

**DECLARATION AND ESTABLISHMENT OF CONDITIONS,
RESERVATIONS, AND RESTRICTIONS FOR
PARADISE ISLAND**

Paradise Island Joint Venture, a South Carolina Partnership, (such entity, its successors and assigns, hereinafter referred to as the "Declarant"), being the owner of the premises, situate within the County of Charleston, State of South Carolina, and described on Exhibit A attached hereto (the "Premises"), has established a general plan for the improvement and development of the Premises, and declares the covenants, conditions, reservations, and restrictions upon which, and subject to which, all platted residential lots and portions of platted residential lots in the Premises (the "lots") shall be improved, sold and conveyed by it as owner. Each and every one of these covenants, conditions, reservations, and restrictions is for the benefit of each owner of land in the Premises, and each mortgagee or holder of other interest therein, and shall inure to and pass with each and every parcel of the Premises, and shall bind the respective successors and assigns of the Declarant. These covenants, conditions, reservations, and restrictions are each imposed upon the lots, all of which are to be construed as restrictive covenants running with the title to the lots and with each and every parcel:

1. **Residential Use.** The lots, and each and every one of them, are for single-family residential purposes only. No building or structure intended for or adapted to commercial or business purposes, and no apartment house, double house, lodging house, rooming house, kindergarten, day-care center, school, hospital, sanitarium or office, or other multiple-family dwelling shall be erected, placed, permitted, or maintained on any lot, or on any part of any lot. No improvement or structure whatever, other than a first class private dwelling house, patio walls, swimming pool, and customary outbuildings, garage, carport, servants' quarters, or guest house may be erected, placed or maintained on any lot in the Premises.
2. **Preservation of Natural Environment.** The native growth of the Premises shall not be permitted to be destroyed or removed except as approved in writing by the Declarant or the Board of Directors of Paradise Island Property Owners Association (the "Board of Directors"). In the event such growth is removed, except as approved, the Declarant or the Board of Directors may require the replanting or replacement of same, at the cost of the lot owner.
3. **Tanks and Other Storage.** No elevated tanks of any kind shall be erected, placed, or permitted on any part of the Premises, provided, that nothing herein shall prevent the Declarant, its successors and assigns, from erecting, placing, or permitting the placing of tanks and other water system apparatus on the Premises. Any tanks for use in connection with any residence, including tanks for the storage of fuels, must be buried or walled sufficiently to conceal them from the view from neighboring lots, roads, or streets. All clotheslines, garbage cans, equipment, coolers, wood piles, or storage piles shall be walled in to conceal them from the view of neighboring lots, roads, or streets. Plans for all enclosures of this nature must be approved by the Declarant or the Architectural Review Board of the Paradise Island Property Owners Association (the "ARB").
4. **Setback Lines.** No building, structure, fence, hedge, outbuilding, or appurtenance of any nature shall be located closer than ten (10') feet from any side lot line and thirty (30') feet from any front or back lot line.
5. **Horses and Pets.** No horses shall be kept or stabled on any of the lots. This shall not be construed to prevent lot owners from keeping horses in any community stable which may be proposed for the Premises by the Declarant or the Board of Directors. No more than two (2) pets of the customary household variety (including birds) may be kept on any lot in such Premises, except upon the express written permission of the Declarant or the Board of Directors; provided, however,

that the provisions hereof shall not be deemed to permit the keeping of domestic fowl or farm animals.

6. Utility Lines, and Radio and Television Antennas. All electrical service and telephone lines shall be placed underground and no outside electrical lines shall be placed overhead. This restriction may be waived by the Declarant or the Board of Directors. No exposed or exterior radio or television transmission or receiving antennas or dishes shall be erected, placed, or maintained on any part of the Premises. This restriction also may be waived for cause by the Declarant or the Board of Directors. Any waiver of these restrictions need not constitute a waiver as to other lots or lines or antennas. This restriction shall not apply to any exterior radio or television transmission or receiving antennas or dishes, the regulation of which is prohibited by Federal Law.

7. Nuisances. No lot shall be used in whole or in part for the storage of rubbish of any character whatsoever, nor for the storage of any property or thing that will cause such not to appear in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any lot that will emit foul or obnoxious odors, or that will cause any noise that will or might disturb the peace, quiet, comfort, or serenity of the occupants of surrounding property.

8. Signs. No billboards or advertising signs of any character shall be erected, placed, permitted, or maintained on any lot or improvement except as herein expressly permitted. A name and address sign, the design of which shall be furnished to the lot owner on request by the Declarant or the Board of Directors, shall be permitted. No other sign of any kind or design shall be allowed. The provisions of this paragraph may be waived by the Declarant or the Board of Directors, only when in its discretion the same is necessary to promote the sale of property in the Premises. Nothing herein shall be construed to prevent the Declarant or Board of Director from erecting, placing, or maintaining sign structures and offices as may be deemed necessary by it for the operation of the Premises.

9. Mining. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, placed, or permitted upon any part of such premises, nor shall any oil, natural gas, petroleum, asphaltum, or hydrocarbon products or minerals of any kind be produced or extracted.

10. Garage. No garage or other outbuilding shall be placed, erected or maintained upon any part of the Premises except for use in connection with a residence already constructed or under construction. Nothing herein shall be construed to prevent the incorporation and construction of a garage as a part of a dwelling house.

11. Occupancy. No private dwelling house erected upon any lot shall be occupied in any manner while in the course of construction, nor at any time prior to its being fully completed. Nor shall any residence, when completed, be in any manner occupied until made to comply with the approved plans, the requirements herein, and all other covenants, conditions, reservations, and restrictions herein set forth. All construction shall be completed within nine (9) months from its start, provided, that the Declarant or the Board of Directors may extend the time when in its opinion conditions warrant an extension. No temporary house, temporary dwelling, temporary garage, temporary outbuilding, trailer home, recreational vehicle, or other temporary or mobile structure shall be placed or erected upon any lot. Rental of any guest house is prohibited, the occupancy thereof being limited to either guests or servants.

12. Approval of Plans. The location, design, and construction materials and all other plans of the construction of private roads and driveways and the location, design and construction materials and all other building plans of any dwelling house, building, fence, wall, or structure to be erected upon any lot, and their proposed location upon any lot, and any changes after approval, any remodeling, reconstruction, alteration, or addition to any dwelling house, building, road, driveway, or other structure upon any lot in the Premises or the construction of any dock not in accordance with the typical cross-section illustrated in the application for the Dock Corridor Master Plan on file with the Office of Coastal Resource Management of the State of South Carolina shall require the approval in writing of the ARB. No structure of any kind, the plans, elevations, and specifications of which have not received the written approval of the ARB, and which does not comply fully with the approved plans and specifications, shall be erected, constructed, placed, or maintained upon any lot. Approval of plans and specifications shall be evidenced by written endorsement on the plans and specifications, a copy of which shall be delivered to the owner of the lot upon which the prospective building, road, driveway, or other structure is planned prior to the beginning of construction. No changes or deviations in or from the plans and specifications as approved shall be made without the prior written consent of the ARB. The ARB shall not be responsible for any structural defects in the plans or specifications. The ARB may waive the set back provisions contained in paragraph four and any other building restrictions in these Covenants, but only for reasonable cause shown. Reasonable cause shall not include cost or expense.

13. Letter and Delivery Boxes. The Declarant or the ARB shall determine the location, color, size, design, lettering, and all other particulars of all mail or paper delivery boxes, and standards and brackets and name signs for the boxes in order that the area be strictly uniform in appearance with respect to these items.

14. Drainage. Drainageways shall conform to the requirements of the lawful public authorities, including the County Engineer of Charleston County, State of South Carolina, to the full extent of the authority given him by law.

15. Commercial Vehicles. No commercial vehicles, construction, or like equipment or mobile or stationary trailers of any kind shall be permitted on any lot of the Premises nor shall any maintenance (other than routine) or repair of any vehicle be permitted on any lot or street.

16. Division of Lots. No lot shall be resubdivided except as follows:

(a) Any two or more adjacent lots may be combined into a single lot. Any easements along the side lot lines which are abandoned in the combination of the adjacent lots into a single lot shall be deemed automatically abandoned unless there is in fact a utility located along or adjacent to said lot line. The owner of any combined lot shall be responsible for all costs and expense of removing or relocating any utilities located along or adjacent to any side lot line being abandoned.

(b) The owner of two adjacent lots may adjust the boundary line between said lots so long as the two lots, after said boundary lines adjustment, comply with all applicable subdivision and zoning regulations. Any easements along the boundary lines being adjusted, shall be deemed automatically abandoned unless there is in fact a utility located along or adjacent to said line and shall automatically apply to the new line as adjusted. The owner of any lots whose lot lines are adjusted shall be responsible for all costs and expenses in removing or relocating any utilities located along or adjacent to the line being adjusted.

(c) The Association hereby expressly reserves and establishes to itself, its successors and assigns, the right to approve or disapprove through its Board of Directors or designees the replotting of any two or more existing lots shown on the plat of any portion of the premises or the dividing of any existing residential single lot for the purpose of adding to the lots on either side, in

order to create a modified building lot or lots. As a condition of the approval, the Board of Directors or its designee also shall have the right to require that such other steps be taken by property owners as are reasonably necessary to make such replotted lots suitable and fit as building sites including, but not limited to, the relocation of easements, walkways, and rights-of-way, to conform to the new boundaries of such replotted lots.

(d) The Association hereby expressly reserves and establishes to itself, its successors and assigns, the right to approve or disapprove any amendment, modification or addition the Dock Corridor Master Plan approved by the Office of Coastal Resource Management of the State of South Carolina at the date of this Declaration.

(e) Assessments, regular and special, imposed on combined or modified lots shall be the sum of the individual assessments which would have been levied against the individual lots or pro-rated portions thereof.

17. Wells. Private water wells for human consumption may be drilled or maintained on any lot until public water service is available. At such time as public water service is available to a lot, private water wells may no longer be used to provide water for human consumption and the public water service must be utilized in lieu thereof. Provided, however, private wells may continue to be used for irrigation purposes.

18. Sewer. Prior to the occupancy of a dwelling house, proper and suitable provision shall be made for the disposal of sewage by connection with public sewer mains. No sewage or other waste material shall be emptied or discharged into the ocean, any creek, marsh, river, sound, any waterway or beach or shorelines thereof.

19. Unightly Conditions. It shall be the responsibility of each owner to prevent the development of any unclean, unsightly or unkept conditions of buildings or ground on such lot which shall tend to substantially decrease the beauty of the neighborhood as a whole or the specific area.

20. Reservation of Easements. The Declarant reserves unto itself, its successors and assigns, a perpetual, alienable and releasable easement and right on, over and under each lot to erect, maintain and use poles, wires, cables, conduits, sewers, water mains and other suitable equipment for the conveyance and use of electricity, telephone equipment, community antenna telephone service, cable and other communication lines, gas, sewer, water or other public conveniences or utilities on, in or over the front, side and back lot lines of each lot, parcel or tract of land as may be reasonably required for utility line purposes, but no wider than ten (10") feet along any line, provided however, that no such utility easement shall be applicable to any portion of such lot which has been properly built upon. These easements and rights expressly include the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or to take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety and appearance. Such rights may be exercised by any licensee of the Declarant, but this reservation shall not be considered an obligation of the Declarant to provide or maintain any such utility or service.

21. Trees. No trees measuring six (6") inches or more in diameter at a point two (2") feet above ground level may be removed from any lot without the prior written approval of the Declarant or the ARB. Approval of the removal of trees located within twenty (20") feet of the main dwelling or accessory building or within twenty (20") feet of the approved site for such building will be granted.

22. Assessments and Liens. The owners of all lots situated in the Premises, but excepting the Declarant, which will be the owner of the roads (subject to the right of Declarant to convey such roads, or parts thereof, to the public or to the Association), rights-of-way and certain common property, shall be subject to maintenance and service fees, annual assessments, emergency assessments, special assessments, capital assessments and other charges determined and payable in accordance with these Covenants or the By-laws of the Paradise Island Property Owners Association, as amended from time to time. The Board of Directors shall have the right to levy assessments for the regular maintenance of common properties and property owned by the Association, special assessments for proper purposes of the Association, as determined by the Board of Directors from time to time, and emergency assessments to protect property or for the safety of the Premises, the lots, or the owners of lots. Regular assessments shall not exceed \$600.00 per lot per year unless approved in writing by the owners of sixty (60%) percent of the lots subject to this Declaration. The fees, charges, costs and other assessments provided for herein may be set at separate fixed rates for improved, unimproved, and any other class of property, based upon reasonable cost sharing principles reflecting access, benefit, and use of the Association's roads, properties and services. Each owner shall be personally liable for such fees, charges, costs and assignments contemplated by these Covenants and/or imposed pursuant to such By-laws, as amended from time to time. Should an owner fail to pay the Association within thirty (30) days after any such fee, charge, cost or assessment becomes due, the Board of Directors shall have the right to file a notice of lien and lis pendens against such property, and the Association shall have a lien on such property for the payment of such sum, together with late charges and interest in accordance with the Association's By-laws. The Board of Directors shall have the right to bill and collect interest and late charges, to institute legal proceedings and to enforce such rights to the extent and in the manner permitted by the laws of South Carolina, including the right to charge and collect all necessary attorneys' fees, court costs, and other collection expenses, necessitated by such delinquency. Declarant hereby covenants and agrees that it shall pay to Paradise Island Property Owners Association, at the end of each year, a sum of money equal to any budget deficit experienced by the Association. Provided, however, the Declarant shall be not required to pay to the Association any more than a sum equal to the amount of assessments that the Declarant would have paid on lots owned by the Declarant for said year or portion thereof if said lots had not been exempt from assessments.

Upon conveyance by deed or by law of any lot or part or portion thereof, the purchaser thereof and each successive owner shall be and become personally liable for and shall pay all fees, assessments and other charges, past or future, due to the Association in accordance with the provisions of these Covenants and the provisions of the Association's By-laws, as either or both may be amended from time to time.

23. Right of Entry for Insect, Reptile, Etc. Control. In order to implement effective insect, reptile and wood fire control, the Board of Directors reserves and establishes for itself and its agents the right to enter upon any lot on which a dwelling house has not been constructed and for which no approved landscaping plan has been implemented. Such entry may be made by personnel with tractors or other suitable devices for the purposes of mowing, removing, clearing, cutting or pruning underbrush, weeds, or other growth which in the opinion of the Board of Directors detracts from the overall livability and/or safety of the Premises. The cost of such operations may be billed to and, if so, shall be borne by the owner. The provisions in this paragraph shall not be construed as imposing an obligation on the Board of Directors or its agents to mow, clear, cut or prune on any lot or to provide garbage or trash removal services.

24. Hunting and Fishing. No hunting of any type will be permitted on the Premises. Fishing will be allowed in accordance with rules established by the Board of Directors.

25. Roads and Sight Easements. The Association will maintain all general access roads within the Premises which are not public and which are paved, from and after the time, if any, when such roads are conveyed to the Association by Declarant.
26. Boathouses, Docks, Boats, Canoes, Etc. No boathouses, docks, piers or wharves shall be constructed on any lot unless the right to do so is specifically included in the Deed of conveyance from the Declarant for such lot.
27. Changes of Topography, Etc. No lot shall be increased in size by filling, by any method, the water or marsh area, if any, on, which that lot abuts. No lot owner shall excavate or extract earth by any method for any purpose unless written approval is first obtained from the ARB. No elevation or topography changes shall be permitted on any lot which materially affect the service grade of surrounding lots unless first approved in writing by the ARB.
28. Homeowners' Association. For the purpose of owning and maintaining roads, common areas, traffic control, general planting without roadway and common areas, and all common community services of every kind and nature required or desired within the Premises for the general use and benefit of all lot owners, each and every lot owner, in accepting a deed or contract for any lot in the Premises, agrees to and shall be a member of and be subject to the obligations and duly enacted Bylaws and rules of the Paradise Island Property Owners Association.
29. Term, Extensions. All of the foregoing covenants, conditions, reservations, and restrictions shall continue and remain in full force and effect at all times as against the owner of any lot in the Premises, regardless of how he or she acquired title, until the commencement of the calendar year 2020, on which date these covenants, conditions, reservations, and restrictions shall terminate and end, and thereafter be of no further legal or equitable effect on the Premises or any owner. However, these covenants, conditions, reservations, and restrictions shall be automatically extended for a period of ten (10) years, and thereafter in successive ten-year periods, unless on or before the end of one of the extension periods or the initial period the owners of two-thirds of the lots in the Premises shall by written instrument duly recorded declare a termination of the same. Although these covenants, conditions, reservations, and restrictions may expire, any and all reversions for breach of these covenants, conditions, reservations, or restrictions committed or suffered prior to expiration shall be absolute.
30. Expenses. If the Declarant or the Board of Directors or the ARB hires counsel to enforce any of the foregoing covenants, conditions, reservations, or restrictions, or to reenter, by reason of a breach, all costs incurred in the enforcement, including a reasonable fee for counsel, shall be paid by the owner of the subject lot or lots and their shall be a lien upon such lot or lots to secure payment of all such accounts.
31. Mortgages. The breach of any of the foregoing covenants, conditions, reservations, or restrictions, shall not defeat or render invalid the lien of any mortgage made in good faith for value as to any lot or lots or portions of lots in the premises, but these covenants, conditions, reservations, and restrictions shall be binding upon and effective against any mortgagee or trustee or owner, whose title or whose grantor's title is or was acquired by foreclosure, trustee's sale, or otherwise.
32. Waiver. No delay or omission on the part of the Declarant or the owners of other lots in the premises in exercising any rights, power, or remedy herein provided, in the event of any breach of the covenants, conditions, reservations, or restrictions herein contained, shall be construed as a waiver thereof or acquiescence therein, and no right of action shall accrue nor shall any action be brought or maintained by anyone whatsoever against the Declarant for or on account of its failure

to bring any action on account of any breach of these covenants, conditions, reservations, or restrictions, or for imposing restrictions herein which may be unenforceable by the Declarant.

33. Severability. In the event any one or more of the foregoing covenants, conditions, reservations, or restrictions is declared for any reason, by a court of competent jurisdiction, to be null and void, the judgment or decree shall not in any manner whatsoever affect, modify, change, abrogate, or nullify any of the covenants, conditions, reservations, and restrictions not declared to be void or unenforceable, but all of the remaining covenants, conditions, reservations, and restrictions not expressly held to be void or unenforceable shall continue unimpaired and in full force and effect.

34. Bridges, Walkways, Etc. The Declarant has, by express reservation and as herein established, the right to build any bridges, walkways or fixed spans across any or all natural or man-made canals, creeks or lagoons in the Premises to which it holds title. The design and location of such structure on property which is now or hereafter becomes subject to these Covenants, will not be subject to approval by the ARB. Nothing in this paragraph shall be construed as placing an affirmative obligation on the Declarant to provide or construct any bridge, walkway or fixed span. Any such bridge or walkway may be conveyed to the Association and the Association shall accept such conveyance.

35. Easement of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the common property which shall be appurtenant to and shall pass with the title to every lot, subject to the right of the Association to dedicate or transfer all or any part of the common property to any public agency, authority or utility and subject to such conditions as may be agreed upon.

36. Notices. All papers or instruments, plans and specifications, or any other writings provided for herein, shall be filed with or submitted to the Declarant as its then current address and to the Association or its designated representative, by personal delivery or certified mail in care of Paradise Island Property Owners Association, at its then current address. Notices to property owners shall be deemed to have been duly given when delivered in person or deposited in the mail, postage prepaid, and addressed to the owner at the property address or at such other address as may have been provided to the Association for such purpose.

37. Modification. These Restrictive Covenants may be altered, modified, canceled or changed by the number of property owners who constitute the owners of more than fifty (50%) percent of the lots in the Premises, as determined on the basis of the number of votes entitled to be cast by the membership of the Association. Such modification may be accomplished only by referendum in accordance with the Association Bylaws. These Restrictive Covenants may be altered, modified, or changed by the Declarant (i) to correct inconsistencies, and (ii) for a period of three years from the date of recording of these Restrictive Covenants, if the change does not, in the reasonable opinion of Declarant, materially decrease the value of any lot previously conveyed by Declarant to a third party, and such change is, in the reasonable opinion of the Declarant, necessary for the orderly development of the Premises into residential lots.

38. Assignment. The Declarant and the Board of Directors each shall have the right to assign to any one or more persons, firms, corporations, partnerships, or associations any and all of the rights, powers, titles, easements and estates reserved, given or otherwise passing to it from the Declarant.

39. Future Phases. The Declarant intends to develop Paradise Island in one or more phases. The Declarant may submit the property which is the subject of future phases to this Declaration and Establishment of Conditions, Reservations and Restrictions or to a declaration and establishment of conditions, reservations, and restrictions substantially similar to those set forth

EX J-283PG646

herein.

IN WITNESS WHEREOF, the Declarant has hereunto set its hand and seal this 21st day of April, 1997.

WITNESSES:

PARADISE ISLAND JOINT VENTURE, a South Carolina Partnership

By: Paradise Island Associates L.P. -
Its: Partner

By: Island Development Partners
Its: General Partner

By: William H. Barnwell, III
Its: Partner

[Signature]
Elizabeth W. [Signature]

BK J 283PG647

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

PERSONALLY appeared before me the undersigned witness and made oath that (s)he saw the within-named Paradise Island Joint Venture, a South Carolina Partnership, by Paradise Island Associates L.P., its Partner, by Island Development Partners, its General Partner, by William H. Barnwell, III, its Partner, sign, seal and as its act and deed, delivered the within written instrument, and that (s)he with the other witness witnessed the execution thereof.

Elizabeth W. Stahl

SWORN to before me this
29th day of April, 1997.

Elizabeth W. Stahl
NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission Expires: Aug 11, 2001

(c:\042997 Paradise Island Declaration)

EX J 283PG648

EXHIBIT A

All those certain pieces, parcels and tracts of land, together with the improvements thereon, situate, lying and being on Big Paradise Island, Christ Church Parish, Charleston County, South Carolina, and shown and designated as Lots 1 through 60 on a plat entitled "CONDITIONAL PLAT PHASE I BIG PARADISE ISLAND, CHRIST CHURCH PARISH, CHARLESTON COUNTY, S.C." by E.M. Seabrook, Jr., Inc. dated May 8, 1995 and recorded August 7, 1995 in Plat Book EA at Pages 697 through 699 in the RMC Office for Charleston County, to which reference is hereby craved for a more complete description.

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Post Office Box 1254
Charleston, SC 29402

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CHARLIE LYBRAND
REGISTER
CHARLESTON COUNTY SC

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

DECLARATION OF
RESTRICTIVE COVENANTS

THIS DECLARATION OF RESTRICTIVE COVENANTS is made this
29th day of April, 1997, by Paradise Island Joint Venture
("Declarant(s)").

RECITALS

WHEREAS, Declarant is the owner of certain real property located in Charleston County, South Carolina, more particularly described on Exhibit A attached hereto and made a part hereof ("Property"); and

WHEREAS, in consideration of the issuance of Department of the Army Permit No. 94-1G-502 ("Permit") to Declarant by the U.S. Army Corps of Engineers, Charleston District ("Corps," to include any successor agency), and for the protection or enhancement of the Property's wetlands, scenic, conservation, resource, environmental, or other values, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Declarant has agreed to place certain restrictive covenants on the Property, in order that the Property shall remain substantially in its natural condition forever, as provided herein.

NOW THEREFORE, Declarant, hereby declares that the Property shall be held, transferred, conveyed, leased, occupied or otherwise disposed of and used subject to the following restrictive covenants, which shall run with the land and be binding on all heirs, successors, assigns, lessees, or other occupiers and users.

I. Declarant is and shall be prohibited from the following: filling, draining, flooding, dredging, impounding, clearing, burning, cutting or destroying vegetation, cultivating, excavating, erecting, constructing, or otherwise doing any work on the Property; introducing exotic species into the Property; and from changing the grade or elevation, impairing the flow or circulation of waters, reducing the reach of waters, and any other discharge or activity requiring a permit under clean water or water pollution control laws and regulations, as amended. The following are expressly excepted from this paragraph: removal of diseased or unsafe trees, drainage structures and other activities authorized by the Permit, and, after review and written approval by the Corps, cumulatively very small impacts associated with the creation of hand constructed pedestrian paths and boardwalks for environmental education, fishing, hunting (excluding planting or burning) and similar recreational activities consistent with the continuing natural condition of the Property.

2. After recording, these restrictive covenants may be altered by modification of the Permit pursuant to applicable Corps regulations and policy, provided all agencies that certified the Permit concur with the modification, and subject to consultation with other resource agencies as appropriate. Such modifications become a part of these restrictive covenants. Declarant may request to trade in entirety or in part property that is not encumbered by conservation easements or covenants for the Property, or parts of the Property, herein, provided such substitute property is of equivalent functions and values as the Property, or such parts, herein, and is placed under equivalent conservation restrictions.

3. Any permit application, or request for certification or modification, which may affect the Property, made to any governmental entity with authority over wetlands or other waters of the United States, shall expressly reference and include a copy of these restrictive covenants.

4. It is expressly understood and agreed that these restrictive covenants do not grant or convey to members of the general public any rights of ownership, entry or use of the Property. These restrictive covenants are created solely for the protection of the Property, wetlands, and associated values, and Declarant reserve the ownership of the fee simple estate and all rights appertaining thereto, including without limitation the rights to exclude others and to use the property for all purposes not inconsistent with these restrictive covenants.

5. The Corps, and its authorized agents shall have the right to enter and go upon the lands of the Declarant, to inspect the Property and take actions necessary to verify compliance with these restrictive covenants.

6. The Declarant grants to the Corps, and/or the U.S. Department of Justice, a discretionary right to enforce these restrictive covenants in a judicial actions against any person(s) or other entity(ies) violating or attempting to violate these restrictive covenants; provided, however, that no violation of these restrictive covenants shall result in a forfeiture or reversion of title. In any enforcement action, an enforcing agency shall be entitled to a complete restoration for any violation, as well as any other judicial remedy. An enforcing agency shall also be entitled to costs and attorneys fees in any enforcement action in which it obtains relief. Nothing herein shall limit the right of the Corps to modify, suspend, or revoke the Permit.

7. Declarant(s) shall include the following warning on all deeds, mortgages, plats, or any other legal instruments used to convey any interest in the Property:

WARNING: This Property Subject to Declaration of Restrictive Covenants Recorded at Book _____ Page _____ in the RMC Office for Charleston County.

8. The perimeter of the Property shall at all times be plainly marked by permanent signs saying, "Protected Natural Area," or by an equivalent, permanent marking system.

9. A plat depicting the boundaries of the Property subject to these restrictive covenants shall be recorded in the RMC office for each county in which the Property is situated prior to the recording of these restrictive covenants. The plat is recorded at Book 63 Page 785-788 in the RMC Office for Charleston County.

10. Should any separable part of these restrictive covenants be determined to be contrary to law, the remainder shall continue in full force and effect.

IN WITNESS THEREOF, the Declarant has duly executed this Declaration of Restrictive Covenants the date written above.

IN THE PRESENCE OF:

[Signature]
Elizabeth W. Dool

PARADISE ISLAND JOINT VENTURE
By: Paradise Island Associates, L.P.

By: Island Development Partners

Its: General Partner

By: [Signature]

Its: General Partner

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

PROBATE

PERSONALLY appeared before me Elizabeth W. Batts, the undersigned witness, and made oath that he/she saw the within named Paradise Island Joint Venture, by Paradise Island Apartments L.P. by John Development Partners, its with H. Broussard & General Partners, sign, seal and as its act and deed, deliver the within named Declaration of Restrictive Covenants; and that he/she with the other witness named above witnessed the execution thereof.

Elizabeth W. Batts

SWORN to and subscribed before me this 21st day of April, 1997.

[Signature]
NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires: Aug 11, 2001

EXHIBIT A

ALL those certain pieces, parcels or tracts of land, situated, lying and being on Big Paradise Island, Christ Church Parish, Charleston County, South Carolina, shown as designated as "Wetland" and "Wetland Buffer" on that certain plat by E.M. Seabrook, Jr. Inc. dated April 23, 1997 entitled "Plat of Freshwater Wetland Locations in Big Paradise Island, Christ Church Parish, Charleston County, SC" which plat is recorded in the RMC Office for Charleston County on April 29, 1997 in Plat Book EB at Pages 785 through 788.

SAVING AND EXCEPTING all those certain pieces, parcels or tracts of land on the aforescribed plat shown as "Wetland To Be Filled".

Farr & Sinkler
Office Box 1254
Charleston, SC 29402

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CHARLIE LYBRAND
REGISTER
CHARLESTON COUNTY SC

STATE OF SOUTH CAROLINA) AMENDMENT TO DECLARATION AND
) ESTABLISHMENT OF CONDITIONS,
) RESERVATIONS, AND RESTRICTIONS
COUNTY OF CHARLESTON) FOR PARADISE ISLAND

WHEREAS, Paradise Island Joint Venture, a South Carolina Partnership, (the "Declarant") did record that certain Declaration and Establishment of Conditions, Reservations, and Restrictions for Paradise Island dated April 22, 1997 and recorded in the RMC Office for Charleston County in Book J-283 at Page 639 (the "Declaration"); and

WHEREAS, Paragraph 37 of the Declaration provides that the Declaration may be modified by the Declarant in order to correct inconsistencies and for a period of three (3) years from the date of recording, if the change does not, in the reasonable opinion of the Declarant, materially decrease the value of any lot previously conveyed by Declarant to a third party and such change is, in the reasonable opinion of the Declarant, necessary for the orderly development of the Premises into residential lots; and

WHEREAS, in paragraph 20 of the Declaration, the Declarant reserved unto itself, its successors and assigns, easements on, in, or over front, side, and back lot lines, but no wider than ten (10') feet along any line; and

WHEREAS, the Declarant has entered into a Wastewater Contract with the Commissions of Public Works of the Town of Mt. Pleasant, South Carolina, ("CPW") and a Water Contract with CPW pursuant to which CPW will provide water and sewer to the Premises; and

WHEREAS, the utility easement required by CPW in certain instances may be as wide as twenty (20') feet along a lot line; and

WHEREAS, the location of the easement and the advantage of having water and sewer supplied to the lots is, in the reasonable opinion of the Declarant, necessary for the orderly development of the Premises into residential lots, and such change would not materially decrease the value of any lot previously conveyed;

NOW, THEREFORE, the Declarant does hereby modify the Declaration as follows:

1. The word "ten (10)" in line 7 of paragraph 20 is deleted and the following substituted therefore: "twenty (20)". The following is added after the first sentence in paragraph 20: "Notwithstanding the foregoing twenty (20') foot limitation, the Declarant reserves unto itself, its successors and assigns, easements for the water and sewer systems as more particularly depicted on the Plans and

STATE OF SOUTH CAROLINA)
)
 COUNTY OF CHARLESTON)

SECOND AMENDMENT TO DECLARATION
 AND ESTABLISHMENT OF CONDITIONS,
 RESERVATIONS, AND RESTRICTIONS FOR
 PARADISE ISLAND
 BOOK J-283 AT PAGE 639

WHEREAS, the Declaration and Establishment of Conditions, Reservations, and Restrictions for Paradise Island is dated April 29, 1997 and is recorded in the RMC Office for Charleston County in Book J-283 at page 639 (the "Declaration"); and

WHEREAS, the Declaration provides that the Declaration may be modified by the Declarant for a period of three (3) years from the date of recording if the change does not, in the reasonable opinion of Declarant, materially decrease the value of any lot previously conveyed by Declarant to a third party, and such change is, in the reasonable opinion of Declarant, necessary for the orderly development of the premises into residential lots; and

WHEREAS, the Declaration provided that no boathouses, docks, piers or wharfs shall be constructed on any lot unless the right to do so is specifically included in the deed of conveyance from the Declarant for such lot; and

WHEREAS, a Dock Corridor or Master Plan for Paradise Island is on file with the Office of Coastal Resource Management of the State of South Carolina; and

WHEREAS, the ability to build a dock generally increases the value of a lot and it is not necessary for the Declarant to address the construction of docks in deeds of conveyance for lots.

NOW, THEREFORE, for One and no/100 (\$1.00) Dollar and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Declaration is hereby modified as follows:

1. Paragraph 26 is deleted in its entirety and the following is substituted therefore:

"26. Boathouses, Docks, Etc. All boathouses, docks, piers or wharves shall be constructed on any lot only in accordance with the Dock Corridor or Master Plan on file with the Office of the Coastal Resource Management of the State of South Carolina, as the same may be modified from time to time, and in accordance with all applicable laws and regulations."

2. This modification of Paragraph 26 shall be effective as of the date the Declaration was executed and recorded, it being the intent of the Declarant that Paragraph 26, as modified herein, shall be applicable to the lots conveyed by the

Declarant prior to the date hereof and Paragraph 26 as set forth in the Declaration prior to the within modification shall be of no force and effect as to the lots conveyed by the Declarant prior to the date hereof.

3. Except as modified herein the Declaration, as previously amended, shall remain in full force and effect.

IN WITNESS WHEREOF, the Declarant has hereunto set its hand and seal this 7th day of ~~December~~, 1998.⁹
January

WITNESSES:

PARADISE ISLAND JOINT VENTURE, A
CAROLINA PARTNERSHIP

BY: PARADISE ISLAND ASSOCIATES LP
ITS: VENTURER

Shannon C. Alexander

BY: ISLAND DEVELOPMENT PARTNERS
ITS: GENERAL PARTNER

Elizabeth L. Davis

By: *William H. Barnwell, III*
William H. Barnwell, III, its Partner

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 7th day of ~~December~~, ^{January} 1998 by Paradise Island Joint Venture by Paradise Island Associates LP, its Venturer, by Island Development Partners, its General Partner, by William H. Barnwell, III, its Partner.

Elizabeth L. Davis
NOTARY PUBLIC FOR SOUTH CAROLINA
MY COMMISSION EXPIRES:
AFFIX SEAL

07-31-03 10:58am From-

T-367 P.002/018 F-097

BYLAWS
OF
PARADISE ISLAND PROPERTY OWNERS ASSOCIATION

Adopted as of April 29, 1997

07-31-03

10:58am From-

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BYLAWS

ARTICLE ONE
Offices

Section 1.1. Registered Office and Agent. The Corporation shall maintain a registered office in the State of South Carolina, and shall have a registered agent whose address is identical with the address of such registered office.

Section 1.2. Other Offices. The Corporation may have offices at such place or places, within or without the State of South Carolina, as the Board of Directors may determine from time to time or the affairs of the Corporation may require or make desirable. The Board of Directors may designate any one such office as the principal office.

ARTICLE TWO
Purposes and Governing Instruments

Section 2.1. Nonprofit Corporation. The Corporation shall be organized and operated as a mutual benefit corporation under the provisions of the South Carolina Nonprofit Corporation Act of 1994, as amended (the "Act").

Section 2.2. Non-Profit Purposes. The purpose of the Corporation shall be to preserve the values and amenities of Paradise Island; to maintain the open spaces, drainage areas, roads (not dedicated to Charleston County or any other governmental authority for maintenance), and certain other common facilities; administering and enforcing the Declaration and Establishment of Conditions, Reservations, and Restrictions for Paradise Island (the "Declaration"); levying, collecting and disbursing assessments and charges; and to engage in such other activities as may be to the mutual benefit of the owners of property in Paradise Island. The Corporation shall have the power to perform all acts necessary or incidental in carrying out its purpose and shall have the right to do whatever is deemed necessary, useful, advisable, or conducive, directly or indirectly, to carry out its purpose, including the exercise of all power and authority granted by the Act.

ARTICLE THREE
Board of Directors

Section 3.1. Authority and Responsibility. The governing body of the Corporation shall be the Board of Directors. The Board of Directors shall have supervision, control and direction of the management, affairs and property of the Corporation; shall determine its policies or changes therein; and shall actively prosecute its purposes and objectives and supervise the disbursement of its funds. The Board of Directors may adopt, by majority vote, such rules and regulations for the conduct of its business and the business of the Corporation as shall be deemed advisable, and may, in the execution of the powers granted, delegate certain of its authority and responsibility to an Executive Committee. Under no circumstances, however, shall the fundamental and basic purposes of the Corporation, as expressed in the Articles of Incorporation, be amended or changed; and the Board of Directors shall not permit any part of the net earnings or capital to inure to the benefit of any member, director, trustee, officer, or other private person or individual.

Section 3.2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Corporation. Such powers and duties of the Board of Directors shall include, but not be limited to, the following:

- (a) Operation, care, surveillance, upkeep and maintenance of the common areas and services;
- (b) Determination of the annual maintenance and special expenses required for the affairs of the Corporation;
- (c) Assessment and collection of maintenance charges and annual, special, and emergency assessments and other charges from Members of the Corporation;
- (d) Employment and dismissal of the personnel necessary for the maintenance, operation, repair and replacement of the general services and the common areas and the real and personal property owned by the Corporation;
- (e) Adoption and amendment of regulations concerning the details of the operation, use and maintenance of the common areas;
- (f) Opening of bank accounts on behalf of the Corporation and designating the signatories required therefore;
- (g) Suing to enforce or settling and compromising claims of Members of the Corporation with respect to common areas and property which the Corporation has the duty to maintain repair, replace or restore and other matters concerning the administration of the Corporation;
- (h) Sue or be sued, and appear on behalf and for the benefit of all Members in the Corporation in any manner of common concern including class actions in and before any court, office, agency, board, commission or department of the state or any political subdivision, and appeal from any judgments, orders, decisions or decrees rendered therein; and
- (i) Taking any and all actions as may be necessary to comply with applicable city, county, state, or federal regulations.

Section 3.3. Manner of Appointment. The Board of Directors shall be constituted and appointed as follows:

- (a) The exact number of directors shall be determined by the Board of Directors, but shall not be less than three (3).
- (b) The directors shall be elected by the Members at their annual meeting.
- (c) The term of office of each director, except as provided otherwise in (d) below, shall be three (3) years.

(d) The Declarant (as defined in the Declaration) shall have the right to appoint or remove any member or members of the Board of Directors until the expiration or earlier termination of Declarant's Class B membership. Beginning with the first annual or special meeting of the Corporation following the expiration or termination of Declarant's Class B membership, the members (including the Declarant if Declarant then owns one (1) or more lots) shall elect one (1) director for a term of one (1) year, one (1) director for a terms of two (2) years, and one (1) director for a term of three (3) years; and at each annual meeting thereafter, the members shall elect upon majority vote, one (1) director for a term of three (3) years. Should any lot be owned by a partnership or a corporation, in a fiduciary capacity or otherwise, any officer, partner or employee of such owner shall be eligible to serve as a director.

Section 3.4. Removal. Any director may be removed for cause or without cause at any special, regular, or annual meeting of the Members or of the Board of Directors, by the affirmative vote of at least a majority of the Members or two-thirds (2/3rds) of the directors then in office. A removed director's successor may be appointed at the same meeting to serve the unexpired term.

Section 3.5. Term of Office and Vacancies. Each director shall hold office until the appointment at the annual meeting of the Members and the qualification of his or her successor in accordance with Section 3.2 of these Bylaws. Any vacancy in the Board of Directors arising at any time and from any cause may be filled for the unexpired term at any meeting of the Board of Directors by a majority of the directors then in office. Each director so appointed shall hold office until the appointment at the annual meeting of the Board of Directors and the qualification of his or her successor.

Section 3.6. Compensation. No director of the Corporation shall receive, directly or indirectly, any salary, compensation, emolument or anything of value therefrom as a director, unless authorized by the concurring vote of a majority of the Members.

ARTICLE FOUR Meetings of the Board of Directors

Section 4.1. Annual Meeting; Notice. The annual meeting of the Board of Directors shall be held at the principal office of the Corporation or at such other place as the Board of Directors shall determine on such day and at such time as the Board of Directors shall designate. Unless waived as contemplated in Section 4.4, notice of the time and place of such annual meeting shall be given either personally or by telephone or by mail or by telegram or by facsimile not less than ten (10) nor more than fifty (50) days before such meeting.

Section 4.2. Regular Meetings; Notice. Regular meetings of the Board of Directors may be held from time to time between annual meetings at such times and at such places as the Board of Directors may prescribe. Notice of the time and place of each such regular meeting shall be given by the secretary either personally or by telephone or by mail or by telegram or by facsimile not less than seven (7) nor more than thirty (30) days before such regular meeting.

Section 4.3. Special Meetings; Notice. Special meetings of the Board of Directors may be called by or at the request of the chairman or by any two of the directors in office at that time. Notice of the time, place and purpose of any special meeting of the Board of Directors shall be given either personally or by telephone or by mail or by telegram or by facsimile at least twenty-four (24) hours before such meeting.

Section 4.4. Waiver. Attendance by a director at a meeting shall constitute waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of business because the meeting is not lawfully called.

Section 4.5. Quorum. At meetings of the Board of Directors, two-thirds (2/3rds) of the directors then in office shall be necessary to constitute a quorum for the transaction of business.

Section 4.6. Vote Required for Action. Except as otherwise provided in these Bylaws or by law, the act of a majority of the directors present at a meeting at which a quorum is present at the time shall be the act of the Board of Directors. Voting rights of a director shall not be delegated to another.

Section 4.7. Action by Directors Without a Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing setting forth the action so taken is signed by all the members of the Board of Directors. Such consent shall have the same force and effect as a unanimous vote at a meeting duly called. The signed consent, or a signed copy, shall be placed in the minute book.

Section 4.8. Telephone and Similar Meetings. Directors may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such a meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened.

Section 4.9. Adjournments. A meeting of the Board of Directors, whether or not a quorum is present, may be adjourned by a majority of the directors present to reconvene at a specific time and place. It shall not be necessary to give notice of the reconvened meeting or of the business to be transacted, other than by announcement at the meeting which was adjourned. At any such reconvened meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting which was adjourned.

ARTICLE FIVE Members

Section 5.1. Members. The Members of the Corporation shall consist of the owners of lots on Paradise Island, including additional property subjected to the Declaration.

Section 5.2. Organizational Meeting. The organizational meeting of the Members shall take place within one hundred eighty (180) days of the filing of the Articles of Incorporation.

Section 5.3. Annual Meeting. Annual meetings of the Members shall be held on the second Monday in March of each year or at such time reasonably thereafter as may be adopted by resolution of the Board of Directors. At such meeting, the directors shall be elected by ballot of the Members, in accordance with the provisions of these Bylaws. The Members may transact such other business at such meetings as may properly come before them.

Section 5.4. Place of Meetings. Meetings of the Members shall be held at the principal office of the Corporation or at such other suitable place convenient to the Members as may be designated by the Board of Directors.

Section 5.5. Special Meetings. It shall be the duty of the Chairman of the Board of Directors to call a special meeting of the Members if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by not less than twenty-five (25%) percent of the Members.

Section 5.6. Notice of Meetings. It shall be the duty of the Board of Directors to mail a notice of each annual or special meeting of the Members at least seven (7) days, but not more than fifty (50) days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Member of record, at such address of such Member as appears in the records of the Corporation. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice. No business shall be transacted at a special meeting except as stated in the notice. No notice need be give to Members who attend a meeting in person or who waive notice in writing executed and filed in the corporate records before or within ten (10) days

after the meeting. If all members are present or consent thereto in writing, any business may be transacted.

Section 5.7. Adjournment of Meeting. If any meeting of Members cannot be held because a quorum has not attended, a majority of the Members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 5.8. Voting. If a lot is owned by more than one Member, such persons shall be considered a single Member for all voting purposes and agree among themselves how a vote for such lot shall be cast. Individual co-owners may not cast fractional votes. A vote by a Member for the entire ownership interest of a lot shall be deemed to be pursuant to a valid proxy, unless another co-owner of the same lot objects prior to or at the time the vote is cast, in which case the votes of such co-owners shall not be counted. The Corporation shall have two classes of voting membership:

(a) Class A. Class A Members shall be lot owners with the exception of the Declarant, and shall be entitled to one (1) vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be Members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any lot.

(b) Class B. The Class B Member(s) shall be the Declarant, its successors and assigns and shall be entitled to five (5) votes for each lot it owns. The Class B membership shall cease and be converted to Class A membership on the happening of the earlier of the following:

(1) when the Declarant executes and records an instrument forfeiting its Class B membership;

(2) when the Declarant has conveyed to others seventy-five (75%) percent of the lots in Paradise Island (lots shall include those lots contained in or situate on any additional property which Declarant shall hereafter bring under the terms of the Declaration); or

(3) December 31, 2010.

Section 5.9. Quorum. Except as may be otherwise provided in these Bylaws, a majority of the Members present in person or by proxy, at any meeting of Members shall constitute a quorum at all meetings of the Members.

Section 5.10. Majority Vote. The vote of Members holding at least fifty-one (51%) percent of the Members attending a meeting at which a quorum shall be present shall be binding upon all Members for all purposes except where in these Bylaws or by law, a higher percentage vote is required.

ARTICLE SIX Property Rights in the Common Areas

Section 6.1. Member's Easement of Enjoyment. Subject to the provisions of Section 6.2 of this Article, every Member shall have a right and easement of enjoyment in and to the common areas, and such easement shall be appurtenant to and shall pass with the title to the lot. Any Member of the Corporation may delegate his rights of enjoyment in the common areas to the Members of his family who reside upon the lot or to any of his tenants or renters who lease or rent the lot from him. Such Members shall notify the Secretary in writing of the name of any person or

persons and of the relationship of the Member to such person or persons. The right and privileges of such person or persons are subject to suspension to the same extent of those of the Member.

Section 6.2. Title to Common Areas. Declarant, its successors or assigns, may retain the legal title to the common areas or exercise the powers enumerated in Section 6.3(e) below until such time, if ever, as it has completed improvements, if any, thereon and until such time as, in the opinion of Declarant, the Corporation is able to maintain the same.

Section 6.3: Extent of Members' Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The rights of Declarant, and of the Corporation in accordance with its Articles and By-Laws, to borrow money for the purpose of improving any common areas and in aid thereof to mortgage said areas. In the event of default upon any such mortgage, the Lender's rights hereunder shall be limited to a right, after taking possession of such area, if necessary, to open the enjoyment of such areas to a wider public until the mortgage debt is satisfied, whereupon the possession of such areas shall be returned to the Corporation and all rights of the Members hereunder shall be fully restored.

(b) The right of the Corporation to take such steps as are reasonably necessary to protect the above described areas against foreclosure;

(c) The right of the Corporation, as provided in these By-Laws, to suspend the enjoyment rights of any Member for any period during which any assessment remains unpaid, and for any period not to exceed thirty (30) days for an infraction of its published rules and regulations;

(d) The right of the Corporation to dedicate or transfer all or any part of the common areas to any public agency, authority or utility for such purpose and subject to such conditions as may be agreed to by the Members, provided that no such dedication or transfer, or determination as to the purposes or as to the conditions thereof, shall be effective unless an instrument signed by Members entitled to cast two-thirds (2/3) of the votes of the membership has been recorded, agreeing to such dedication, transfer, purpose or condition, and unless written notice of the proposed agreement and action hereunder is sent to every Member at least thirty (30) days in advance of any action taken.

ARTICLE SEVEN

Assessments

Section 7.1. Assessments and Charges. The Board of Directors of Paradise Island shall have the right and power to subject the property situated in Paradise Island to maintenance and service fees, annual assessments, emergency assessments, special assessments, capital assessments and other charges determined by the Board of Directors.

Section 7.2. Purpose of Assessments. The assessments levied by the Corporation shall be used exclusively to maintain the private roads, easements, tennis courts or other improvements in common areas (if any) to promote the recreation, health, safety, and welfare of the residents in the Properties and for the general improvement and maintenance of the common areas; to do all other things authorized or contemplated by the Declaration or these By-Laws.

Section 7.3. Information. Upon demand, the Corporation shall furnish to any owner or mortgagee or person interested a certificate showing the unpaid charges against any lot.

Section 7.4. Exempt Property. The following properties are exempt from the assessment and charges provided for in these By-Laws:

- (a) Common areas;
- (b) All properties to the extent of any easement or other interest therein dedicated and accepted by a local public authority and devoted for public use.

Section 7.5. Lien and Permanent Charge. Each of the lots described in the Declaration and any additional property subjected to the Declaration and these By-Laws are hereby made subject to a lien and permanent charge in favor of the Corporation for maintenance and services fees, annual assessments, emergency assessments, special assessments, capital assessments, sewer service charges and tap-in fees and other charges determined by the Board of Directors; and each lot hereafter made subject to these By-Laws shall automatically be subjected to said liens and permanent charges at the time the lot is made subject to these By-Laws. Such maintenance and service fees, annual assessments, emergency assessments, special assessments, capital assessments, sewer charges and tap-in fees, and other charges determined by the Board of Directors, together with interest thereon, shall constitute a permanent charge and a continuing lien on the lot to which such assessments relate, and such permanent charge and lien shall bind such lot in the hands of any and all persons.

Section 7.6. Personal Obligation. Each owner or part owner of any lot is or shall become subject to these By-Laws, by acceptance of a Deed or other conveyance therefor, whether or not it shall be so expressed in such document, whether or not such document shall be signed by such owner and whether or not such owner shall otherwise consent in writing; and each owner or part owner shall be deemed to covenant, promise, and agree to pay to the Corporation all assessments and charges relating to the lot; and any person or persons who was or were the owner or owners of any lot or lots subject to assessment by the Corporation at a time when any assessment, charge, or fee came due with respect to such lots shall be personally obligated to pay such assessment, together with interest thereon.

Section 7.7. Subordination of the Lien to Mortgage. The lien of the assessments, charges and fees provided for herein shall be subordinate to the lien of any mortgage now or hereafter placed upon the properties subject to assessment.

Section 7.8. Enforcement. The permanent charge, the lien and the personal obligation hereby created may be enforced by the Corporation in any appropriate proceeding in law or in equity.

ARTICLE EIGHT Architectural Review Board

Section 8.1. Declarant's Rights. Declarant shall reserve the right to initially serve as the Architectural Review Board of Paradise Island Property Owners Association, Inc. (hereinafter "ARB") and shall have the right to approve all homes, docks, and plans and specifications for either, all as provided in the Declaration. At such time as Declarant has sold more than seventy-five (75%) percent of the lots in Paradise Island, the Declarant will assign its right for architectural review to the Corporation. The Declarant further reserves the right, but shall not be obligated to, assign its right for architectural review to the Corporation prior to the sale of seventy-five (75%) of the lots and Declarant shall automatically lose such control at such time as may be required by any governmental body having jurisdiction over Paradise Island.

Section 8.2. Regular Meetings. The ARB shall meet for the transaction of business at such place as may be designated from time to time.

Section 8.3. Special Meetings. Special meetings of the ARB may be called by three (3) Members of the Board for any time and place, provided that reasonable notice of such meetings shall be given to each Member of the ARB of the time appointed for such meeting.

Section 8.4. Quorum. The ARB shall act only as a Board, and individual Members shall have no powers. The majority of the ARB for the time being in office shall constitute a quorum for the transaction of business, but a majority of those present at the time and place of any regular or special meeting, although less than a quorum, may adjourn the same from time to time without notice until a quorum be at hand. The act of a majority of Members of the Board present at any meeting at which there is a quorum shall be the act of the ARB, except as may be otherwise provided by law.

Section 8.5. Order of Business. The ARB may from time to time determine the order of business at its meetings.

Section 8.6. Chairman. At all meetings of the ARB, a Chairman chosen by the Members of the Board present shall preside.

Section 8.7. Terms of Members of the Board. Subject to the provisions of Section 1 above, Members of the Corporation may remove any individual Member of the ARB, with or without cause, by a majority vote of the owners of the lots of Paradise Island at an annual or special meeting of Members at which a quorum is present.

Section 8.8. Vacancies on Board. Subject to the requirements of Section 8.1 above, whenever a vacancy in the membership of the Board shall occur, the remaining Members of the Board shall have the power, by majority vote, to select a Member to serve the unexpired term of the vacancy.

Section 8.9. Responsibility of Owners. In the event that any dwelling, building, fence, dock, or other structure is to be erected, modified or altered on any lot, or in the event that any re-landscaping or site alteration is to take place within the area of any lot, from time to time, complete plans and specifications, including site and landscaping plans, shall be submitted to the ARB for approval before the commencement of work.

Section 8.10. Scope of Architectural Review. Within thirty (30) days of the submissions of such plans, the ARB shall approve, disapprove, or recommend modifications of the same. In the event that action is not taken within thirty (30) days of the date received by the Committee, such plans shall be deemed approved. Factors to be considered by the ARB shall include, but not be limited to, the following:

- (a) Preservation of the natural environment;
- (b) Harmony of design with the locale and with existing structures, so as to avoid devaluation of surrounding properties;
- (c) The desirability of minimizing intrusions on the view and privacy of surrounding properties;
- (d) Design and location of driveway entrances and utility service equipment so as to protect the private drive from damage or erosion;

(e) Complete compliance with all building restrictions as set out in the Declaration dated and recorded in the RMC Office for Charleston County simultaneously herewith, or such other covenants and restrictions as may be recorded with respect to the lot or property in question.

(f) Hardship or unusual circumstances pertaining to the submittal in question.

Section 8.11. Enforcement of Requirements of ARB. The ARB is empowered, on behalf of the Corporation and affected individual owners, to bring an action to enforce the requirements of this Article including, but not by way of limitation, actions for injunctive relief.

Section 8.12: Matters Requiring Review by ARB. Those items requiring review by the ARB shall include, but not be limited to, the following:

(a) Approval of all plans and specifications, including site and landscaping plans, for any building, residence, or other structure, and including plans for decks and for exterior lighting.

(b) Waiver of the requirements of the provisions of ARB;

(c) Approval of fences in Paradise Island;

(d) Approval of trash containers in Paradise Island;

(e) Approval of docks on creeks or marsh abutting Paradise Island, and paving adjacent thereto; and

(f) Approval of decks on marsh abutting Paradise Island.

Section 8.13: Common Areas. The ARB shall not have authority over the common areas in Paradise Island until the particular common areas have been conveyed by the Declarant to the Corporation.

ARTICLE NINE
Notice and Waiver

Section 9.1. Procedure. Whenever these Bylaws require notice to be given to any director, the notice shall be given as prescribed in Article Four. Whenever notice is given to a director or Member by mail, the notice shall be sent first-class mail by depositing the same in a post office or letter box in a postage prepaid sealed envelope addressed to the director or Member at his or her address as it appears on the books of the Corporation; and such notice shall be deemed to have been given at the time the same is deposited in the United States mail. Notice shall be deemed to have been given by telegram or cablegram at the time notice is filed with the transmitting agency.

Section 9.2. Waiver. Whenever any notice is required to be given to any director or Member by law, by the Articles of Incorporation, or by these Bylaws, a waiver thereof in writing signed by the director or Member entitled to such notice, whether before or after the meeting to which the waiver pertains, shall be deemed equivalent thereto.

ARTICLE TEN
Officers

Section 10.1. Number and Qualifications. The officers of the Corporation shall consist of a chairman, treasurer, and a secretary. The Board of Directors may from time to time create and

establish the duties of such other officers or assistant officers as it deems necessary for the efficient management of the Corporation, but the Corporation shall not be required to have at any time any officers other than a chairman, treasurer, and a secretary. Any two (2) or more offices may be held by the same person, except the offices of the chairman and the secretary.

Section 10.2. Election and Term of Office. The officers of the Corporation shall be elected by the Board of Directors and shall serve for a term of one (1) year and until their successors have been elected and qualified, or until their earlier death, resignation, removal, retirement, or disqualification.

Section 10.3. Other Agents. The Board of Directors may appoint from time to time such agents as it may deem necessary or desirable, each of whom shall hold office during the pleasure of the board, and shall have such authority and perform such duties and shall receive such reasonable compensation, if any, as the Board of Directors may from time to time determine.

Section 10.4. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by a majority of the Board of Directors whenever in its judgment the best interests of the Corporation will be served thereby.

Section 10.5. Vacancies. A vacancy in any office arising at any time and from any cause may be filled for the unexpired term at any meeting of the Board of Directors.

Section 10.6. Chairman. The Chairman shall be principal executive officer of the Corporation and shall preside at all meetings of the Board of Directors. Subject to the control and direction of the Board of Directors, the chairman shall be authorized to sign checks, drafts, and other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, and statements and reports required to be filed with the state or federal officials or agencies; and the chairman shall be authorized to enter into any contract or agreement and to execute in the corporate name, along with the secretary, any instrument or other writing; and the chairman shall see that all orders and resolutions of the Board of Directors are carried into effect. The chairman shall have the right to supervise and direct the management and operation of the Corporation and to make all decisions as to policy and otherwise which may arise between meetings of the Board of Directors, and the other officers and employees of the Corporation shall be under his supervision and control during such interim. The chairman shall perform these and such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe.

Section 10.7. Treasurer. The Treasurer shall have the custody of all the receipts, disbursements, funds, and securities of the Corporation and shall perform all duties incident to the office of Treasurer, subject to the control of the Board of Directors and the President. If required by the Board, he shall give a bond for the faithful discharge of his duties in such form as the Board may require.

Section 10.8. Secretary.

(a) The secretary shall attend all meetings of the Board of Directors and record all votes, actions and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the executive and other committees when required.

(b) The secretary shall give, or cause to be given, notice of all meetings of the Board of Directors.

(c) The secretary shall keep in safe custody the seal of the Corporation and, when authorized by the Board of Directors or the chairman, affix it to any instrument requiring it. When so affixed, it shall be attested by the secretary's signature or by the signature of the treasurer or an assistant secretary.

(d) The secretary shall be under the supervision of the chairman. The secretary shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe or as the chairman may from time to time delegate.

ARTICLE ELEVEN **Contracts, Checks, Deposits and Funds**

Section 11.1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation. Such authority must be in writing and may be general or confined to specific instances.

Section 11.2. Checks, Drafts, Notes, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents, of the Corporation and in such other manner as may from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the secretary and countersigned by the chairman of the Corporation.

Section 11.3. Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

Section 11.4. Gifts. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation.

ARTICLE TWELVE **Indemnification and Insurance**

Section 12.1. Indemnification. In the event that any person who was or is a party to or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, seeks indemnification from the Corporation against expenses, including attorneys' fees (and in the case of actions other than those by or in the right of the Corporation, judgments, fines and amounts paid in settlement), actually and reasonably incurred by him in connection with such action, suit, or proceeding by reason of the fact that such person is or was a director, officer, employee, director, or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, director, or agent of another corporation, domestic or foreign, non-profit or for profit, partnership, joint venture, trust, or other enterprise, then, unless such indemnification is ordered by a court, the Corporation shall determine, or cause to be determined, in the manner provided under the Act whether or not indemnification is proper under the circumstances because the person claiming such indemnification has met the applicable standards of conduct set forth in the Act; and, to the extent it is so determined that such indemnification is proper, the person claiming such indemnification shall be indemnified to the fullest extent now or hereafter permitted by the Act.

Section 12.2. Indemnification Not Exclusive of Other Rights. The indemnification provided in Section 12.1 above shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the Articles of Incorporation or Bylaws, or any agreement, vote of members or disinterested directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee, director or agent, and shall inure to the benefit of the heirs, executors, and administrators of such a person.

Section 12.3. Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, director, or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, director or agent of another corporation, domestic or foreign, non-profit or for profit, partnership, joint venture, trust or other enterprise.

ARTICLE THIRTEEN Miscellaneous

Section 13.1. Books and Records. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors.

Section 13.2. Fiscal Year. The Board of Directors is authorized to fix the fiscal year of the Corporation and to change the same from time to time as it deems appropriate.

Section 13.3. Construction. Whenever the context so requires, the masculine shall include the feminine and neuter, and the singular shall include the plural, and conversely. If any portion of these Bylaws shall be invalid or inoperative, then, so far as is reasonable and possible:

- (a) The remainder of these Bylaws shall be considered valid and operative.
- (b) Effect shall be given to the intent manifested by the portion held invalid or inoperative.

Section 13.4. Table of Contents; Headings. The table of contents and headings are for organization, convenience and clarity. In interpreting these Bylaws, they shall be subordinated in importance to the other written material.

Section 13.5. Relation to Articles of Incorporation. These Bylaws are subject to, and governed by, the Articles of Incorporation.

ARTICLE FOURTEEN Amendments

Section 14.1. Power To Amend Bylaws. The Declarants and the Members shall have the power to alter, amend or repeal these Bylaws or adopt new bylaws.

Section 14.2. Conditions. Action by the Members with respect to Bylaws shall be taken by the affirmative vote of two-thirds (2/3rds) of the Members, provided, however, that Declarant consents in writing to such amendment if Declarant is then the Class B members and, provided,

further, that these Bylaws may be amended, altered, or repeded and replaced by new Bylaws by the Declarant for so long as Declarant retains its Class B membership.

ARTICLE FIFTEEN
Dissolution

Section 15.1. Dissolution. On dissolution of the Corporation, any funds remaining shall be distributed by the Board of Directors in accordance with the Act.

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**DECLARATION AND ESTABLISHMENT OF CONDITIONS,
RESERVATIONS, AND RESTRICTIONS FOR
PARADISE ISLAND WEST END**

Paradise Island Joint Venture, a South Carolina Partnership, (such entity, its successors and assigns, hereinafter referred to as the "Declarant"), being the owner of the premises, situate within the County of Charleston, State of South Carolina, and described on Exhibit A attached hereto (the "Premises"), has established a general plan for the improvement and development of the Premises and certain other portions of Paradise Island, and declares the covenants, conditions, reservations, and restrictions upon which, and subject to which, all platted residential lots and portions of platted residential lots in the Premises (the "lots") shall be improved, sold and conveyed by it as owner as set forth in those certain Declaration and Establish of Conditions, Reservations and Restrictions for Paradise Island dated April 29, 1997 and recorded in the RMC Office for Charleston County on April 29, 1997 in Book J283, at Page 639, et. seq., as amended by Amendment dated December 9, 1998, and recorded in the RMC Office for Charleston County on December 9, 1998 in Book F316, at Page 635, and as further amended by Amendment dated January 7, 1999, and recorded in the RMC Office for Charleston County on January 7, 1999 in Book C318, at Page 368.

The Declarant is now minded to further restrict the Premises by these additional conditions, reservations and restrictions for the Premises, known as Paradise Island West End. Each and every one of these covenants, conditions, reservations, and restrictions is for the benefit of each owner of land in the Premises, and each mortgagee or holder of other interest therein, and shall inure to and pass with each and every parcel of the Premises, and shall bind the respective successors and assigns of the Declarant. These covenants, conditions, reservations, and restrictions are each imposed upon the lots, all of which are to be construed as restrictive covenants running with the title to the lots and with each and every parcel:

1. Assessments and Liens. The owners of all lots situated in the Premises, but excepting the Declarant, which will be the owner of the roads (subject to the right of Declarant to convey such roads, or parts thereof, to the West End Property Owners Association (the "West End Association") at any time), rights-of-way and certain common property, shall be subject, in addition to the fees and assessments set forth in the general Declaration applicable to the Premises and other portions of Paradise Island dated April 29, 1997, as amended, to additional maintenance and service fees, annual assessments, emergency assessments, special assessments, capital assessments and other charges determined and payable in accordance with these Covenants or the Bylaws of the West End Association, as amended from time to time. The Board of Directors shall have the right to levy assessments for the regular maintenance of the roads within the Premises, the gate to the Premises and of any common properties and property owned by the West End Association, special assessments for proper purposes of the West End Association, as determined by the Board of Directors from time to time, and emergency assessments to protect property or for the safety of the Premises, the lots, or the owners of lots. Regular assessments shall not exceed Three Hundred and No/100 (\$300.00) Dollars per lot per

year unless approved in writing by the owners, including the Declarant, of seventy-five (75%) percent of the lots subject to this Declaration. The fees, charges, costs and other assessments provided for herein may be set at separate fixed rates for improved, unimproved, and any other class of property, based upon reasonable cost sharing principles reflecting access, benefit, and use of the roads, gate, properties and services. Each owner shall be personally liable for such fees, charges, costs and assignments contemplated by these Covenants and/or imposed pursuant to such Bylaws, as amended from time to time. Should an owner fail to pay the West End Association within thirty (30) days after any such fee, charge, cost or assessment becomes due, the Board of Directors shall have the right to file a notice of lien and lis pendens against such property, and the West End Association shall have a lien on such property for the payment of such sum, together with late charges and interest in accordance with the West End Association's Bylaws. The Board of Directors shall have the right to bill and collect interest and late charges, to institute legal proceedings and to enforce such rights to the extent and in the manner permitted by the laws of South Carolina, including the right to charge and collect all necessary attorneys' fees, court costs, and other collection expenses, necessitated by such delinquency. Declarant hereby covenants and agrees that it shall pay to West End Association, at the end of each year, a sum of money equal to any budget deficit experienced by the Association. Provided, however, the Declarant shall be not required to pay to the West End Association any more than a sum equal to the amount of assessments that the Declarant would have paid on lots owned by the Declarant for said year or portion thereof if said lots had not been exempt from assessments.

Upon conveyance by deed or by law of any lot or part or portion thereof, the purchaser thereof and each successive owner shall be and become personally liable for and shall pay all fees, assessments and other charges, past or future, due to the West End Association in accordance with the provisions of these Covenants and the provisions of the West End Association's Bylaws, as either or both may be amended from time to time.

2. **Gate.** The Declarant shall construct a gate at the entrance to the Premises and it shall be the responsibility of the owners of lots in the Premises and the West End Association, by assessment, to pay for the maintenance, repair and replacement of such gate, including any mechanical, electrical, or other form of gate control.

3. **West End Property Owners Association.** For the purpose of owning and maintaining roads (if conveyed), common areas, traffic control, general planting within roadway and common areas, for the general use and benefit of all lot owners, each and every lot owner, in accepting a deed or contract for any lot in the Premises, agrees to and shall be a member of and be subject to the obligations and duly enacted Bylaws and rules of the West End Association, in addition to the membership and Bylaws of the Paradise Island Property Owners Association.

4. **Term, Extensions.** All of the foregoing covenants, conditions, reservations, and restrictions shall continue and remain in full force and effect at all times as against the owner of any lot in the Premises, regardless of how he or she acquired title, until the commencement of the calendar year 2030, on which date these covenants, conditions, reservations, and restrictions

shall terminate and end, and thereafter be of no further legal or equitable effect on the Premises or any owner. However, these covenants, conditions, reservations, and restrictions shall be automatically extended for a period of ten (10) years, and thereafter in successive ten-year periods, unless on or before the end of one of the extension periods or the initial period the owners of two-thirds of the lots in the Premises shall by written instrument duly recorded declare a termination of the same. Although these covenants, conditions, reservations, and restrictions may expire, any and all reversions for breach of these covenants, conditions, reservations, or restrictions committed or suffered prior to expiration shall be absolute.

5. **Expenses.** If the Declarant or the Board of Directors of the West End Association hires counsel to enforce any of the foregoing covenants, conditions, reservations, or restrictions, or to reenter, by reason of a breach, all costs incurred in the enforcement, including a reasonable fee for counsel, shall be paid by the owner of the subject lot or lots and their shall be a lien upon such lot or lots to secure payment of all such accounts.

6. **Mortgages.** The breach of any of the foregoing covenants, conditions, reservations, or restrictions, shall not defeat or render invalid the lien of any mortgage made in good faith for value as to any lot or lots or portions of lots in the premises, but these covenants, conditions, reservations, and restrictions shall be binding upon and effective against any mortgagee or trustee or owner, whose title or whose grantor's title is or was acquired by foreclosure, trustee's sale, or otherwise.

7. **Waiver.** No delay or omission on the part of the Declarant or the owners of other lots in the premises in exercising any rights, power, or remedy herein provided, in the event of any breach of the covenants, conditions, reservations, or restrictions herein contained, shall be construed as a waiver thereof or acquiescence therein, and no right of action shall accrue nor shall any action be brought or maintained by anyone whatsoever against the Declarant for or on account of its failure to bring any action on account of any breach of these covenants, conditions, reservations, or restrictions, or for imposing restrictions herein which may be unenforceable by the Declarant.

8. **Severability.** In the event any one or more of the foregoing covenants, conditions, reservations, or restrictions is declared for any reason, by a court of competent jurisdiction, to be null and void, the judgment or decree shall not in any manner whatsoever affect, modify, change, abrogate, or nullify any of the covenants, conditions, reservations, and restrictions not declared to be void or unenforceable, but all of the remaining covenants, conditions, reservations, and restrictions not expressly held to be void or unenforceable shall continue unimpaired and in full force and effect.

9. **Bridges, Walkways, Etc.** The Declarant has, by express reservation and as herein established, the right to build any bridges, walkways or fixed spans across any or all natural or man-made canals, creeks or lagoons in the Premises to which it holds title. The design and location of such structure on property which is now or hereafter becomes subject to these Covenants, will not be subject to approval by the West End Association. Nothing in this paragraph shall be construed as placing an affirmative obligation on the Declarant to provide or

construct any bridge, walkway or fixed span. Any such bridge or walkway may be conveyed to the West End Association and the West End Association shall accept such conveyance.

10. **Notices.** All papers or instruments, plans and specifications, or any other writings provided for herein, shall be filed with or submitted to the Declarant at its then current address and to the West End Association or its designated representative, by personal delivery or certified mail in care of Paradise Island West End Property Owners Association, at its then current address. Notices to property owners shall be deemed to have been duly given when delivered in person or deposited in the mail, postage prepaid, and addressed to the owner at the property address or at such other address as may have been provided to the West End Association for such purpose.

11. **Modification.** These Restrictive Covenants may be altered, modified, canceled or changed by the number of property owners who constitute the owners of more than fifty (50%) percent of the lots in the Premises, as determined on the basis of the number of votes entitled to be cast by the membership of the West End Association. Such modification may be accomplished only by referendum in accordance with the West End Association Bylaws. These Restrictive Covenants may be altered, modified, or changed by the Declarant (i) to correct inconsistencies, and (ii) for a period of five (5) years from the date of recording of these Restrictive Covenants, if the change does not, in the reasonable opinion of Declarant, materially decrease the value of any lot previously conveyed by Declarant to a third party, and such change is, in the reasonable opinion of the Declarant, necessary for the orderly development of the Premises into residential lots.

12. **Assignment.** The Declarant and the Board of Directors each shall have the right to assign to any one or more persons, firms, corporations, partnerships, or associations any and all of the rights, powers, titles, easements and estates reserved, given or otherwise passing to it from the Declarant.

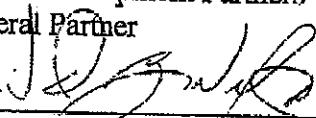
IN WITNESS WHEREOF, the Declarant has hereunto set its hand and seal this 15th day of July, 2002.

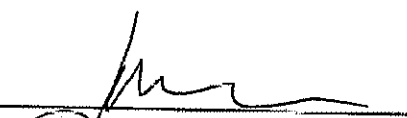
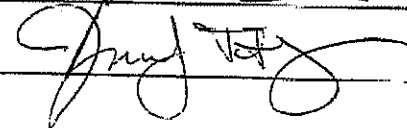
WITNESSES:

PARADISE ISLAND JOINT VENTURE, a
South Carolina Partnership

By: Paradise Island Associates L.P.
Its: Partner

By: Island Development Partners
Its: General Partner

By: 
William H. Barnwell, III
Its: Partner

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

PROBATE

PERSONALLY appeared before me the undersigned witness and made oath that (s)he saw the within-named Paradise Island Joint Venture, a South Carolina Partnership, by Paradise Island Associates L.P., its Partner, by Island Development Partners, its General Partner, by William H. Barnwell, III, its Partner, sign, seal and as its act and deed, delivered the within written instrument, and that (s)he with the other witness witnessed the execution thereof.

WITNESS

SWORN to before me this
15th day of July, 2002.

Jennifer L. Tanager
NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission Expires: 7/24/11

(c://worddata/Paradise Island/1011.Declaration and Est. of Conditions...071202.original)

EXHIBIT A

ALL that certain piece, parcel and lot of land, together with the improvements thereon, situate, lying, and being on Big Paradise Island, Christ Church Parish, Charleston County, and shown and designated as "Phase 2, Big Paradise Island", on a plat entitled "CONDITIONAL PLAT PHASE 2 BIG PARADISE ISLAND, CHRIST CHURCH PARISH, CHARLESTON COUNTY, S.C., PLAT OF LOTS 61 - 64 and 66 - 98 BLOCK C, AND TRACT E, GREEN SPACES AND ROAD RIGHTS-OF-WAY CONTAINING 33.24 ACRES OWNED BY PARADISE ISLAND JOINT VENTURE" by E.M. Seabrook, Jr., Inc. dated February 28, 2000, last revised May 31, 2002 and recorded in Plat Book EF at Page 772 in the RMC Office for Charleston County, to which reference is hereby craved for a more complete description.

Less and Excepting all those certain pieces, parcels or tracts of land situate, lying and being on Big Paradise Island, Christ Church Parish, Charleston County, and shown and designated as "Tract E, Little Pump Island, 2.35 Ac., 102,424 sq. ft. TMS 617-00-00-007, Paradise Island Joint Venture" and "50' Access Easement to Tract E (Little Pump Island)" on a plat entitled "CONDITIONAL PLAT PHASE 2 BIG PARADISE ISLAND, CHRIST CHURCH PARISH, CHARLESTON COUNTY, S.C., PLAT OF LOTS 61 - 64 and 66 - 98 BLOCK C, AND TRACT E, GREEN SPACES AND ROAD RIGHTS-OF-WAY CONTAINING 33.24 ACRES OWNED BY PARADISE ISLAND JOINT VENTURE" by E.M. Seabrook, Jr., Inc. dated February 28, 2000, last revised May 31, 2002 and recorded in Plat Book EF at Page 772 in the RMC Office for Charleston County, to which reference is hereby craved for a more complete description.

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