

STATE OF SOUTH CAROLINA)
)
 COUNTY OF CHARLESTON)
)
 WILD DUNES ASSOCIATES, a)
 South Carolina Partnership)
)
)
 RE:)
)
 SUMMER HOUSE HORIZONTAL)
 PROPERTY REGIME)
)

MASTER DEED
 OF
 SUMMER HOUSE
 HORIZONTAL PROPERTY REGIME
 (AN EXPANDABLE REGIME)

This Master Deed is made, published, and declared by Wild Dunes Associates, a South Carolina Partnership, (hereinafter referred to as "Grantor").

WITNESSETH:

WHEREAS, Grantor is the owner in fee simple of the property located in Charleston County, South Carolina described in Exhibit "H" attached hereto and incorporated herein (the "Property"); and

WHEREAS, Grantor desires to submit the Property to the provisions of the South Carolina Horizontal Property Act, Code of Laws of South Carolina (1976), §27-31-10 et seq., as such Act may be amended from time to time (the "Act"); and

NOW THEREFORE, Grantor hereby submits the Property to the Act and reserves certain rights as follows:

ARTICLE I

DEFINITIONS

Section 1. General. The terms used in this Master Deed, unless otherwise specified herein or unless the

context otherwise requires, shall have the meanings specified in the Act, such definitions being incorporated herein by reference.

Section 2. Definitions. The following terms used in this Master Deed and in the Exhibits attached hereto shall have the meanings as follows, unless the context otherwise requires:

(a) "Act" means the Horizontal Property Act as currently set forth in Title 27, Chapter 31 of the Code of Laws of South Carolina (1976), as the same may be amended from time to time.

(b) "Apartment" means a condominium apartment as defined in the Act and described in Section 1 of Article III of this Master Deed.

(c) "Assessment" means a Co-owner's pro rata share of the Common Expenses which from time to time is assessed against a Co-owner by the Council.

(d) "Board of Directors" or "Board" means the group of persons selected, authorized and directed to manage and operate the Council as provided by the Act, this Master Deed and the ByLaws. The term "Board of Directors" shall have the same meaning as the term "Board of Administration" as used in the Act.

(e) "Building" means a structure or structures, containing in the aggregate two or more Apartments, comprising a part of the Property.

(f) "Bylaws" means the bylaws attached hereto as Exhibit "B", as modified or amended pursuant to Article XIII of this Master Deed.

(g) "Common Elements" means the General and Limited Common Elements, as defined in Sections 2 and 3 of Article III and in the Act.

(h) "Common Expenses" means the expenses for which the Apartment Co-owners are liable to the Council and include:

(1) Expenses of administration, expenses of maintenance, insurance, operation, repair or replacement of

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the Common Elements, and of the portions, if any, of the Apartments which are the responsibility of the Council.

(2) Special Assessments as provided for in this Master Deed.

(3) Expenses declared Common Expenses by provisions of this Master Deed.

(i) "Common Surplus" or "common surplus" means the excess of all receipts of the Council, including but not limited to Assessments over the amount of Common Expenses.

(j) "Condominium Property" or "Property" means and includes land as described in Exhibit "H", the Buildings and all other improvements and structures thereon, including the swimming pool and pool related equipment, parking lot, landscaping and all easements, rights and appurtenances belonging thereto.

(k) "Co-owner" means a person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, who owns an Apartment within the Condominium Property and shall include all record owners of an Apartment.

(l) "Condominium" means an Apartment or Unit in the Summer House Horizontal Property Regime.

(m) "Council of Co-owners" or "Council" means the Summer House Council of Co-owners, Inc., as more fully defined in Article IV.

(n) "Grantor" means Wild Dunes Associates, a South Carolina Partnership, its successors and assigns.

(o) "Master Deed" means this deed or declaration establishing and recording the Property of the Regime and all exhibits hereto.

(p) "Owner" or "Apartment Owner" shall mean the same as Co-owner.

(q) "Person" means an individual, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof.

(r) The "Phase I Property" shall mean the same as "Property" and "Condominium Property".

(s) The "Phase II Property" means and includes that property and improvements thereon which may be made subject to the provisions of this Master Deed upon the

observance of the appropriate steps and procedures, as outlined in Article V hereof, and more particularly described in Exhibit "I", attached hereto. In the event Phase II is submitted to the Regime as provided for in this Master Deed, the Phase II Property, together with the buildings and improvements thereon, shall become a part of the Condominium Property as provided herein.

(t) "Property" shall mean the same as "Condominium Property" and "Phase I Property".

(u) "Regime" means the Summer House Horizontal Property Regime created by this Master Deed.

(v) "Unit" shall mean the same as "Apartment".

ARTICLE II

ESTABLISHMENT OF HORIZONTAL PROPERTY REGIME

Section 1. Establishment of Regime. The purpose of this Master Deed is to establish, pursuant to the Act, a horizontal property regime to be known as Summer House Horizontal Property Regime so that Units may be conveyed and owned as individual properties capable of independent use and each having its own exit to the Common Elements with each Unit Co-owner having an exclusive and particular right over his respective Unit as well as the specified undivided interest in the Common Elements. Grantor, by filing of record this Master Deed, hereby submits the Property as described in Exhibit "H" and all improvements thereon and all easements, rights, and appurtenances belonging thereto to the Act and the Condominium Property shall be owned, occupied, used, conveyed, encumbered, leased, and improved in accordance with the provisions of the Act, and in accordance with the covenants, restrictions, encumbrances, and obligations set

SH-RA-1000000004

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forth or incorporated by reference in this Master Deed, all of which shall be deemed to be covenants and obligations running with the land.

Section 2. Rights in Common Elements. The percentage undivided present interest in the Common Elements herein appurtenant to each Apartment is shown in Exhibit "A" attached hereto.

ARTICLE III

CONDOMINIUM PROPERTY

Section 1. Condominium Apartments; Location and Description. The location of the Buildings and other improvements on the Property is shown on the plot plan (the "Plot Plan") attached hereto and incorporated herein as Exhibit "C". The Buildings and the Apartments contained thereon, and the Common Elements constructed on and forming part of the Property are constructed in substantial accordance with the floor plans (the "Plans") identified as Exhibit "D" attached hereto and incorporated herein. The exterior elevations of the buildings are shown on the elevations marked Exhibit "E", attached hereto and incorporated herein by reference. The Plans and Elevations are certified to by a registered engineer or architect duly licensed to practice in the State of South Carolina pursuant to the certifications attached hereto as Exhibit "G" and incorporated herein by reference. Building 1 consists of five (5) levels of six (6) Apartments each with covered parking at the ground level, for a total of thirty (30)

Units. Building 2 consists of five (5) levels of five (5) Apartments each for a total of twenty-five (25) Units. Additional general parking is also provided as shown on the Plot Plan. Parking spaces will be assigned by the Board as provided in the Bylaws. Each Apartment is generally described on Exhibit "F" attached hereto and incorporated herein. The graphic description, area, number, and location within each of the Buildings of each Apartment is shown on the Floor Plans, Exhibit "D".

Section 2. General Common Elements. The

location of the General Common Elements are shown, insofar as possible, on the Plot Plan, Floor Plans, and Elevations, and the General Common Elements consist of those elements of the Property defined as General Common Elements by the Act and also include the following:

- (a) The land on which the Buildings stand, more fully described above, together with all of the other real property described in Exhibit "H";
- (b) The foundations, main walls, partition walls, non-load bearing walls (except for those non-load bearing walls located entirely within an apartment) common storage areas, roofs, walkways, lobbies, stairways, elevators, railings and entrance and exit or communication ways and trash chutes in the Building;
- (c) The yards, gardens, shrubs, vegetation, boardwalks, exterior lights, trash containers, fire alarms, fire hoses, fire hydrants, signs, storm drainage system and dryer exhausts, except as otherwise provided or stipulated;
- (d) The compartments for and installations of common services such as power, light, telephone, cable television, gas water, heating and air conditioning, sewer,

elevators, water tanks and pumps, trash disposal facilities, and the like;

(e) The parking areas, roads, driveways and all appurtenances thereto;

(f) In general, all devices or installations existing for common use;

(g) The swimming pool, pool house, pool decks and all equipment for servicing same; and

(h) All other elements of the property rationally of common use or necessary to its existence, upkeep and safety.

Section 3. Limited Common Elements.

The

location of the Limited Common Elements is shown insofar as possible on the Plans and the Limited Common Elements appurtenant to each Apartment include the following:

(a) The surface areas and railings of all decks and balconies accessible by normal means from the Apartment;

(b) All material, including but not limited to, studs, sheetrock and plywood, attached to or on the inside surface of perimeter walls, floors and ceilings of the Apartment;

(c) All doors, windows, screens, ventilation fans and vents located in the perimeter walls, floors or ceilings of the Apartment;

(d) All air-handling units, condensers, ducts and components and all water, power, telephone, televisions and cable television, electricity, plumbing, gas and sewer lines located in the Apartment, provided, however, that the portion of said lines located in a common compartment for such lines shall be General Common Elements as described above.

(e) All stairs affording access to the balconies of the first floor Units, as more particularly shown on the Floor Plans, Exhibit "D", said stairs being Limited Common Elements to the Unit or Units to which they afford access.

ARTICLE IV

THE COUNCIL.

Section 1. Members. Every Co-owner shall be a member of and constitute the Council of Co-owners, a non-profit corporation to be known as the Summer House Council of Co-owners, Inc., which shall be managed by a Board of Directors elected by and from the Co-owners.

Section 2. Bylaws. The Council and the Administration of the Condominium Property shall be governed by the Bylaws which are incorporated herein and made a part hereof, being attached hereto as Exhibit "B".

Section 3. Voting. On all matters relating to the Council or to the Condominium Property upon which a vote of the Co-owners is conducted, the Co-owners shall vote in proportion to their respective percentage interests in the Common Elements so that there shall be appurtenant to each Apartment a vote equal to the percentage ownership attributable to such Apartment, as set forth in Exhibit "A". The affirmative vote of a Majority of the Co-owners shall be required to adopt decisions, except where this Master Deed, the Bylaws or the Act require a greater percentage. All votes attributable to a single Apartment must be cast together and may not be split.

Section 4. Majority of the Co-owners. Whenever used in this Master Deed or the Bylaws, the term "Majority of the Co-owners" means the Co-owners entitled to cast a total of fifty-one (51%) percent of the total votes

attributable to all the Apartments.

Section 5. Decisions Binding on Co-Owners.

All agreements, decisions, and determinations lawfully made by the Council in accordance with the provisions of this Master Deed and the Bylaws shall be deemed binding on all Co-owners.

ARTICLE V

GENERAL PLAN OF DEVELOPMENT; ADDITIONAL PHASE

Section 1. General. The Grantor has constructed the Property described herein (which shall sometimes be referred to herein as the Phase I Property) and further reserves the right and option, directly or through an affiliated entity or assignee, to complete construction of property contiguous to the Property which is the subject of this Master Deed. The additional property shall be referred to as Phase II Property. The Phase II Property, as and if applicable, is described in Exhibit "I" attached hereto and made a part hereof.

Section 2. Phase II. With regard to the Phase II Property herein referred to, Grantor, its successors and assigns, reserves the right and option, in the manner more particularly hereinafter set forth, to cause the Phase II Property to become an integral part of Summer House Horizontal Property Regime once an appropriate amendment to this Master Deed has been filed as hereinafter provided. Phase II may consist of one (1) or more buildings with up to five (5) stories, containing up to thirty (30) Units of

similar form, design and general valuation and constructed with similar basic materials and of a similar quality as the buildings constructed on the Phase I Property. Reference is made to Exhibit "I" attached hereto for a description of the Phase II Property.

Section 3. Grantor's Reservation of Right for Phase II. The Grantor, its successors and assigns, hereby expressly reserves the right and option, to be exercised in its sole discretion, to submit the Phase II Property to the provisions of this Master Deed and thereby cause the Phase II Property to become and forever be a part of Summer House Horizontal Property Regime. The Grantor shall in no way be obligated to submit the Phase II Property to the Regime. This right may be exercised by Grantor, its successors and assigns, only upon the execution by it or them of an amendment or amendments to this Master Deed in sufficient form, which amendment or amendments shall be filed in the R.M.C. Office for Charleston County, South Carolina not later than December 31, 1992. Any such amendments shall conform to the various provisions and conditions precedent established in this Master Deed and shall expressly submit the Phase II Property to all of the provisions of this Master Deed and the Bylaws of Summer House Horizontal Property Regime, a copy of which Bylaws is attached hereto as Exhibit "B" and made a part hereof, as may be amended between the date of said Master Deed and Bylaws and the filing of said Amendment to this Master Deed to include

Phase II Property. Any Amendment to this Master Deed adding Phase II to the Regime shall be signed by the Grantor, its successors or assigns, and shall include as Exhibits a Plot Plan showing the Phase II development and Floor Plans and Elevations showing the dimensions, area and location of each Phase II Unit and the location and nature of General and Limited Common Elements affording access thereto. Upon the proper recording thereof, Phase II shall become an integral portion hereof as provided by the laws of South Carolina and as provided by this Master Deed. Upon the exercise, if any, of this right to include Phase II as part of this Regime, the provisions of this Master Deed and all exhibits hereto shall then be understood and construed as embracing that originally defined as the Property as well as the Phase II Property, if applicable, as appropriate, together with all improvements then constructed thereon. Should this right of inclusion or annexation not be exercised within the time period herein prescribed and in the manner herein prescribed, such right shall in all respects expire and be of no further force or effect.

Section 4. Revocation and Amendment. The dedication of the Property, and if applicable, Phase II Property, shall not be revoked or removed from the Horizontal Property Regime unless all of the Co-owners and the mortgagees of all the mortgages covering the Units unanimously agree to such revocation or amendment or removal of the Property and if applicable, Phase II Property, from

the Horizontal Property Regime by duly recorded instrument; provided, however that without the consent of the Unit Owners or mortgagees, the Grantor may at any time prior to the termination of the reservation of rights period specified in Section 3 of this Article, amend this Master Deed in the manner set forth in Section 2 and 3 of this Master Deed and the Act so as to make the Phase II Property an integral part of Summer House Horizontal Property Regime. Any such amendment shall, when read in concert with this Master Deed, contain all of the particulars required by the said Act as the same is now constituted or may hereafter be amended and from and after the recording of such amendment Summer House Horizontal Property Regime shall include all of Phase II, as appropriate. The Phase II units are generally described in Sections 2 and 3 of this Article. The designation of each unit in Phase II by anticipated unit type and its estimated proportionate interest in the Common Elements is set forth in Exhibit "A", which exhibit is attached hereto and made a part hereof. Grantor expressly reserves the right to alter, modify or change the Unit types, valuation and percentage interest in the Common Elements in Phase II, provided, however, that all Buildings and Units to be erected in Phase II will be of comparable quality of construction and principal materials employed in the construction of Phase I and will be compatible but not necessarily identical to the Buildings and Units in Phase I

in terms of architectural style and format. If Grantor elects to make the Phase II Property a part of this Regime as herein provided, Grantor shall cause to be prepared and made a part of the Amendment by which the Phase II Property is incorporated into Summer House Horizontal Property Regime a schedule designating unit types, reflecting each unit's proportionate interest in the Common Elements, which schedule shall be similar in content and format to the Exhibit "A" schedule, prepared using the requirements and guidelines set forth in this Article. Upon the recordation of the Amendments to make the Phase II Property, if appropriate, a part of the Summer House Horizontal Property Regime, the provisions regarding revocation and amendment set forth in this Section shall have equal application thereto.

Section 5. Unit's Percentage of Undivided Interest in Common Elements. The percentage of title and interest appurtenant to each Unit or Unit Owner's title and interest in the Common Elements of the Property and the proportionate share in the common monthly expenses, and profits if applicable, as well as the proportionate representation for voting purposes in those matters of the Summer House Council of Co-owners (hereinafter "Council") is based on the proportionate value of each Unit to the value of the total Property as set forth in Exhibit "A" attached hereto and made a part hereof. The proportionate

representation for voting purposes and the percentage of the undivided interest in the Common Elements provided in this paragraph and in Exhibit "A" for Phase I Property shall not be altered without the acquiescence of the Co-owners representing all of the Units expressed in an amendment to this Master Deed duly recorded, or except as otherwise provided in this Article with regard to the amendment of this Master Deed to admit Phase II Units into the Summer House Horizontal Property Regime. The Phase I Unit Owners, by purchasing and accepting a Unit within the Regime, acknowledge that Phase II construction and dedication by the Grantor, if Grantor so elects, shall diminish the percentage of ownership in the Common Elements as more particularly set forth in Exhibit "A". In the event Phase II is added to the Regime as provided herein, the Common Elements appurtenant thereto shall not substantially increase the proportionate amount of the common expenses payable by existing Unit Owners.

ARTICLE VI

CONDOMINIUM APARTMENTS:

OWNERSHIP AND USE

Section 1. Ownership of Condominium Apartments. Each Condominium Apartment together with its undivided interest in Common Elements, shall constitute a separate parcel of real property and each Condominium Apartment Owner shall be entitled to exclusive ownership and

possession of such Owner's Condominium Apartment subject to:
 (i) the provisions of this Master Deed and the easements, restrictions and covenants, and encumbrances set forth herein; (ii) the Bylaws of the Council, as they may be amended from time to time, together with the regulations and resolutions that may be adopted by the Council or its Board pursuant to the Bylaws; (iii) the Horizontal Property Act of the State of South Carolina; and (iv) the covenants, easements and restrictions of record and the covenants, easements and restrictions set forth in the Deed from Grantor to the Unit Purchasers.

Section 2. Legal Description. Each Condominium Apartment may be sufficiently described for purposes of deeds, mortgages, leases, and other conveyances by referring to its designated unit number and letter or other designation on the Plans and by reciting that it is part of Summer House Horizontal Property Regime as established by this Master Deed. The conveyance of an individual Apartment shall be deemed to convey the undivided interest in Common Elements appurtenant to that Apartment. The ownership of an undivided interest in Common Elements appurtenant to an Apartment shall be inseparable from the Apartment and no such undivided interest may be conveyed or encumbered except as an appurtenance to the Apartment.

Section 3. Maintenance and Repair. Every Owner shall be responsible at his own expense for

maintaining, repairing, and decorating all walls, ceilings, floors, and other elements of his Apartment as defined in Section 1 of Article III. However, no Owner shall make structural modifications or alterations to his Apartment, any door, window, vent, flue, terrace, deck, balcony, or courtyard thereto without obtaining prior written approval of the Board. Written notice of any intended modification shall be given to the Board, setting forth details satisfactory to the Board and requesting approval. The Board shall consider the request and decide whether approval shall be granted, the Board having the authority to deny approval for any reason. The Board shall advise the Owner of its decision in writing within Thirty (30) days from the date of the receipt of the request. If the Board does not so respond within said thirty (30) day period, the request is denied. Nothing in this section shall relieve the Owner from obtaining approval for alterations required by law or by other applicable covenants or restrictions. No Owner shall undertake to modify any portion of the Common Elements.

Section 4. Maintenance of Limited Common Elements. Without limiting the insurance coverage carried by the Regime on Limited Common Elements, each Owner shall be responsible for the maintenance, repair and replacement with comparable material of equal quality all Limited Common Elements appurtenant to his Apartment. The Board shall be

responsible for insuring the Limited-Common Elements under the master hazard policy for the Regime. Each Owner may, however, insure those Limited Common Elements appurtenant to his Apartment for his own interest. All parts of a Condominium Apartment shall be kept in good condition and repair by and at the expense of the Owner and shall be maintained by the Owner in a clean and safe condition, free of nuisance. Each Owner will promptly comply with any requirements of the insurance underwriter of the insurance obtained by the Board for the Limited Common Elements and other facilities when so requested by the Board or its designated agent. If an Owner fails to repair, maintain or replace any Limited Common Element appurtenant to his Apartment as may be required pursuant to this Master Deed, said Limited Common Elements may be maintained, repaired or replaced by the Council at the expense of such Owner in this Master Deed, such expenses to be collected by individual assessments from such Owner as provided in Article VIII hereof. Such assessments may include all costs, including reasonable attorney's fees, incurred by the Council in the abatement of any nuisance maintained by the Owner therein.

Section 5. Value of Apartments. For purposes of this Master Deed only, the total value of the Condominium Property and the values for each Apartment therein are listed in Exhibit "A" hereto. The stated values for each Apartment as indicated in Exhibit "A" shall in no way be

deemed to establish "or limit the price for which the Property or any Apartment, or other improvements thereon may be sold or exchanged.

Section 6. Use of Apartments. Except as specifically provided herein, Apartments are restricted exclusively to residential use. Owners may, however, rent or lease an Apartment, subject to the provisions of this Master Deed, Bylaws, the rules and regulations of the Board and the covenants and restrictions of record. Notwithstanding the foregoing, nothing herein shall be construed as limiting the Grantor's right to use a Unit as a model or sales office.

Section 7. Pets. Except as provided in the Bylaws, no pets shall be allowed on the Condominium Property without the written consent of the Board.

ARTICLE VII

COMMON ELEMENTS: OWNERSHIP AND USE

Section 1. Ownership of Common Elements. Each Owner shall own as an appurtenance to his Apartment the undivided interest in the Common Elements specified in Exhibit "A". The percentage interests set out therein represent the values of each Apartment in proportion to the total value of the Property, as well as the proportionate representation for voting purposes in the meeting of the Council.

Section 2. No Partition. So long as this Master Deed has not been terminated, in accordance with the provisions of Article XIV, and so long as two-thirds (2/3) of the Condominium Property has not been substantially destroyed within the meaning of Article XII, the Common Elements shall remain undivided; and no Apartment Owner shall have the right to bring any action for partition or division.

Section 3. Use of Common Elements. Each Owner shall have the right to use the General Common Elements for their intended purposes in common with all other Owners of the Condominium Property. Each Apartment Owner shall have the exclusive right to use the Limited Common Elements appurtenant to his Apartment subject to such rules and regulations as may be established by the Board. Each Owner shall have also a non-exclusive easement appurtenant to his Apartment for ingress and egress over the General Common Elements for access to and from the Owner's Apartment, which shall extend to the family members, guests, agents and servants of the Owner. All rights to use and enjoy the Common Elements shall be subject to the provisions of the Horizontal Property Act, this Master Deed, the Bylaws of the Council, and all rules and regulations adopted by the Council pursuant to the Bylaws.

Section 4. Operation and Maintenance of General Common Elements. The maintenance, repair,

replacement, management, operation and use of the General Common Elements shall be the responsibility of the Board, and the expenses incurred for such purposes shall be assessed as Common Expenses as provided in Article VIII hereof. The Board may, however, delegate these duties to a management firm.

Section 5. Use and Maintenance of Limited Common Elements. The Owners shall be responsible for the maintenance, repair, and replacement of the Limited Common Elements as provided in Section 4 of Article VI. The use of the Limited Common Elements shall be subject to the rules and regulations of the Board. The Board may in its discretion, incur expenses for the maintenance, repair or replacement of Limited Common Elements in accordance with the provisions of Section 4 of Article VI hereof, such expenses to be recovered as individual assessments.

Section 6. Common Elements Not Severable From Units. The undivided interest in the Common Elements shall not be separated from the Unit to which it appertains and same shall be deemed conveyed or encumbered with the Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

ARTICLE VIII

COMMON EXPENSES

Section 1. General. To provide funds necessary for proper operation and management of the

Condominium Property, the Board is hereby granted the right to make, levy and collect Assessments against the Owners and the Apartments.

Section 2. Special Assessments. The funds required from time to time to pay any common expenses which are not covered by the annual budget but which are approved by the Board shall be collected as special assessments from the Owners, prorata in proportion to their respective interests in the Common Elements as set forth in Exhibit "A".

Section 3. Specially Assessed Common Expenses. Each Owner shall be liable for and shall pay a share, on the basis of the allocation made by the Board of the common expenses incurred by the Association (a) with respect to Limited Common Areas appurtenant to such Owner's Apartment, or (b) which are occasioned by the conduct of the Owner or by the licensees or invitees of any such Owner and are not recoverable from insurance covering the condominium Property ("individual assessments").

Section 4. Other Common Expenses. Each Owner shall be liable for and shall pay a share, on the basis of the allocation made as provided in Section 5 of this Article VIII, of the Common Expenses not specially assessed which shall include, but not be limited to, all charges for taxes (except ad valorem taxes and other such taxes assessed separately on each Condominium Apartment or on the personal property or any other interest of the Owners), insurance

(including fire and other casualty and liability insurance, officers and directors liability insurance), surplus working capital requirements, wages, accounting fees, legal fees, management fees, and other expenses of upkeep, maintenance and management of the Regime actually incurred by the Board, the costs of operation of the General Common Elements and the costs of and reserves for maintenance, repair and replacement of the General Common Elements, which reserve shall be replaced on a periodic basis payable in regular installments rather than by special assessments.

Section 5. Allocation of Liability for Common Expenses. For the purpose of determining the Assessments to be made as hereinabove provided, the Board shall determine for each year, as soon as practicable, the estimated aggregate amount of the Common Expenses for such year. For purposes of such determination, each year shall be the fiscal year, as determined by the Board, except that the first year shall begin on the date upon which the Regime is legally constituted and end on the last day of the month preceding the month in which the Regime is legally constituted. The Board, may, from time to time during each year, make reasonable adjustments in said estimated amounts on the basis of actual costs incurred. Assessments for the estimated amount of Common Expenses for each year, as determined by the Board, shall be allocated and assessed by the Board among the Apartments in accordance with their

respective percentage of undivided interest in, and to the Common Elements as set out in Exhibit "A" hereto.

Section 6. Assessments. All Assessments of Common Expenses shall be fixed by the Board and made payable on a monthly basis. The Board shall also have the authority to set late charges and interest charges for the delinquent payment of assessments.

Section 7. Liability of Owner. No Owner may exempt himself from liability for Common Expenses by waiving the use or enjoyment of the Common Elements or by abandoning his Apartment.

Section 8. Lien Upon Apartments. All Assessments of the Council or the Board for the share of Common Expenses chargeable to an Apartment which are unpaid after becoming due together with all late charges shall constitute a lien against such Apartment prior and superior to all other liens except: (i) liens for property taxes upon the Apartment in favor of any taxing authority; and (ii) mortgage liens duly recorded prior to such delinquency. The lien of such assessments and the late charges may be foreclosed by the Board acting on behalf of the Council in the same manner as a mortgage upon real property. In the event of foreclosure or suit for money judgment, a reasonable amount may be added to the sum due for attorney's fees and other costs of collection. The lien created by this section shall cover assessments accruing during the

pendency of the foreclosure action and any reasonable amount of attorney's fees and other costs of collection. The Board, on behalf of the Council, may bring suit for judgments against the Owner without instituting foreclosure proceedings in the amount of delinquent Assessments.

Section 9. Sale of Apartments. Upon the sale or conveyance of an Apartment all unpaid Assessments (including late charges, costs and attorney's fees) against an Apartment for the pro-rata share of Common Expenses attributable thereto shall first be paid out of the sale price of the Apartment or by the purchaser or grantee in preference over any other assessments, charges, or liens, except the following:

(a) Lien for taxes and special assessments upon the Apartment which are unpaid.

(b) Payment due under mortgages upon the Apartment which are duly recorded prior to such sale or conveyance.

The Seller and the Purchaser shall give written notice to the Board of the pending sale or conveyance of an Apartment at least five (5) days prior thereto and the Board shall acknowledge such unpaid Assessments to be remitted to it from the closing proceeds.

Section 10. Foreclosure Purchaser. If a mortgagee of a mortgage of record or other purchaser acquires title to an Apartment at the foreclosure sale of such mortgage, or takes a deed in lieu of foreclosure, such

mortgagee or other purchaser shall not be liable for the share of Common Expenses assessed by the Association upon such Apartment so acquired accruing after the date of recording of such mortgage but prior to the date of acquisition of title. The unpaid assessments occurring during such period shall be deemed Common Expenses collectible from all Owners, including such mortgagee or other purchaser, its or his successors, heirs, and assigns. The provisions of this Section 10, however, shall not release any Owner from personal liability for unpaid assessments.

Section 11. Records. The Board, or a management firm, which it may employ, shall keep accurate and detailed records, in chronological order, of receipts and disbursements connected with the operation, administration, maintenance, repair and replacement of the Condominium Property. Such records, together with the vouchers authorizing payments, shall be available for examination by the Owners at convenient hours on working days, with the appropriate hours being set and announced for general knowledge.

ARTICLE IX

RESTRICTIONS, COVENANTS, EASEMENTS

Section 1. Covenant to Comply with Restrictions and Obligations. Each Owner by acceptance of a deed to an Apartment in this Regime ratifies and covenants

to observe on behalf of the Owner, the heirs, successors, and assigns of each Owner, the following:

(a) All covenants, restrictions and affirmative obligations of record in the Office of the R.M.C. for Charleston County affecting the Property.

(b) This Master Deed, the Bylaws, decisions, resolutions and regulations of the Council, the Board, or their representatives, as such may be lawfully amended from time to time.

Failure to comply with any such provisions, decisions, regulations or resolutions of (a) and/or (b) herein shall be grounds for an action to recover sums due for damages or for injunctive relief, including the recovery of attorney's fees for the enforcement thereof.

Section 2. Utility Easements. Each Owner shall have a nonexclusive easement appurtenant to his Apartment for the use in common with other Owners of all pipes, wires, ducts, flues, cables, conduits, public utility lines, and other utilities located in any other Apartment or within the Common Elements and serving his Apartment. Each Apartment shall be subject to an easement in favor of the Owners of the other Apartments to use the pipes, wires, ducts, flues, cables, conduits, public utility lines, cable TV lines, and other utilities serving such other Apartments which are located in each such Apartment.

Section 3. Encroachments. There shall be an easement in favor of the Owners to the extent that any portion of the Common Elements encroaches upon any Apartment

and there shall be an easement appurtenant to each Apartment to the extent any portion of an Apartment encroaches upon the Common Elements or upon another Apartment, whether such encroachment presently exists or occurs hereafter as a result of (a) settling or shifting on any part of the Condominium Property; (b) repair, alteration, or reconstruction of the Common Elements made by the Council or with its consent; or (c) repair or reconstruction necessitated by condemnation of any part of the Condominium Property. Any such easements shall be permitted and maintained so long as this Master Deed remains in effect and the Condominium Property remains subject to the Act.

Section 4. Right of Access. The Council shall have the right of access to each Apartment during reasonable hours and with reasonable notice for maintaining, repairing, or replacing any Common Elements located within or accessible through the Apartment or for making emergency repairs, or repairs within the Apartment necessary to prevent damage to the Common Elements or to another Apartment. This easement and right of access may be exercised by the Board, or its agents and employees, or by a management firm to whom the responsibility of maintaining such has been delegated. Damages resulting to any Apartment because of such maintenance and/or repairs shall be corrected promptly by the Council and shall be a Common Expense.

Section 5. Public Utility Easements. The Condominium Property is subject to easements for access, ingress, and egress to adjacent utility-owned property and to utility easements for installation, operation, and maintenance of electric and telephone distribution lines, and for installation, operation and maintenance of water and sewer lines. The Board may grant such additional easements and relocate existing easements affecting the Condominium Property for the installation of utilities, including the right to install, maintain, lay, repair and replace water lines, pipes, sewer lines, gas mains, telephone wires, electrical cable, and cable television wires, and supporting equipment and electrical conduits, if such easements are deemed by the Board to be beneficial to the operation of the Condominium Property.

ARTICLE X

INSURANCE

The Board shall be authorized to obtain and maintain, to the extent reasonably obtainable, in forms and amount as hereinafter prescribed the following insurance, without prejudice of the right of the co-owners to obtain additional individual insurance at his own expense:

Section 1. Hazard and Flood Insurance. The Board shall be authorized to insure the Condominium Property, as it may be constituted from time to time, against loss or damage due to fire, windstorm, lightning, wind-driven water, earthquake, and flood, with extended

coverage, in an amount not less than the maximum insurable replacement value of the Condominium Property as determined by periodic appraisals of the Condominium Property for insurance valuation purposes by a qualified appraiser not less frequently than every other year. The Board may also obtain an agreed value endorsement each year to the master policy and the amount of coverage shall in no event be less than the agreed value. The Board shall also have the authority to insure against other hazards and risks as it may deem desirable for protection of the Condominium Property. All hazard and flood insurance shall cover the entire Condominium Property, exclusive only of those items within the individual Apartments as described in Section 7 of this Article X. These requirements regarding insurance shall include the following:

(a) All hazard and flood insurance policies obtained by the Board shall designate the Board as the named insured, as Insurance Trustee for the benefit of all owners and their mortgagees collectively, as their respective interests may appear. In the event of loss or damage, all insurance proceeds shall be paid to the Board as Insurance Trustee under the provisions of this Master Deed.

(b) All hazard and flood insurance policies obtained by the Board shall provide for the issuance of certificates of insurance to each Owner. Each certificate shall evidence the insurance coverage of the master policy and shall indicate the amount of insurance covering the building within which the Apartment is located. If an Apartment is mortgaged, a certificate of insurance shall also be issued to the mortgagee bearing a standard mortgagee endorsement, if requested in writing.

(c) If obtainable, all hazard insurance policies upon the Condominium Property shall include provisions waiving (1) any rights of the insurer to subrogation against

the Council, its agents and employees, and against the individual Co-owners and their servants, agents, and guests; and (2) any rights of the insurer to contribution from hazard insurance purchased by the Owner upon the contents and furnishings of his Apartment.

(d) Each mortgagee of which the Board has notice, as evidenced by a certificate of insurance having been requested and issued to said mortgagee, shall be entitled to receive upon request a copy of each appraisal as called for in Section 1 above.

(e) Each hazard and flood insurance policy shall contain a mortgagee provision designating the interests of the various mortgagees as to the various Apartments within the Regime which are covered by the master policy. Such policies shall also provide that they shall not be cancelled without giving thirty (30) days prior written notice to all such mortgagees about which the insurer has been given written notice as described in Section 1(d) of this Article X.

Section 2. Public Liability Insurance. The Board shall obtain comprehensive public liability insurance with limits and provisions as it deems desirable and as may be obtainable, but in no event less than \$500,000 for injury, including death, to a single person; \$1,000,000 for injury or injuries, including death, arising out of a single occurrence, and \$50,000 property damage. All such policies shall contain severability of interest clauses or endorsements extending coverage to liabilities of the Council to an Owner, and to liabilities of one Owner to another Owner.

Section 3. Officers and Directors Liability Insurance. The Board may in its discretion obtain such insurance as it deems reasonable in regard to officers and

directors liability insurance for the officers and members of the Board of the Regime.

Section 4. Worker's Compensation Insurance.
The Board, as necessary, shall obtain Worker's Compensation Insurance to meet the requirement of the law.

Section 5. Premiums. All premiums upon insurance policies purchased by the Board shall be assessed as Common Expenses to be paid by the Owners through periodic Assessments as provided in this Master Deed.

Section 6. Adjustment. Each Owner shall be deemed to have delegated to the Board his right to adjust with insurance companies all losses under policies purchased by the Council subject to the rights of mortgagees of such Owners.

Section 7. Insurance by Owners. Each Owner shall be responsible for obtaining, at his sole expense, insurance covering the personal property, floor coverings, wallcoverings, decorations, light fixtures, internal partition walls (not including those separating two or more Apartments) internal doors, heating and cooling equipment and duct work, plumbing fixtures, hot water heaters, appliances and furnishings within his own Apartment and all additions and improvements made by him to his Apartment. Moreover, each Owner shall also be responsible for obtaining, at his own expense, insurance covering his liability for the safety of the premises within his

Apartment and on the Limited Common Elements appurtenant thereto. All such insurance policies, to the extent obtainable, shall include, however, provisions waiving (1) any right of the insurer to subrogation claims against the Council and against individual Owners, as well as their agents, servants, employees, and guests; and (2) any right of the insurer to contribution or pro-ration because of the master hazard policy.

Section 8. Substitution of Insurance Trustee.

The Board, in its discretion, may decline to serve as Insurance Trustee and may appoint in its place any financial institution which is qualified and willing to act as Trustee. Any substitute Insurance Trustee appointed by the Board shall succeed to all of the powers and responsibilities vested in the Board as Insurance Trustee under the terms of this Master Deed.

ARTICLE XI

INSURANCE TRUST

In the event of casualty loss to the Condominium Property, all insurance proceeds indemnifying the loss or damage shall be paid to the Board as Insurance Trustee. The Board, acting as Insurance Trustee, shall receive and hold all insurance proceeds in trust for the purposes stated in this Article XI, and for the benefit of the Council, the Owners, and their respective mortgagees in the following shares:

Section 1. Damage to Common Elements Only.
Insurance proceeds paid on account of loss or damage to the Common Elements only shall be held in the same proportion as the undivided interests in the Common Elements which are appurtenant to each of the Apartments.

Section 2. Damage to Less Than All Apartments.
Insurance proceeds paid on account of loss or damage to less than all of the Apartments when the damage is to be restored, shall be held for the benefit of the Owners of the damaged Apartments and their respective mortgagees in proportion to the costs of repairing each damaged Apartment.

Section 3. When Property Not to Be Restored.
Insurance proceeds paid when the Condominium Property is not to be restored shall be held for the benefit of all the Owners and their respective Mortgagees, the share of each Owner being equal to the undivided share or interest in Common Elements appurtenant to his Apartment.

Section 4. Rights of Mortgagees. In the event a certificate of insurance has been issued to an Owner bearing a mortgagee endorsement, the share of the Owner in the insurance proceeds shall be held in trust for the mortgagee and the Owner as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied

to the reduction of a mortgage debt any insurance proceeds except for insurance proceeds paid jointly to the Owners and their respective mortgagees pursuant to the provisions of this Master Deed, and then only if the decision is made not to rebuild.

ARTICLE XII

RECONSTRUCTION AND REPAIR

Section 1. Reconstruction. In the event of casualty loss or damage to the Condominium Property, the Board shall be responsible for applying the proceeds of all casualty insurance to the repair or reconstruction of the Condominium Property in accordance with Article VIII of the Bylaws, and the Act. Reconstruction or repair shall be mandatory unless two-thirds (2/3) or more of the Condominium Property is destroyed or substantially damaged. If two-thirds (2/3) or more of the Condominium Property is destroyed or substantially damaged, unless otherwise unanimously agreed upon by the Co-owners, the insurance indemnity received by the Board shall be distributed pro-rata to the Co-owners and their mortgagees entitled to it in accordance with Article VIII of the Bylaws.

Section 2. Costs. When the Condominium Property is not insured or when the insurance indemnity is insufficient to cover the costs of reconstruction, the rebuilding costs shall be paid as provided in Article VIII of the Bylaws.

ARTICLE XIIIAMENDMENTS

Section 1. Master Deed. Except as provided in Section 3 herein which provides for amendments to this Master Deed by Grantor, its successors and assigns, this Master Deed may only be amended by affirmative vote of two-thirds (2/3) of the votes entitled to be cast by all the Co-owners, provided, however, that no amendment shall alter the dimensions of an Apartment or the percentage of interest (except in the case of the submission of Phase II to the Regime) in the Common Elements appurtenant thereto without the unanimous consent of all the Co-owners.

Section 2. Bylaws. The Bylaws may be amended from time to time by the affirmative vote of two-thirds (2/3) of the total votes entitled to be cast by the Co-owners.

Section 3. Exceptions. Notwithstanding the foregoing, until the time period during which the Grantor may appoint directors expires pursuant to Article IV, Section 2, of the Bylaws, or until Grantor no longer owns a majority of the percentage interests in the Common Elements, whichever is later, the Grantor may, without the consent of other Owners, amend the Master Deed and/or Bylaws in order to correct any scrivener's errors, conflicts between the Condominium Instruments and the Act, or defects in the

Condominium Instruments affecting compliance with the Act, the requirements of any lender or of Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Veterans Administration or the Federal Housing Administration, provided no Unit Owner is materially adversely affected by said amendment. The same authority to amend shall rest with the Board of Directors after Grantor's right to amend shall terminate: No amendment to this Master Deed or the Bylaws shall be effective unless and until recorded as required by the Act. No action to challenge the validity of an Amendment adopted pursuant to this Master Deed or the Bylaws may be brought more than one (1) year after such Amendment is recorded.

ARTICLE XIV

TERMINATION

Section 1. Casualty or Condemnation. If two-thirds (2/3) or more of the Condominium Property is substantially destroyed or taken by condemnation, the Condominium Property may be removed from the provisions of this Master Deed and the Horizontal Property Act in accordance with Article XII.

Section 2. Voluntary Termination. This Regime may also be terminated, removing the Condominium Property from the provisions of this Master Deed and the Act, if the record Owners of title to the Apartments and the record owners of mortgages upon the Apartments unanimously agree in

a written instrument to termination. Termination shall become effective upon recordation of such written instrument, duly executed by all Owners and mortgagees.

Section 3. Ownership After Termination. After termination of this Regime, the Owners shall own the Condominium Property as tenants in common in undivided shares and the holders of mortgages and liens upon the Units shall have mortgages and liens upon the respective undivided common interests of the Owners. The undivided share of each tenant in common shall be the same as his undivided interest in Common Elements prior to termination. Any asset of the Council, any funds held by the Board, and any insurance proceeds shall also be the property of the former Owners as tenants in common in the same undivided shares as their interest in Common Elements prior to termination. The costs incurred by the Board in connection with termination shall be considered a Common Expense.

Section 4. Partition. After termination, the Condominium Property shall be subject to an action for partition by any Owner or any lienor in which event the net proceeds from the judicial sale shall be divided among all Owners in proportion to their respective interest in Common Elements and shall be payable jointly to each Owner and mortgagee and delivered to the mortgagee.

ARTICLE XV

MISCELLANEOUS

Section 1. Application. All Co-owners,

tenants of Co-owners, employees of Co-owners and tenants, or any other persons that may in any manner use the Property or any part thereof shall be subject to the Act and to this Master Deed and the Bylaws.

Section 2. Compliance. Each Co-owner shall comply strictly with the Bylaws and with the administrative rules and regulations adopted pursuant thereto, as either of the same may be lawfully amended from time to time, and with the covenants, conditions, and restrictions set forth in this Master Deed or in the deed to the Apartment of such Co-owner. Failure to comply with any of the same shall be grounds for a civil action to recover sums due for damages or injunctive relief, or both, as well as attorney's fees, and shall be maintainable by the manager if one is appointed, or the Board of Directors on behalf of the Council or, in a proper case, by an aggrieved Co-owner.

Section 3. Time Sharing. None of the Apartments herein shall be used for or subject to any type of Vacation Time Sharing Plan as defined by the 1976 Code of Laws for the State of South Carolina, Section 27-32-10, et seq., as amended, or any subsequent laws of this State dealing with that or similar type ownership without prior written consent of Grantor, its Successors and Assigns.

Section 4. Notice of Restriction. Pursuant to the Act, notice is hereby given of the restriction that as

to any portion of the Property which may be submerged land or other critical areas, all activities on or over and all uses of the submerged land or other critical areas are subject to the jurisdiction of the South Carolina Coastal Council, including, but not limited to, the requirement that any activity or use must be authorized by the South Carolina Coastal Council. Any Owner is liable to the extent of his ownership for any damages to, any inappropriate or unpermitted uses of, and any duties or responsibilities concerning any submerged land, coastal waters, or any other critical areas.

Section 5. Waiver. No provision hereof shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches which may have occurred.

Section 6. Conflicts. This Master Deed is executed to comply with the requirements of the Act, and in the event that any of the provisions hereof conflict with the provisions of the Act, the Act shall control.

Section 7. Severability. The provisions of this Master Deed are severable, and the invalidity of one or more provisions hereof shall not be deemed to impair or affect in any manner the validity, enforceability, or effect of the remainder hereof.

Section 8. Captions. The captions herein are inserted only as a matter of convenience and for reference

and in no way define, limit or describe the scope of this Master Deed or the intent of any provision hereof.

Section 9. Gender and Number. All pronouns used herein shall be deemed to include the masculine, the feminine and the neuter and the singular and the plural whenever the context requires or permits.

IN WITNESS WHEREOF, Grantor has executed this Master Deed this 26 day of February, 1986.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

WILD DUNES ASSOCIATES, a South
Carolina General Partnership

W. Peter Gauld
Lenna B. Harten

By: Noel D. Thorn
Noel D. Thorn,
Its General Partner

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

PERSONALLY appeared before me W. Foster Gaillard
and made oath that (s)he saw the within named Wild Dunes
Associates, a South Carolina General Partnership, by Noel D.
THorn, its General Partner, sign, seal and, as its act and
deed, deliver the within written Master Deed, and that (s)he
with Donna B. Hartin witnessed the
execution thereof.

W. Foster Gaillard

SWORN to before me this
26th day of February, 1986.

Donna B. Hartin
Notary Public for South Carolina
My Commission Expires: 12-28-94

BK C152PG706

NOTE: The above figures are adjusted by rounding. Actual ownership interest represents the value of the individual Unit with relation to the value of the whole Property.

* Building 3 (Phase II) Unit types, values and percentage interests are estimated only and may be modified by Grantor at the time of the submission of Phase II, if applicable, to the Regime.

STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON

) AMENDMENT TO THE MASTER DEED
) OF SUMMER HOUSE HORIZONTAL
) PROPERTY REGIME

WHEREAS, on June 5, 1993, an annual meeting of the Co-owners of Summer House Horizontal Property Regime was held on the Isle of Palms, South Carolina; and

WHEREAS, pursuant to proper notice, a motion was made to amend the Master Deed of Summer House Horizontal Property Regime, and more particularly a portion of Article X entitled "Insurance;" and

WHEREAS, pursuant to Article XIII, Section 1, of the Master Deed Establishing Summer House Horizontal Property Regime, recorded in Book C-152 at Page 663 in the RMC Office for Charleston County, the Master Deed may be amended by affirmative vote of two-thirds of the total votes entitled to be cast by the Co-owners; and

WHEREAS, a motion was made at the annual meeting to amend Article X of the Master Deed relative to insurance, and said motion was passed by an affirmative vote in excess of two-thirds of the total votes entitled to be cast by the Co-owners.

NOW, LET IT BE KNOWN that Article X of the Master Deed of Summer House Horizontal Property Regime, is hereby amended as follows:

1. Section 1, Article X of the Master Deed of Summer House Horizontal Property Regime entitled "Hazard and Flood Insurance" is hereby deleted in its entirety and the following is put in its place and stead:

Section 1. Hazard and Flood Insurance. The Board shall be authorized to insure the Condominium Property, as it may be constituted from time to time, against loss or damage due to fire, windstorm, lightning, wind-driven water, earthquake, and flood, with extended coverage, in an amount not less than the maximum insurable replacement value of the Condominium Property as determined by periodic appraisals of the Condominium Property for insurance valuation purposes by a qualified appraiser not less frequently than every other year. The Board may also obtain an agreed value endorsement each year to the master policy and the amount of coverage shall in no event be less than the agreed value. The Board shall also have the authority to insure against other hazards and risks as it may deem desirable for protection of the Condominium Property. All hazard and flood insurance shall cover the entire Condominium Property, exclusive only of those items within the individual Apartments which are required to be insured by individual unit owners as described in Section 7 of Article X. These requirements regarding insurance shall include the following:

(a) All hazard and flood insurance policies obtained by the Board shall designate the Board as the named insured, as Insurance Trustee for the benefit of all owners and their mortgagees collectively, as their respective interests may appear. In the event of loss or damage, all insurance proceeds shall be paid to the Board as Insurance Trustee under the provisions of this Master Deed.

(b) All hazard and flood insurance policies obtained by the Board shall provide for the issuance of certificates of insurance to each Owner. Each certificate shall evidence the insurance coverage of the master policy and shall indicate the amount of insurance covering the building within which the Apartment is located. If an Apartment is mortgaged, a certificate of insurance shall also be issued to the mortgagee bearing a standard mortgagee endorsement, if requested in writing.

(c) If obtainable, all hazard insurance policies upon the Condominium Property shall include provisions waiving (1) any rights of the insurer to subrogation against the Council, its agents and employees, and against the individual Co-owners and their servants, agents, and guests; and (2) any rights of the insurer to contribution from hazard insurance purchased by the owner upon the contents and furnishings of his Apartment.

(d) Each mortgagee of which the Board has notice, as evidenced by a certificate of insurance having been requested and issued to said mortgagee, shall be entitled to receive upon request a copy of each appraisal as called for in Section 1 above.

(e) Each hazard and flood insurance policy shall contain a mortgagee provision designating the interests of the various mortgagees as to the various Apartments within the Regime which are covered by the master policy. Such policies shall also provide that they shall not be cancelled without giving thirty (30) days prior written notice to all such mortgagees about which the insurer has been given written notice as described in Section 1(d) of this Article X.

2. Section 7 of Article X of the Master Deed of Summer House Horizontal Property Regime entitled "Insurance by Owners" is deleted in its entirety and the following is put in its place and stead:

Section 7. Insurance by Owners: Without limiting the insurance coverage carried by the Regime on the Condominium property, each owner may, at his sole expense, obtain insurance covering the floor coverings, wall coverings, decorations, light fixtures, internal partition walls (not including those separating two or more apartments), internal doors, heating and cooling equipment, duct work, plumbing fixtures, hot water heaters, and all limited common elements appurtenant to his apartment for his own interest.

Each owner shall, however, be responsible for obtaining, at his sole expense, insurance covering all personal

property, appliances, and furnishings located within his own apartment and all additions and improvements made to his apartment. Moreover, each Owner shall also be responsible for obtaining, at his own expense, insurance covering his liability for the safety of the premises within his apartment and on the Limited Common Elements appurtenant thereto. All such insurance policies, to the extent obtainable, shall include, however, provisions waiving (1) any right of the insurer to subrogation claims against the Council and against individual owners, as well as their agents, servants, employees and guests; and (2) any right of the insurer to contribution or pro-ration because of the master hazard policy.

IN WITNESS WHEREOF, this Amendment to Master Deed of Summer House Horizontal Property Regime was executed this 5th day of June, 1993.

WITNESSES:

J.M. Co
Karen Lynn

SUMMER HOUSE HORIZONTAL PROPERTY REGIME, by the Summer House Council of Co-owners of Summer House Horizontal Property Regime

By: *Ozzie Fogle*
Its: President

WOODDY BARGMANN
CISA STYLES & DODDS
8310 RIVERS AVE SUITE A
N CHARLESTON, SC 29419

STATE OF SOUTH CAROLINA

COUNTY OF CHARLESTON

PROBATE

PERSONALLY appeared before me, the undersigned witness, who made oath that (s)he saw the within named Summer House Horizontal Property Regime by the Summer House Council of Co-owners of Summer House Horizontal Property Regime, by its President, Ozzie Fogle, sign, seal and as its act and deed, deliver the within written Amendment to Master Deed of Summer House Horizontal Property Regime; and that (s) with the other witness witnesses the execution thereof.

Karen Lynn

SWORN TO before me this
5th day of June, 1993.

J.M.C.

NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission Expires: 8/8/96