in recordable form acknowledged by such Owner. The ACC and/or Master Association also may establish such other conditions of approval as each may determine necessary or appropriate, including reasonable construction commencement and completion times.

(d) Limitation of Liability. Review and approval of any application hereunder may be made on any basis, including solely the basis of aesthetic considerations only. The Board, the ACC, their respective members, and the Association, the Master Association, the Developer and its affiliates, and their respective officers, directors, employees and agents, shall not bear any responsibility for ensuring the design quality, structural integrity or soundness of approved construction or modifications, or for ensuring compliance with building codes, zoning regulations and other governmental requirements. The Board, the ACC, their respective members, and the Association, the Master Association, the Developer and its affiliates, and their respective officers, directors, employees and agents, shall not be held liable for any injury, damages or loss arising out of the manner or quality of approved construction on or modifications to any Unit.



(e) No Waiver of Future Approvals. Each Owner acknowledges that the Board, ACC members and representatives of the Master Association will change from time to time and that interpretation, application and enforcement of the architectural standards may vary accordingly. Each Owner further acknowledges that different architectural and other standards may be adopted and/or applied for different parts of the Condominium, based on street visibility, location of proposed modification in a building, or other criteria reasonably determined. Approval hereunder shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

(f) Enforcement. Any construction, alteration, or other work done in violation of this Section shall be deemed to be nonconforming. Upon written request from the Board, Owners shall, at their own cost and expense, remove such construction, alteration, or other work and shall restore the property to substantially the same condition as existed prior to the construction, alteration, or other work. Should an Owner fail to do so, the Board shall have the right to enter the property and do so. All costs thereof, including, without limitation, reasonable attorney's fees, shall be chargeable to, and collectable from, such Owner and/or shall be an assessment and lien against such Owner's Unit, collectable in the manner provided under Article VI of the Bylaws for the collection of assessments.

In addition, the Board shall have the authority and standing, on behalf of the Association, to impose reasonable fines for violation of this Section. The Board, on behalf of the Association, may pursue all legal and equitable remedies available to enforce the provisions of this Section and decisions made pursuant thereto. Furthermore, the Board shall have the authority to record, in the land records of the county in which the Condominium is located, notices of violation of the provisions of this Section.

If any Owner or Occupant makes any change, alteration, or construction (including landscaping) upon the General Common Elements or Limited Common Elements in violation hereof, such Owner or Occupant does so at such Owner's or Occupant's sole risk and expense, and subject to possible removal by the Board or Master Association at any time. However, if the change, alteration or construction is permitted to remain on the General Common Elements or Limited Common Elements, it shall so remain without reimbursement to the Owner or Occupant for any expense such Owner or Occupant may have incurred in making the change, alteration or construction.

Any and all rights and powers vested in the Master Association under this Section may be exercised by and through the Master Association's board of directors, on behalf of the Master Association.

(g) Commencement and Completion of Construction. All changes, modifications and improvements approved hereunder must be commenced within one hundred eighty (180) days from the date of approval. If such work is not commenced within such time period, then such approval shall be deemed revoked, unless the ACC (with prior approval from the Master Association) gives a written extension for commencing the work. All work approved hereunder shall be completed in its entirety within ninety (90) days from the date of commencement, unless otherwise agreed in writing by the ACC (with prior approval from the Master Association). All approved changes, modifications, and improvements must be completed in their entirety. An Owner may not construct only a portion or part of an approved change, modification, or

improvement.

(h) Lighting. Notwithstanding any other provision herein, the following exterior lighting may be installed without the necessity of obtaining the prior approval of the Board or its designee: (1) seasonal decorative lights during the Christmas season; (2) illumination of model homes and entrance features constructed by Developer or its affiliates; and (3) other lighting originally installed by the Developer or its affiliates. Plans for all other exterior lighting must be submitted and approved in accordance with the provisions herein. Decorative post lights will not be approved unless they conform with established street lighting.

#### 14. USE RESTRICTIONS.

Each Owner shall be responsible for ensuring that the Owner's family, guests, tenants and Occupants comply with all provisions of the Condominium Instruments and the Association's rules and regulations, as well as with the Master Declaration and the bylaws and rules and regulations of the Master Association. Furthermore, each Owner and Occupant shall always endeavor to observe and promote the cooperative purposes for which the Association was established. In addition to any rights the Association or Master Association may have against the Owner's family, guests, tenants or Occupants, as a result of such person's violation of the Condominium Instruments, the Master Declaration or the bylaws and rules and regulations of the Master Association, the Association and/or Master Association may take action hereunder against the Owner as if the Owner committed the violation in conjunction with the Owner's family, guests, tenants or Occupants.

In addition to the following use restrictions, the Board may adopt rules and regulations in accordance with the terms hereof, of the Bylaws, and of the Master Declaration.

(a) Use of Units. Each Unit shall be used for residential purposes only, and no trade or business of any kind may be conducted in or from a Unit or any part of the Condominium, except that the Owner or Occupant residing in a Unit may conduct ancillary business activities within the Unit so long as:

(i) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside of the Unit;

(ii) the business activity does not involve visitation of the Unit by employees, clients, customers, suppliers or other business invitees in greater volume than would normally be expected for guest visitation to a Unit without business activity;

(iii) the business activity is legal and conforms to all zoning requirements for the Condominium;

(iv) the business activity does not unreasonably increase traffic in the Condominium (other than by a reasonable number of deliveries by couriers, express mail carriers, parcel delivery services and other such similar delivery services);

(v) the business activity does not increase the insurance premium paid by the Association or Master Association, or otherwise negatively affect the Association's or Master Association's ability to obtain insurance coverage;

(vi) the business activity is consistent with the residential character of the Condominium and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of other residents of the Condominium, as determined in the Board's discretion; and

(vii) the business activity does not result in a materially greater use of General Common Elements or Association and/or Master Association facilities or services.

The terms "business" and "trade," as used herein, shall have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (1) such activity is engaged in full- or part-time; (2) such activity is intended to or does generate a profit; or (3) a license is required therefor. Notwithstanding the above, the use of a Unit by an on-site management agent operating on behalf of the Association or Master Association shall not be considered a trade or business within the meaning of this subsection. The Board shall have the sole discretion to determine what, if anything, is unreasonable about a particular business activity.

This subsection shall not apply to activities of the Association or Master Association. Leasing of a Unit shall not be considered a trade, business or business activity.

(b) Number of Occupants. The maximum number of individuals occupying a Unit shall be limited to two (2) people per bedroom in the Unit (as such bedrooms are depicted on the original Survey and Floor Plans). "Occupancy," for purposes hereof, shall be defined as staying overnight in a Unit for a total of more than thirty (30) days, either consecutive or nonconsecutive, in any calendar year. Upon written application, the Board may grant variances to this restriction to comply with provisions of the Fair Housing Amendments Act of 1988 or any amendments thereto.

If an Owner is a corporation, partnership, limited liability company, trust or other legal entity not being a natural person, the entity shall designate in writing to the Board the name(s) of the individual(s) who will occupy the Unit. The designated individual(s) to occupy the Unit may not be changed more frequently than once every six (6) months.

(c) Alteration of Units. Subject to the other provisions of this Master Deed, relocation of the boundaries between adjoining Units, and subdivision of Units are subject to the following restrictions:

(i) Relocation of Boundaries. Boundaries between adjoining Units may be relocated only in accordance with the provisions of this Master Deed and, for so long as Developer owns at least one (1) Unit, only with the prior written consent of the Developer. The Developer shall have the right to relocate boundaries between Units owned by the Developer or its affiliates without the approval of the Association, the Board, the ACC or any other Person or group, and the Board shall take such steps as may be necessary to have the required amendment(s) to the Master Deed executed on behalf of itself and the Association, if and as necessary.

(ii) Subdivision of Units. No Unit shall be subdivided into a smaller Unit or

Units. Notwithstanding anything to the contrary contained herein, the Developer shall have the right to subdivide a Unit or Units owned by the Developer or its affiliates without the approval of the Association, the Board, the ACC or any other Person or group, and the Board shall take such steps as may be necessary to have the required amendment(s) to the Master Deed executed on behalf of itself and the Association, if and as necessary.

(d) Detached and Converted Structures. No detached structure shall be placed, erected, allowed or maintained upon the Common Property unless installed by the Developer, without the prior written consent of the Board or its designee. All detached structures must be consistent in design materials and color with the dwelling Unit. In no event shall any trailers, campers, vehicles, shacks, tents, any garages (attached and detached), barns or other structures be used as a residence or living space in any manner whatsoever, either temporarily or permanently, within the Regime. Specifically, no garage, including, but not limited to, attached and detached garages, shall be utilized in any manner whatsoever as an additional living space or residence.

However, this Section shall not be construed to prevent Developer and those engaged in development, construction, marketing, property management or sales from using sheds, trailers or other temporary structures from any of the forgoing purposes. In addition, nothing in this Master Deed shall be construed to prevent Developer from developing, constructing, marketing, or maintaining model Units within the Regime.

(e) Use of General Common Elements. There shall be no obstruction of the General Common Elements, nor shall anything be kept on, parked on, stored on or removed from any part of the General Common Elements, without prior written Board consent, except as specifically provided herein. There shall be no use of the roofs of the Condominium buildings by the Owners, or by their family members, guests, tenants, invitees, agents and contractors, or by anyone else. The Association and its agents and contractors shall have access to the roofs for performing the Association's maintenance and repair responsibility, and otherwise as determined by the Board. There shall be no gardening or landscaping on the General Common Elements without prior written Board consent. This subsection shall not apply to the Developer or its affiliates so long as the Developer or its affiliates shall own at least one (1) Unit.

(f) Use of Limited Common Elements. Use of the Limited Common Elements is restricted exclusively to the Owner(s) of the Unit(s) to which such Limited Common Elements are assigned, and said Owner's family members, guests, tenants and invitees. The Limited Common Elements are reserved for exclusive use, but shall not be construed or interpreted to be separate and apart from the General Common Elements in general, and the restrictions applicable to the General Common Elements shall also apply to the Limited Common Elements.

There is a deck on each of the Units. The following shall be subject to the architectural control provisions of Section 13: placement of any object or thing on or about any such deck; any change, alteration or construction to, on or about any such deck; enclosure of any such deck; and any other activity or matter involving any such deck.

(g) Prohibition of Damage, Nuisance and Noise. Without prior written consent of the affected party, nothing shall be done or kept on the Condominium which would increase the rate of insurance for the Association, the Master Association, or any Unit, which would be in violation of any statute, rule, ordinance, regulation, permit or other governmental requirements,

or which would increase the Common Expenses or expenses of the Master Association.

It is the nature of multi-family properties (of which the Condominium is a part) that dwelling Units are built in close proximity to one another (resulting in sharing of common walls, floors and ceilings) and that noise is frequently audible from one Unit to the next no matter how much sound proofing is attempted. It is therefore mandatory, for the mutual interest and protection of all Owners, lessees and other Occupants within the Condominium, to recognize that acoustical privacy is achieved only through understanding and compliance with certain limitations and restrictions. It is recognized that sound insulation from an adjacent occupancy in a manner comparable to a detached single-family residence is impossible to attain, and Owners and Occupants hereby acknowledge and accept that limitation. Owners and Occupants acknowledge that there will usually be some audio awareness of one's neighbors, depending upon the situation. Modification of design of the structures, or related components thereof, by Owners and Occupants could alter sound insulation. Accordingly, all such modifications are regulated by this Master Deed, and the Owners and Occupants should review the Master Deed for further information with respect to sound attenuation.

Noxious, destructive or offensive activity shall not be carried on within the Condominium. No Owner or Occupant of a Unit may use or allow the use of the Unit or any portion of the Condominium at any time, in any way or for any purpose which may endanger the health of, or unreasonably annoy, disturb or cause embarrassment or discomfort to, other Owners or Occupants, or which constitutes, in the sole opinion of the Board, a nuisance. In addition, no Owner or Occupant of a Unit may use or allow the use of the Unit or the General Common Elements in any manner which creates disturbing noises, including, without limitation, window air conditioning units, window fans, and use of stereo speakers or equipment that will, in the sole discretion of the Board, interfere with the rights, comfort or convenience of the other Owners or Occupants. Accordingly, no Owner or Occupant shall install any equipment mentioned herein, including, but not limited to, speakers, air conditioning units, etc., of any kind in the common party wall of a Unit. Nothing herein, however, shall be construed to affect the rights of an aggrieved Owner to proceed individually for relief from interference with such Owner's property or personal rights.

All Owners and Occupants acknowledge and understand that the Developer and others under Developer's direction or consent will be constructing certain portions of the Condominium and adjacent areas that are not part of the Condominium and no such construction or noise associated therewith shall be deemed a nuisance or discomfort pursuant to the terms hereof.

No Owner, Occupant or agent of such Owner or Occupant shall do any work which, in the reasonable opinion of the Board, would jeopardize the soundness or safety of the Condominium or any structure thereon, would reduce the value thereof, or would impair any easement or other interest in real property thereto, without in every such case the unanimous, prior written consent of all members of the Association and their Mortgagees.

No damage to or waste of the General Common Elements, or any part thereof, shall be permitted by any Owner or member of such Owner's family or any invitee of any Owner. Each Owner shall indemnify and hold harmless the Association, the other Owners, the Developer and its affiliates, the Master Association, and the directors, officers, employees and agents of each of the foregoing, from and against any and all loss to any such Person resulting from any such damage or waste caused by such Owner, members of such Owner's family, such Owner's or family members' guests and invitees, or Occupants of such Owner's Unit.

(h) Firearms and Fireworks. The display or discharge of firearms or fireworks within the Condominium is prohibited; provided, however, that the display of lawful firearms is permitted by law enforcement officers and also is permitted for the limited purpose of transporting firearms to or from a Unit. The term "firearms" includes "B-B" guns, pellet guns, and other firearms of all types, regardless of size.

(i) Animals. No Owner or Occupant may keep animals, other than a reasonable number of generally recognized household pets, on any portion of the Condominium, all as determined in the discretion of the Board. No Owner or Occupant may keep, breed or maintain any animal for any commercial purpose. No structure for the care, housing, or confinement of any animal shall be constructed or maintained on any part of the General Common Elements, including Limited Common Elements, without prior written ACC approval (and in accordance with Section 13). Dogs must be kept on a leash and be under the physical control of a responsible person at all times while outdoors, except that dogs need not be leashed within an enclosed balcony or deck when attended by a person. Any animal feces left upon the General Common Elements must be removed immediately by the owner of the animal or the person responsible for the animal.

No potbellied pigs, venomous snakes, pit bulldogs, rottweilers, Doberman pinchers, or other animals determined in the Board's sole discretion to be dangerous may be brought onto or kept on the Condominium at any time. The Board may require that any animal which, in the Board's opinion, endangers the health of any Owner or Occupant, or creates a nuisance or unreasonable disturbance, be permanently removed from the Condominium upon seven (7) days' written notice. If the Owner or Occupant fails to do so, the Board may remove the animal. Any animal which, in the Board's sole discretion, presents an immediate danger to the health, safety or property of any Person may be removed by the Board without prior notice to the animal's owner.

Any Owner or Occupant who keeps or maintains any animal upon the Condominium shall be deemed to have agreed to indemnify and hold harmless the Association, the Developer and its affiliates, the Master Association, and the directors, officers, employees and agents of each of the foregoing, from and against any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such animal within the Condominium.

(j) Parking. No Owner or Occupant may keep or bring onto the Condominium more than a reasonable number of vehicles per Unit at any time, as determined by the Board. The Board may adopt reasonable rules limiting the number of vehicles which may be parked at the Condominium. Vehicles may be parked only in designated parking spaces or other areas authorized in writing by the Board. Vehicles may be parked in the driveway and additional parking spot, if any serving a Unit, only after all of the garage parking spaces serving such Unit have vehicles parked in them.

Disabled and stored vehicles are prohibited from being parked on the Condominium. For purposes hereof, a vehicle shall be considered "disabled" if it does not have a current license tag or is obviously inoperable. A vehicle shall be considered "stored" if it remains on the Condominium for fourteen (14) consecutive days or longer without prior written Board permission (the intent of this provision is that vehicles not be stored on the Condominium, and the temporary removal of a vehicle to break the continuity of the fourteen (14) day period shall not be sufficient to establish compliance with this restriction).

Boats, trailers, panel trucks, buses, trucks with a load capacity of one (1) ton or more, vans (excluding mini-vans or utility vehicles used as non-commercial passenger vehicles and receiving a "car" or "passenger vehicle" classification by the South Carolina Department of Motor Vehicles), recreational vehicles (RVs and motor homes), vehicles used primarily for commercial purposes, and vehicles with commercial writings on their exteriors are also prohibited from being parked on the Condominium except in areas designated by the Board as parking areas for particular types of vehicles. Notwithstanding the above, trucks, vans, commercial vehicles and vehicles with commercial writings on their exteriors shall be allowed temporarily on the General Common Elements during normal business hours for the purpose of serving any Unit or the General Common Elements, but no such vehicle shall remain on the General Common Elements overnight or for any purpose, except serving a Unit or the General Common Elements, without prior written Board consent.

If any vehicle is parked on any portion of the Condominium in violation hereof or in violation of the Association's rules, the Board or agent of the Association may place a notice on the vehicle specifying the nature of the violation and stating that after twenty-four (24) hours the vehicle may be towed. The notice shall include the name and telephone number of an individual to contact regarding the alleged violation. A notice also shall be conspicuously placed at the Condominium stating the name and telephone number of the Person which will do the towing. If twenty-four (24) hours after such notice is placed on the vehicle the violation continues or occurs again within six (6) months of such notice, the vehicle may be towed in accordance with the notice, without further notice to the Owner or user of the vehicle.

If a vehicle is parked in a fire lane, is blocking another vehicle or access to a Unit or parking space, is obstructing the flow of traffic, is parked on any grassy area, is parked in a space which has been assigned as exclusively serving another Unit, or otherwise creates a hazardous condition, no notice shall be required and the vehicle may be towed immediately. If a vehicle is towed in accordance with this subsection, the Developer, its affiliates, the Association, the Master Association, and any director, officer, employee or agent of any of the foregoing, shall not be liable to any Person for any claim of damage as a result of the towing activity. The Association's right to tow is in addition to, and not in limitation of, all other rights of the Association, including the right to assess fines. The Board may elect to impose fines or use other available sanctions, rather than exercise its authority to tow.

(k) Abandoned Personal Property. Personal property, other than vehicles as provided for in Section 14(j), is prohibited from being stored, kept, or allowed to remain for more than twenty-four (24) hours upon any portion of the General Common Elements, without prior written Board permission. If the Board determines that a violation exists, then, not less than two (2) days after written notice is placed on the personal property and/or on the front door of the property owner's Unit, if known, the Board may remove the personal property and either discard or store the personal property in a location which the Board may determine, and the Board shall have no obligation to return or replace such property or reimburse the owner of the property. The notice shall include the name and telephone number of the Person which will remove the property and the name and telephone number of an individual to contact regarding the alleged violation.

The Board, in its discretion, may determine that an emergency situation exists and may exercise its removal rights hereunder without prior notice to the property owner; provided, however, in such case, the Board shall give the property owner, if known, notice of the removal

of the property and the location of the property within three (3) days after the property is removed.

The Developer, its affiliates, the Association, the Master Association, and any director, officer, employee or agent of any of the foregoing, shall not be liable to any Person for any claim of damage resulting from the removal activity in accordance herewith. The Board may elect to impose fines or use other available remedies, rather than exercise its authority to remove property hereunder.

(l) Heating of Units in Colder Months. In order to prevent breakage of water pipes during colder months of the year resulting in damage to the Condominium, increased Common Expenses, and increased insurance premiums or cancellation of insurance policies due to numerous damage claims, the thermostats within the Units shall be maintained with the heat in an "on" position and at a minimum temperature setting of fifty-five degrees (55°) Fahrenheit (except during power failures or periods when heating equipment is broken) whenever the temperature is forecasted to or does reach thirty-two degrees (32°) Fahrenheit or below. Owners and Occupants shall take all steps possible on a timely basis to keep heating equipment, including, but not limited to, the thermostat, in good working order and repair. If during the months specified above the heating equipment is not working properly, the Owner or Occupant shall immediately inform the Board of this failure of the equipment and of the time needed to repair the equipment. The Board may fine any Owner or Occupant and/or cause the water service to the violator's Unit to be discontinued for violation hereof, in addition to any other remedies of the Association.

(m) Signs. No sign of any kind, whether temporary or permanent, shall be erected or displayed within the Regime without the prior written consent of the Board except: (a) one (1) professional security sign consistent with the Community-Wide Standard not to exceed four inches (4") by four inches (4") in size displayed from within a Unit; (b) such signs as may be required by legal proceedings; and (c) signs erected by Developer and its affiliates; (d) signs in connection with a bona-fide offer to sell or lease a Unit, one (1) professionally lettered "For Sale" or "For Rent" sign consistent with the Community-Wide Standard may be displayed from within a Unit, but only if (i) the sign has a maximum area of four (4) square feet, and (ii) the content of the sign and anything else attached to, associated with or in the vicinity of the sign states or conveys only that the Unit is for sale or for rent and the name and telephone number of the person to contact for additional information (any other type of "For Sale" or "For Rent" sign shall not be permitted in the Regime); and (e) signs in connection with a political campaign, candidate signs consistent with the Community-Wide Standard displayed from within a Unit, but only if (i) the sign has a maximum area of four (4) square feet, and (ii) the sign is displayed no sooner than thirty (30) days prior to the election and is removed within five (5) days after the election. The Board shall have the right to erect any reasonable and appropriate signs. The Board may impose a fine against any Owner or Occupant of up to Five Hundred Dollars (\$500.00) per day for violations of this Section in addition to any other remedies of the Association. Any fine imposed pursuant to this Section shall be deemed an assessment against the Unit and may be collected in the same manner as provided herein for collection of assessments.

(n) Antennas and Satellite Dishes. No exterior antenna, receiving dish or similar apparatus of any kind for receiving or transmitting of radio or video signals shall be placed, allowed or maintained upon any portion of the Regime, including any Unit, unless approved in accordance with the provisions herein; provided, however, no such approval shall be necessary to



install (i) antennas designed to receive direct broadcast satellite services, including direct-to home satellite services, or to receive or transmit fixed wireless signals via satellite, so long as such antennas are one meter or less in diameter; (ii) antennas designed to receive video programming services via multi-point distribution services, or to receive or transmit fixed wireless signals other than via satellite, so long as such antennas are one meter or less in diameter or diagonal measurement; or (iii) antennas that are designed and intended to receive television broadcast signals. Owners shall install any permitted antennae on the rear of the dwelling unless such installation (1) imposes unreasonable delay or prevents the use of the antennae; (2) unreasonably increases the cost of installation; or (3) an acceptable quality signal cannot otherwise be obtained. The Board and Developer (and its affiliates) reserve the right to (but shall not be obligated to) erect any type and size of master antenna, satellite dish or other similar master system for the benefit of the Regime. Each Owner and Occupant acknowledges that this provision benefits all Owners and Occupants and each Owner and Occupant agrees to comply with this provision despite the fact that the erection of an individual outdoor antenna or similar device would be the most cost-effective way to receive the signals sought to be received.

(o) Refuse. Garbage cans and other similar items shall be located or screened so as to be concealed from view of neighboring Units, streets and property located adjacent to the Unit. Developer, however, hereby expressly reserves the right to dump and bury rocks and trees on property within the Community as needed for efficient construction and to allow, in Developer's sole discretion, developers and builders within the Community to do so. All rubbish, trash and garbage shall be regularly removed from the Units and shall not be allowed to accumulate therein. No garbage or trash shall be placed on the General Common Elements or Limited Common Elements outside the Units, temporarily or otherwise, except as provided herein. Rubbish, trash and garbage shall be disposed of in sealed plastic bags in accordance with any and all rules that may be enacted by the Board of Directors from time to time. The Association may, but shall not be required to, contract with a private trash collection company to pick up all usual and customary household trash on a regular basis. The Board of Directors shall determine the type of trash and recycling receptacles for the Community. If individual trash and recycling receptacles are used, such receptacles shall be placed in the easement area no earlier than 5:00 p.m. the day before pick up and shall be removed within twenty-four (24) hours. Trash and recycling pick up shall also be subject to such reasonable rules and regulations as the Board of Directors may adopt.

(p) Unsightly or Unkempt Conditions. The pursuit of hobbies or other activities, including, but not limited to, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly or unkempt conditions shall not be pursued or undertaken on any part of the Condominium. Clothing, bedding, rugs, mops, appliances, indoor furniture and other household items shall not be placed or stored outside the Units.

(q) Garage Sales. Garage sales, yard sales, flea markets, or similar activities are prohibited unless approved in writing by the Board.

(r) Window Treatments. The color of all window treatments visible from outside the Unit must be white or off-white. Bed sheets, blankets, paper and similar type items shall not be used as window treatments. No foil or other reflective material shall be used on any windows for sun screens, blinds, shades or any other purpose.

(s) Transient Use. No transient tenants or Occupants shall be accommodated in a Unit.

(t) Solar Devices. No device which is designed or used for collection of or heating by solar energy or other similar purposes shall be placed, allowed or maintained upon any portion of the Condominium, including any Unit, without the prior written consent of the Board or its designee.

(u) Exterior Colors. As exterior maintenance of Units, including, without limitation, painting, is the responsibility of the Association, no Person may paint or otherwise alter the exterior of any Unit or improvements constructed or maintained thereon without the prior written consent of the Board or its designee.

(v) Mailboxes. No mailboxes and appurtenant posts and/or structures shall be erected without the prior written approval of the Board or its designee. Generally, the foregoing must be of the same type and color as that originally installed by Developer or its affiliates.

(w) Entry Features and Street Signs. No Person shall alter, remove or add improvements to any entry features or street signs constructed within the Condominium, or any part of any easement area associated therewith, without the prior written consent of the Board or its designee.

(x) Developer Right. Notwithstanding any provisions contained in this Master Deed to the contrary, for so long as Developer owns at least one (1) Unit, it shall be expressly permissible for Developer and its affiliates, contractors, agents, employees, assigns and representatives to maintain and carry on, upon such portion of the Condominium as Developer may deem necessary, such facilities and activities as in the Developer's sole opinion may be reasonably required, convenient or incidental to the repair (if any) and sale of the Units, including, but without limitation, business offices, signs, model units, construction trailers and sales offices. The right to maintain and carry on such facilities and activities shall include specifically the right to use the parking facilities in the Condominium for such purposes and to use the Units owned by Developer and its affiliates as model units and as offices for the sale of the Units and related activities.

(y) Swimming Pools. No swimming pools shall be permitted on Regime property unless installed by Developer.

## 15. LEASING.

In order to preserve the character of the Condominium as predominantly owner-occupied, and to comply with the eligibility requirements for financing in the secondary mortgage market, leasing of Units shall be governed by the restrictions imposed by this Section. As used herein, "leasing" shall mean the regular, exclusive occupancy of a Unit by any Person(s) other than the Owner for which the Owner receives any direct or indirect monetary or economic benefit; the occupancy of a Unit by a roommate of an Owner then occupying a Unit shall not constitute leasing. Except as provided herein, the leasing of Units shall be prohibited.

(a) General. Owners desiring to lease their Units may do so only if they have applied for and received from the Board either a "leasing permit" or a "hardship leasing permit." Such a permit, upon its issuance, will allow an Owner to lease such Owner's Unit, provided that such leasing is in strict accordance with the terms of the permit and this Section. The Board shall

have the authority to establish conditions as to the duration and use of such permits consistent with this Section. All leasing permits and hardship leasing permits shall be valid only as to a specific Owner and Unit and shall not be transferable between either Units or Owners (including a subsequent Owner of a Unit where a permit was issued to the Owner's predecessor in title).

(b) Leasing Permits. An Owner's request for a leasing permit shall be approved if current, outstanding leasing permits have not been issued for more than 40% of the total Units in a single building. No more than 30% of the entire Regime may be leased at any one time. A leasing permit shall be automatically revoked upon the happening of any of the following events: (i) the sale or transfer of the Unit to a third party (excluding sales or transfers to (a) an Owner's spouse, (b) a person cohabiting with the Owner, and (c) a corporation, partnership, company, or legal entity in which the Owner is a principal); (ii) the failure of an Owner to lease such Owner's Unit within 90 days of the leasing permit having been issued; or (iii) the failure of an Owner to have such Owner's Unit leased for any consecutive six (6) month period thereafter. If current leasing permits have been issued for more than 40% of the Units in a single building or more than 30% of the entire Regime, no additional leasing permits shall be issued (except for hardship leasing permits) until the number of outstanding current leasing permits falls below 40% of the Units in a single building or more than 30% of the total Units in the Regime. Owners who have been denied a leasing permit shall automatically be placed on a waiting list for a leasing permit and shall be issued the same if they so desire when the number of current outstanding leasing permits issued falls to 40% or less in a single building or 30% or less of the total Units in the Regime. The issuance of a hardship leasing permit to an Owner shall not cause the Owner to be removed from the waiting list for a leasing permit.

(c) Hardship Leasing Permits. If the failure to lease will result in a hardship, the Owner may seek to lease on a hardship basis by applying to the Board for a hardship leasing permit. The Board shall have the authority to issue or deny requests for hardship leasing permits in its discretion after considering the following factors: (i) the nature, degree, and likely duration of the hardship, (ii) the harm, if any, which will result to the Condominium if the permit is approved, (iii) the number of hardship leasing permits which have been issued to other Owners, (iv) the Owner's ability to cure the hardship, and (v) whether previous hardship leasing permits have been issued to the Owner. Hardship leasing permits shall be valid for a term not to exceed one (1) year. Owners may apply for additional hardship leasing permits. Hardship leasing permits shall be automatically revoked if during the term of the permit, the Owner is approved for and receives a leasing permit.

(d) Leasing Provisions. Leasing which is authorized, pursuant to a permit, hereunder shall be governed by the following provisions:

(i) Notice. At least seven (7) days prior to entering into the lease of a Unit, the Owner shall provide the Board with a copy of the proposed lease agreement. The Board shall approve or disapprove the form of said lease. In the event a lease is disapproved, the Board shall notify the Owner of the requisite action to be taken in order to bring the lease in compliance with the Master Deed and any rules and regulations adopted pursuant thereto.

(ii) General. Units may be leased only in their entirety; no fraction or portion may be leased without prior written Board approval. All leases shall be in writing and in a form approved by the Board prior to the effective date of the lease. The Board may maintain and, upon request, provide a form which is deemed acceptable. There shall be no subleasing of Units or

assignment of leases without prior written Board approval. All leases must be for an initial term of not less than one (1) year, except with written Board approval, which shall not be unreasonably withheld in cases of undue hardship. Within ten (10) days after executing a lease agreement for the lease of a Unit, the Owner shall provide the Board with a copy of the lease and the name of the lessee and all other people occupying the Unit. The Owner must provide the lessee copies of the Master Deed, Bylaws, and the Association's rules and regulations, as well as the Master Declaration and the Master Association's bylaws and rules and regulations. Nothing herein shall be construed as giving the Association the right to approve or disapprove a proposed lessee; the Board's approval or disapproval shall be limited to the form of the proposed lease.

(iii) Liability for Assessments, Use of General Common Elements, and Compliance with Master Deed, Bylaws, and Rules and Regulations. Each Owner covenants and agrees that any lease of a Unit shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into the lease by existence of this covenant, and the lessee, by occupancy of the Unit, agrees to the applicability of this covenant and incorporation of the following language into the lease:

(a) Compliance with Master Deed, Bylaws, and Rules and Regulations. The lessee shall comply with all provisions of the Master Deed, Bylaws, and Association rules and regulations adopted pursuant thereto, as well as the Master Declaration and the Master Association's bylaws and rules and regulations (collectively, "Governing Documents"), and shall control the conduct of all other Occupants and guests of the leased Unit in order to ensure such compliance. The Owner (lessor) shall cause all Occupants of such Owner's (lessor's) Unit to comply with the Governing Documents and shall be responsible for all violations by such Occupants, notwithstanding the fact that such Occupants of the Unit are fully liable and may be sanctioned for any such violation. If the lessee, or a person living with the lessee, violates the Governing Documents for which a fine is imposed, notice of the violation shall be given to the lessor and the lessee, and such fine may be assessed against the lessee in accordance with Article V, Section 2 of the Bylaws. If the fine is not paid by the lessee within the time period set by the Board, the lessor shall pay the fine upon notice from the Association of the lessee's failure to pay the fine. Unpaid fines shall constitute a lien against the Unit.

Any violation of the Governing Documents by the lessee, any Occupant, or any guest of lessee, is deemed to be a default under the terms of the lease and authorizes the lessor to terminate the lease without liability and to evict the lessee in accordance with South Carolina law. The lessor hereby delegates and assigns to the Association, acting through the Board, the power and authority of enforcement against the lessee for breaches resulting from the violation of the Governing Documents, including, without limitation, the power and authority to evict the lessee as attorney-in-fact on behalf and for the benefit of the lessor, in accordance with the terms hereof. If the Association proceeds to evict the lessee, any costs, including attorney's fees and court costs, associated with the eviction shall be an assessment and lien against the Unit.

(b) Use of General Common Elements. The lessor transfers and assigns to the lessee, for the term of the lease, any and all rights and privileges that the lessor has to use the General Common Elements and the Master Association common property, including, but not limited to, the use of any and all recreational facilities and other amenities.

(c) Liability for Assessments. If lessor fails to pay any annual or special assessment or any other charge for a period of more than thirty (30) days after it is due and

payable, then lessor hereby consents to the assignment of any rent received from the lessee during the period of delinquency, and, upon request by the Board, lessee shall pay to the Association all unpaid annual and special assessments and other charges payable during and prior to the term of the lease and any other period of occupancy by lessee. However, lessee need not make such payments to the Association in excess of, or prior to the due dates for, monthly rental payments unpaid at the time of the Board's request. All such payments made by lessee shall reduce, by the same amount, lessee's obligation to make monthly rental payments to lessor. If lessee fails to comply herewith, lessee shall pay to the Association all amounts authorized under the Master Deed as if lessee were the owner of the Unit. The above provision shall not be construed to release the lessor from any obligation, including the obligation for assessments, for which lessor would otherwise be responsible.

(e) Applicability. Notwithstanding the above, this Section shall not apply to any leasing transaction entered into by the Developer, the Association, or the holder of any first Mortgage on a Unit who becomes the Owner of a Unit through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such Mortgage, and they shall be permitted to lease without obtaining a permit.

#### 16. SALE OF UNITS.

Except for the Developer, an Owner intending to make a transfer or sale of a Unit or any interest in a Unit shall give written notice to the Board of such intention within seven (7) days after execution of the transfer or sales documents. The Owner shall furnish to the Board as part of the notice (i) the name and address of the intended grantee; and (ii) such other information as the Board may reasonably require. This provision shall not be construed to create a right of first refusal in the Association or in any third party.

Within seven (7) days after receiving title to a Unit, the Owner shall give written notice to the Board of such Owner's ownership of the Unit. Upon failure of an Owner to give the required notice within the seven (7) day time period provided herein, the Board may levy fines against the Unit and the Owner thereof, and assess the Owner for all costs incurred by the Association in determining such Owner's identity.

#### 17. MORTGAGEE'S RIGHTS.

(a) Termination After Destruction or Condemnation. Any election to terminate the Condominium regime after substantial destruction or a substantial taking in condemnation of the Condominium shall require the approval of Owners holding sixty-seven (67%) percent or more of the total eligible votes in the Association and the Eligible Mortgage Holders on Units to which at least fifty-one (51%) of the votes of Units subject to Mortgages held by such Eligible Mortgage Holders are allocated.

(b) Termination. Any election to terminate the Condominium regime other than as provided under (a) above, shall require approval of Owners holding one hundred (100%) percent or more of the total eligible votes in the Association and Eligible Mortgage Holders of first Mortgages on Units to which at least one hundred (100%) percent of the votes of Units subject to Mortgages held by such Eligible Mortgage are allocated.

(c) Assessments. Where the Mortgagee holding a first Mortgage of record or a secondary purchase money Mortgage of record (provided that neither the grantee nor any successor grantee on the secondary purchase money Mortgage is the seller of the Unit), or other purchaser of a Unit, obtains title pursuant to judicial or nonjudicial foreclosure of the Mortgage, such Person shall not be liable for the share of the Common Expenses or assessments by the Association chargeable to such Unit which became due prior to such acquisition of title. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from Owners of all the Units, including such Person, its successors and assigns. Additionally, such Person shall be responsible for all charges accruing subsequent to the passage of title, including, but not limited to, all charges for the month in which title is passed.

(d) Notice. Upon written request to the Association identifying the name and address of the Mortgage holder and the Unit number or address, any Mortgage Holder, insurer or guarantor of a first Mortgage on a Unit, will be entitled to timely written notice of:

(i) any condemnation or casualty loss that affects either a material portion of the Condominium or the Unit securing its Mortgage;

(ii) any delinquency in the payment of assessments or charges owed by an Owner of a Unit subject to its Mortgage for a period of sixty (60) days;

(iii) any lapse, cancellation, or material modification of any insurance policy maintained by the Association; and

(iv) any proposed action that requires the consent of a specified percentage of Eligible Mortgage Holders.

(e) Financial Statement. Any holder, insurer or guarantor of a first Mortgage shall be entitled, upon written request, to receive within a reasonable time after request, a copy of the audited financial statements of the Association for the immediately preceding fiscal year, free of charge to the Mortgagee so requesting.

(f) Applicability of Certain Provisions. Notwithstanding anything to the contrary herein contained, the provisions of Sections 15 and 16 governing sales and leases shall not apply to impair the right of any first Mortgagee to:

(i) foreclose or take title to a Unit pursuant to remedies contained in its Mortgage; or

(ii) take a deed or assignment in lieu of foreclosure; or

(iii) sell, lease, or otherwise dispose of a Unit acquired by the Mortgagee.

(g) No Priority. No provision of this Master Deed or the Bylaws gives any Owner or other party priority over any rights of the first Mortgagee of any Unit in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the General Common Elements.

(h) Notice to Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of any Mortgagee holding a Mortgage encumbering such Owner's Unit.

(i) Failure of Mortgagee to Respond. Any Mortgagee who receives a written request from the Board to respond to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within 30 days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested.

(j) Amendments by Board. Should the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation subsequently delete, modify or add to any of their respective requirements for projects such as the Condominium or make any such requirements less or more stringent, the Board, without approval of the Owners or any other Person or group, may cause an amendment to this Master Deed to be recorded to reflect such changes.

(k) Construction of this Section. Nothing contained in this Section shall be construed to reduce the percentage vote that must otherwise be obtained under the Condominium Instruments or South Carolina law for any of the actions set forth in this Section.

#### 18. GENERAL PROVISIONS.

(a) Security. The Developer and the Association may, but shall not be obligated to, maintain or support certain activities within the Condominium designed to make the Condominium and the Units safer than they otherwise might be. HOWEVER, THE ASSOCIATION, THE MASTER ASSOCIATION, THE DEVELOPER, ITS PARTNERS AND AFFILIATES, ANY SUCCESSOR DEVELOPER, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, COMMITTEES, MEMBERS, SHAREHOLDERS, EMPLOYEES, AGENTS, SUCCESSORS AND ASSIGNS, SHALL NOT IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE CONDOMINIUM, NOR SHALL ANY OF THE FOREGOING BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR OF INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. NO REPRESENTATION OR WARRANTY IS MADE THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM OR OTHER SECURITY SYSTEM CANNOT BE COMPROMISED OR CIRCUMVENTED, NOR THAT ANY SUCH SYSTEMS OR SECURITY MEASURES UNDERTAKEN WILL IN ALL CASES PREVENT LOSS OR PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. FURTHERMORE, THERE IS NO GUARANTEE FROM ANYONE THAT NON-UNIT OWNERS AND NON-OCCUPANTS WILL NOT GAIN ACCESS TO THE CONDOMINIUM AND COMMIT CRIMINAL ACTS ON THE CONDOMINIUM NOR IS THERE ANY GUARANTEE THAT CRIMINAL ACTS ON THE CONDOMINIUM WILL NOT BE COMMITTED BY OTHER UNIT OWNERS OR OCCUPANTS. EACH OWNER ACKNOWLEDGES, UNDERSTANDS AND COVENANTS TO INFORM ITS TENANTS THAT THE ASSOCIATION, THE MASTER ASSOCIATION, THE DEVELOPER, ITS PARTNERS AND AFFILIATES, ANY SUCCESSOR DEVELOPER, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, COMMITTEES, MEMBERS, SHAREHOLDERS, EMPLOYEES, AGENTS, SUCCESSORS AND ASSIGNS, ARE NOT INSURERS AND THAT EACH PERSON USING THE CONDOMINIUM ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO

PROPERTY, TO UNITS, AND TO THE CONTENTS OF UNITS AND THE STRUCTURES THEREON RESULTING FROM ACTS OF THIRD PARTIES.

(b) Dispute Resolution. Prior to filing a lawsuit against the Association, the Board, or any officer, director, or property manager of the Association, an Owner or Occupant must request and attend a hearing with the Board. Any such request shall be in writing and shall be personally delivered to any member of the Board or the property manager, if any, of the Association. The Owner or Occupant shall, in such request and at the hearing, make a good faith effort to explain the grievance to the Board and resolve the dispute in an amicable fashion, and shall give the Board a reasonable opportunity to address the grievance before filing suit. Upon receiving a request for a hearing, the Board shall give notice of the date, time and place of the hearing to the Person requesting the hearing. The Board shall schedule this hearing for a date not less than seven (7) nor more than twenty-one (21) days from the date of receipt of the request.

(c) Right of Action. All Owners hereby acknowledge and agree that the Association shall not be entitled to institute any legal action against anyone on behalf of any or all of the Owners which is based on any alleged defect in any Unit or the General Common Elements, or any damage allegedly sustained by any Owner by reason thereof, but rather, that all such actions shall be instituted by the Person(s) owning such Units or served by such General Common Elements or allegedly sustaining such damage. Notwithstanding the above, once the Developer no longer has the right to appoint and remove directors and officers of the Association, as set forth in Article III, Section (A)(2), of the Bylaws, the Board may negotiate the resolution of any alleged defect(s) in the General Common Elements and Area of Common Responsibility on behalf of the Owners and shall have the right and authority to settle and release on behalf of any and all of the Owners claims, causes of action, damages and suits involving the same. Any such settlement and release shall bind all Owners and their successors and assigns. This subsection may not be amended without the written consent of the Developer.

(d) Litigation. No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by at least seventy-five percent (75%) of the total Association vote. This subsection shall not apply, however, to (i) actions brought by the Association to enforce the provisions of this Master Deed (including, without limitation, the foreclosure of liens), (ii) the imposition and collection of assessments as provided in Article VI of the Bylaws, (iii) proceedings involving challenges to ad valorem taxation, or (iv) counterclaims brought by the Association in proceedings instituted against it. This subsection shall not be amended unless such amendment is approved by the percentage votes, and pursuant to the same procedures, necessary to institute proceedings as provided above and such amendment is consented to in writing by the Developer.

(e) Implied Rights. The Association may exercise any right or privilege given to it expressly by this Master Deed, the Bylaws, the Articles of Incorporation, any use restriction or rule, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.

(f) Parking Areas. The Developer, its affiliates, the Master Association, and the Association, and any director, officer, employee or agent of any of the foregoing, shall not be liable for loss or damage to any property, including, without limitation, vehicles, placed or kept in any parking space or area in the Condominium. All Owners, Occupants and other Persons



who use a parking space or area in the Condominium do so at their own risk.

(g) Disclosures. Every Owner, by acceptance of a deed to a Unit, acknowledges that it will be subject to and bound by the Condominium Instruments.

Each Owner and Occupant also acknowledges the following:

(i) Access to the Condominium is through private streets maintained by the Master Association.

(ii) The views from Units can change over time due to, among other things, additional development and the removal or addition of landscaping.

(iii) No representations are made regarding the zoning of adjacent property, or that the category to which adjacent property is zoned may not change in the future.

(iv) Since in every development, there are conditions which different people may find objectionable, it is acknowledged that there may be conditions outside of an Owner's Unit which the Owner and/or Occupant thereof finds objectionable and that it shall be the sole responsibility of the Owner and/or Occupant to become acquainted with conditions outside such Owner's or Occupant's Unit which could affect the Unit.

(v) No representations are made that the Units are or will be soundproof or that sound may not be transmitted from one Unit to another.

(vi) Plat and Floor Plans and the dimensions and square footage calculations shown thereon and on Exhibit "B" are only approximations. Any Owner or other Person who is concerned about any representations regarding Plat and/or Floor Plans should do independent investigation as to the dimensions, measurements and square footage of such Owner's or Person's Unit.

(h) Successor Developers. Any successor to the Developer shall not be responsible or subject to liability, by operation of law, or through the purchase of Developer's interest in the Condominium or any portion thereof at foreclosure, or otherwise, for any act, omission or matter occurring, or arising from any act, omission or matter occurring, prior to the time the successor succeeded to the interest of the Developer.

(i) Contracts Executed During Developer Control. All contracts or leases executed by or on behalf of the Association during the period in which the Developer has the right to appoint the directors and officers of the Association under the Bylaws shall contain a termination clause permitting the Association to terminate the contract or lease at any time, without cause and without penalty, upon not more than ninety (90) days' prior written notice.

Each Owner acknowledges that Developer and its affiliates may provide services utilized by communities such as the Condominium, including, but not limited to, property management and landscape services. Each Owner consents and agrees that the Association, acting through the Developer-appointed Board, may enter into service contracts with Developer and its affiliates on its own authority and without approval of any third party.

(j) Variances. Notwithstanding anything to the contrary contained herein, the Board or its designee, with the prior approval of the Master Association board of directors, shall be authorized to grant individual variances from any of the provisions of this Master Deed, the Bylaws and any rule, regulation or use restriction promulgated pursuant thereto if it determines that waiver of application or enforcement of the provision in a particular case would not be inconsistent with the overall scheme of development for the Condominium.

19. EMINENT DOMAIN.

In the event of a taking by condemnation or by eminent domain, the provisions of the Act shall prevail and govern; provided, however, that any proceeds received for a taking of the General Common Elements (other than Limited Common Elements) by condemnation or eminent domain shall, at the option of the Board, be: (a) distributed to the Owners as their interest may appear, (b) credited to future assessments due from the Owners, or (c) allocated to the Owners and deposited into the Association's operating account or reserve account to be applied to Common Expenses. Each institutional holder of a first Mortgage shall be entitled to written notice of any such condemnation proceedings, and nothing in the Condominium Instruments shall be construed to give a priority to any Owner in the distribution of proceeds.

20. EASEMENTS.

(a) Use and Enjoyment. Each Owner and Occupant shall have a right and non-exclusive easement of use and enjoyment in and to the General Common Elements (including the right of access, ingress and egress to and from such Owner's or Occupant's Unit over those portions of the Condominium designated for such purpose), and such non-exclusive easement shall be appurtenant to and shall pass with the title to such Unit, subject to (i) the rights of the Owners to the exclusive use of the Limited Common Elements assigned to their respective Units, (ii) the right of the Association to control the use and enjoyment of the General Common Elements as provided by the terms of this Master Deed, including, but not limited to, the right of the Association to suspend voting and use privileges as provided herein and/or in the Bylaws, and (iii) the right of the Association to have access to the Units and Limited Common Elements to discharge its rights and obligations under the Condominium Instruments, including, without limitation, the maintenance responsibility of the Association. Every portion of a Unit and all Limited Common Elements contributing to the support of an abutting Unit shall be burdened with a non-exclusive easement of support for the benefit of such abutting Unit.

(b) Developer Easements. So long as Developer owns at least one (1) Unit, Developer and its affiliates, contractors, representatives, agents, assigns and employees shall have (i) an easement on, over, through, under and across the Condominium for the construction, installation, maintenance and use of signs, sales offices, business offices, construction trailers, promotional facilities and model units on the Condominium, together with such other facilities as in the opinion of Developer may be reasonably required, convenient or incidental to the completion, renovation, improvement, development or sale of the Condominium and/or the Units therein, and (ii) a transferable easement on, over, through, under and across the General Common Elements for the purpose of making improvements on the Condominium or any portion thereof, for the purpose of installing, replacing, repairing and maintaining all utilities serving the Condominium, and for the purpose of doing all things reasonably necessary and proper in connection therewith.

(c) Unit Owner - Easement for Utilities. Developer hereby establishes for the benefit of each Unit a nonexclusive easement for access to and installation, maintenance, repair, replacement and use of all pipes, wires, cables, conduits, utility lines, flues and ducts serving such Unit and situated in, on or under any other Unit or Common Elements. The Board, without a vote of the Owners, shall have the right, power and authority to grant utility to other permits, licenses and easements under, through or over the Units and/or the Common Property as may be necessary to or desirable for the proper maintenance and/or ongoing operation of the Regime. If any Owner desires access to the attic or other areas of another Unit or to the Common Property in order to install, maintain, repair or replace any utility pipe, wire, cable, conduit, utility line, flue or duct, the Owner shall contact the Owner of such other Unit(s) or the Association, as the case may be, at least two (2) business days in advance of the date that access is needed and attempt to agree on a convenient date and time for access by the Owner and the Owner's contractors. Access in emergency situations shall be granted immediately upon request. Any Owner of the property to which access is needed under this Section shall not unreasonably withhold, condition or delay such access. Rights exercised pursuant to this easement shall be exercised with a minimum of interference to the quiet enjoyment of affected property, reasonable steps shall be taken to protect Units, Common Property, other property and the property of Owners and Occupants, and damage shall be repaired by the person causing the damage at its sole expense.

(d) Pest Control: Sprinkler Testing. The Association may, but shall not be obligated to, dispense chemicals for the extermination of insects and pests within the Units and General Common Elements. In addition, sprinklers, if any, may need periodic testing, although it is not the obligation or responsibility of the Association to do so. In the event the Association chooses to provide such pest control or in the event sprinkler testing is to be conducted, the Association and contractors, representatives, agents and other Persons authorized by the Board shall have an easement to enter Units for the purpose of testing sprinklers and/or dispensing chemicals for the extermination of insects and pests within the Units and General Common Elements, as applicable. Owners shall either provide a key to the Unit for purpose of such entry or have someone available at such times as are designated by the Board to allow entry into the Unit for these purposes. The Developer, its affiliates, the Master Association, and the Association, and the directors, officers, employees and agents of any of the foregoing, shall not be liable for any illness, damage or injury caused by the testing of sprinklers or the dispensing of chemicals as described herein.

(e) Easements in Favor of Additional Property Owner. There is reserved to Developer and its successors and assigns, including, without limitation, any purchaser of the Additional Property or any portion thereof, a non-exclusive easement upon, across, above and under all property within the Condominium (including the General Common Elements and Limited Common Elements) for developing the Additional Property or portions thereof, whether or not such property is developed as part of the Condominium. In accordance therewith, it shall be expressly permissible for Developer and its successors and assigns to maintain and carry on, upon such portion of the Condominium as Developer or its successors and assigns may deem necessary, such facilities and activities as in the sole opinion of Developer or its successors and assigns may be required, convenient or incidental to development, construction and sales activities related to developing the Additional Property or portions thereof, whether or not such property is developed as part of the Condominium, including, but without limitation, the following:

(i) the right of access, ingress and egress for vehicular and pedestrian traffic over, under, on or in the Condominium;

(ii) the right to tie into and/or otherwise connect and use (without a tap-on or any other fee for so doing), replace, relocate, maintain and repair any device which provides utility or similar services, including, without limitation, electrical, telephone, natural gas, water, sewer and drainage lines and facilities constructed or installed in, on, under and/or over the Condominium; and

(iii) the right to carry on sales and promotional activities on the Condominium and the right to construct and operate business offices, signs, construction trailers, residences, promotional facilities, model units and sales offices; Developer and its affiliates may use residences, offices or other Units owned or used by Developer or its affiliates as model units and sales offices.

Rights exercised pursuant to this reserved easement shall be exercised with a minimum of interference to the quiet enjoyment of affected property, reasonable steps shall be taken to protect such property, and damage shall be repaired by the Person causing the damage at such Person's sole expense.

(f) Easement for Drainage. There is hereby reserved by the Developer and granted to the Association an easement upon, across, above and under all storm water drainage easement areas as shown on the recorded subdivision plat(s) for the Regime for access, ingress, egress, installation, alteration, repairing, replacing and maintaining the storm water drainage system and related facilities serving the Community or any portion thereof. This easement shall include the right to construct and maintain catch basins, retention ponds, detention ponds, drainage swales, storm sewers, storm drains, sloping banks, cut or fill. In addition, there is hereby reserved to the Developer and granted to the Association a blanket easement across all Units for creating and maintaining satisfactory drainage in the Regime; provided, however, such easement area shall not include any portion of a Unit within the outer perimeter of the dwelling structure. It is anticipated that increased storm water run-off across downstream Units will result from the construction of impervious surface within the Regime. Neither the Developer, the Association nor any builder or Owner constructing according to plans and specifications approved in accordance with provisions herein shall have any liability to any Owner due to the increased flow or increased velocity of surface water resulting from approved construction within the Regime.

(h) Mailbox and Trash Receptacle Easement. The Developer hereby declares, creates, imposes and establishes a non-exclusive joint and reciprocal easement in perpetuity over and across an area five (5) feet wide running along and contiguous to the boundary line of the private streets in the Regime as shown on the recorded subdivision plats for the Regime for the installation of and use and enjoyment of mailboxes and the placement of trash receptacles for pickup. Each mailbox shall be of a standard type as approved under Article VI hereof.

## 21. AMENDMENTS.

Except where a higher vote is required for action under any other provisions of this Master Deed or by the Act, in which case such higher vote shall be necessary to amend such provision, this Master Deed may be amended by the affirmative vote, written consent, or any combination of affirmative vote and written consent, of the members of the Association holding

sixty-seven (67%) percent or more of the total eligible vote thereof. As long as Developer owns at least one (1) Unit or has an unexpired right to expand the Condominium, any amendment to this Master Deed shall require the written consent of Developer. Notice of a meeting, if any, at which a proposed amendment will be considered shall state the fact of consideration and the subject matter of the proposed amendment. No amendment shall be effective until certified by the President and Secretary of the Association and recorded in the RMC Office for Charleston County, South Carolina. Any amendment duly certified and recorded shall be conclusively presumed to have been duly adopted in accordance with this Master Deed. Owners whose voting rights have been suspended pursuant to this Master Deed or the Bylaws shall not be counted toward the amendment requirement.

In addition to the above, material amendments to this Master Deed are subject to approval by Eligible Mortgage Holders who represent at least fifty-one percent (51%) of the votes of Units that are subject to Mortgages held by Eligible Mortgage Holders. Notwithstanding the above, the approval of any proposed amendment by an Eligible Mortgage Holder shall be deemed implied and consented to if the Eligible Mortgage Holder fails to submit a response to any written proposal for an amendment within thirty (30) days after the Eligible Mortgage Holder receives notice of the proposed amendment sent by certified or registered mail, return receipt requested. Material amendments are those which establish, provide for, govern or regulate any of the following:

- (a) Voting;
- (b) Increases in assessments that raise the previously assessed amount by more than twenty-five (25%) percent, assessment liens or priority of assessment liens;
- (c) Reductions in reserves for maintenance, repair and replacement of General Common Elements;
- (d) Responsibility for maintenance and repairs;
- (e) Reallocation of interests in the General Common Elements or rights to their use;
- (f) Redefinition of Unit boundaries;
- (g) Convertibility of Units into General Common Elements or vice versa;
- (h) Expansion or contraction of the Condominium or the addition, annexation or withdrawal of property to or from the Condominium;
- (i) Hazard or fidelity insurance requirements;
- (j) Imposition of any restrictions on the leasing of Units;
- (k) Imposition of any restrictions on a Unit Owner's right to sell or transfer his or her Unit;
- (l) A decision to establish self-management by the Association where professional management has been required by the Condominium Instruments or by an Eligible Mortgage Holder;

(m) Restoration or repair of the Condominium (after damage or partial condemnation) in a manner other than that specified in the Condominium Instruments; or

(n) Any provisions that expressly benefit Mortgage holders, insurers or guarantors of first Mortgages on Units in the Condominium.

Notwithstanding the foregoing, the Developer or the Board, without the necessity of a vote from the Owners, may amend this Master Deed or the Bylaws (aa) to comply with any applicable state, city, county or federal law, (bb) to bring the Condominium into compliance with applicable rules, regulations and/or requirements of the Fannie Mae and/or the Federal Home Loan Mortgage Corporation, and (cc) to correct scrivener's errors.

No provision of this Master Deed or the Bylaws which reserves or grants special rights to Developer and/or its affiliates shall be amended without the prior written consent of Developer and any affiliates affected by such amendment, so long as Developer and/or such affiliates, as the case may be, own at least one (1) Unit or has an unexpired right to expand the Condominium, any amendment to this Master Deed shall require the written consent of Developer.

Any action to challenge the validity of an amendment adopted under this Section must be brought within one (1) year of the effective date of such amendment. No action to challenge such amendment may be brought after such time.

## 22. SEVERABILITY.

Invalidation of any of the covenants or restrictions set forth in this Master Deed, by judgment or court order or otherwise, shall in no way affect the application of such provision to other circumstances or affect any other provision(s), which shall remain in full force and effect.

## 23. DEVELOPER RIGHTS.

Notwithstanding anything to the contrary herein, and in addition to Developer's right to appoint and remove officers and directors of the Association under Article III, Section (A)(2) of the Bylaws and other rights set forth herein, Developer and its affiliates shall have the right, as long as Developer owns at least one (1) Unit, to conduct such sales and marketing activities at the Condominium as Developer deems appropriate, and Developer and its affiliates shall have easement rights across the General Common Elements to erect signs and to conduct such other sales and marketing activity as provided herein.

## 24. EXPANSION OF THE REGIME.

Developer reserves the right and option to expand the Regime by adding to the Regime and submitting to this Master Deed all or any part of the Additional Property on one or more occasions. Except for zoning and other governmental requirements, there are no limitations as to the location of improvements on the Additional Property. The Additional Property may be added as a whole at one time, or portions may be added at different times, or all or portions may not be added at all. There are no limitations regulating the order in which the Additional Property may be submitted to this Master Deed. However, there is no obligation or guarantee to expand the Regime at all, or to submit any of the Additional Property to this Master Deed, or to

develop and/or construct the Additional Property or any portion thereof in any manner similar to the then existing Regime.

This right and option shall expire twenty (20) years from the date of recording of this Master Deed; provided, however, that Owners of Units to which two-thirds (2/3) of the total vote in the Association appertain, excluding any votes appurtenant to any Unit or Units then owned by the Developer, may consent to the extension of this expansion option within one (1) year prior to the date upon which the option would have otherwise expired.

The maximum number of Units that may be created on the Additional Property and added to the Regime is one hundred seven (107), so that the maximum number of Units in Phases 2A, 2B and 2C are one hundred sixty-five (165); any number of such Units may be added in any phase. If all of the Additional Property is annexed to the Regime, the percentage interest in the Regime at build out is anticipated to be as shown on Exhibits "E-1" and "E-2" attached hereto and by this reference incorporated herein. Any such annexation is not anticipated to substantially increase the proportionate amount of the Common Expenses payable by existing Unit Owners. The value assigned to any Unit on Exhibit "E-1" and "E-2" 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.

No assurances are made that any improvements will be made on all or any of the Additional Property which may be submitted to this Master Deed. A portion of the Additional Property shall be subject to the use restrictions set forth herein when such portion is added to the Regime. No assurances are made that the units which may be built on all or any portion of the Additional Property will be identical or similar to the Units or each other. All improvements to be located on a portion of the Additional Property which is being submitted to the Regime shall be substantially complete prior to its submission to the Regime. The Developer shall have the right to assign Limited Common Elements on the Additional Property in accordance with the provisions hereof. The undivided interests in the General Common Elements are allocated among the Units on a substantially equal basis, and, upon the expansion of the Regime to include a portion of the Additional Property, may be reallocated on the same basis or on the basis of the approximate square footage of each Unit in comparison to the approximate square footage of all Units.

Any expansion under this Section shall be effected by Developer's executing and recording the amendments to this Master Deed and the plats and plans required by the Act at Developer's sole expense. The units thereby created and added shall be owned by Developer, but the General Common Elements shall be owned by all of the Owners.

25. NO DISCRIMINATION.

No action shall be taken by the Association or the Board of Directors which would discriminate against any person on the basis of race, creed, color, national origin, religion, sex, familial status or handicap.

26. PREPARER.

This Master Deed was prepared by: Lydia P. Davidson, Esq.  
Krawcheck & Davidson, LLC  
9 State Street  
Charleston, SC 29401  
(843) 577-2577

[SIGNATURES ON FOLLOWING PAGE]



IN WITNESS WHEREOF, the undersigned duly authorized officer of Developer has executed this Master Deed this 11th day of September, 2006.

WITNESSES

Paulahausford  
Witness 1

Sharon Gundry  
Witness 2

DEVELOPER: John Wieland Homes and Neighborhoods of the Carolinas, Inc.,  
A Georgia Corporation

By: Dan Fields  
Dan Fields  
Vice President

STATE OF SOUTH CAROLINA )  
  )  
COUNTY OF CHARLESTON )

PROBATE

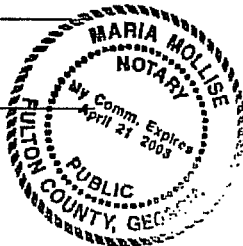
PERSONALLY APPEARED BEFORE ME, the undersigned witness, who being duly sworn, deposes and states that (s)he saw the within named John Wieland Homes and Neighborhoods of the Carolinas, Inc., a Georgia Corporation, by Dan Fields, its Vice President, sign and deliver the foregoing Master Deed for The Heritage at Dunes West Horizontal Property Regime and that (s)he with the other witness whose name is subscribed above witnessed the execution thereof.

Sworn to before me this 11th day of September, 2006.

Paulahausford  
Witness

[Signature]  
Notary Public

My Commission Expires: \_\_\_\_\_



The Association has executed this instrument and affixed the seal below this 11th day of September, 2006 for the purpose of consenting to all of the terms and provisions of this Master Deed.

WITNESSES:

Paulahausford  
Witness 1  
Sharon Huidry  
Witness 2

ASSOCIATION: The Heritage at Dunes West Condominium Association, Inc., a South Carolina Non-profit Corporation  
By: Frederick D. Evans III  
Frederick D. Evans III  
Secretary

STATE OF SOUTH CAROLINA )  
COUNTY OF CHARLESTON )

PROBATE

PERSONALLY APPEARED BEFORE ME, the undersigned witness, who being duly sworn, deposes and states that (s)he saw the within named The Heritage at Dunes West Condominium Association, Inc., a South Carolina Non-profit Corporation, by Frederick D. Evans III, its Secretary, sign and deliver the foregoing Master Deed for The Heritage at Dunes West Horizontal Property Regime and that (s)he with the other witness whose name is subscribed above witnessed the execution thereof.

Sworn to before me this 11th day of September, 2006  
Maria Mollise  
Notary Public

Paulahausford  
Witness

My Commission Expires: \_\_\_\_\_

