
MASTER DEED FOR
WILD DUNES YACHT HARBOR
HORIZONTAL PROPERTY REGIME

NOTICE

ALL ACTIVITIES ON OR OVER AND ALL USES OF THE SUBMERGED LAND SUBJECT TO THIS MASTER DEED ARE SUBJECT TO THE JURISDICTION OF THE SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL, INCLUDING BUT NOT LIMITED TO, THE REQUIREMENT THAT ANY ACTIVITY OR USE MUST BE AUTHORIZED BY THE SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL. A CO-OWNER IS LIABLE TO THE EXTENT OF HIS OR HER 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 AREA.

PARTS OF THIS MASTER DEED ARE SUBJECT TO ARBITRATION UNDER SECTION 15-48-10, ET. SEQ. SOUTH CAROLINA CODE OF LAWS, 1976, AS AMENDED.

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STATE OF SOUTH CAROLINA) MASTER DEED FOR THE
) WILD DUNES YACHT HARBOR
COUNTY OF CHARLESTON) HORIZONTAL PROPERTY REGIME

THIS Master Deed made this the 14th day of August, 2000, by WILD DUNES YACHT HARBOR, INC., a South Carolina Corporation ("Declarant"), owner in fee simple of the real estate described herein, does hereby declare as follows:

ARTICLE I
SUBMISSION OF PROPERTY

Section 1.1. Declarant submits the Property in the County of Charleston, State of South Carolina, described herein and on Exhibits A and B attached hereto and made a part hereof, including the Improvements now or hereafter thereon, to the provisions of the Horizontal Property Act, Section 27-31-10, et. seq., South Carolina Code of Laws 1976, as amended, (the "Act"), the provisions of which, unless expressly provided otherwise herein, are incorporated by reference and form a part of this Master Deed, for the specific purpose of creating and establishing the WILD DUNES YACHT HARBOR HORIZONTAL PROPERTY REGIME. Reference is also made to other provisions of this Master Deed and the site plan and dock plans attached as Exhibits B and C hereto and incorporated by reference, for a description of the dimensions and location of each Apartment, as defined in the Act (hereinafter referred to as "Unit"), the location and approximate dimensions of the Limited Common Elements and Common Elements, and other information required by the Act. Such submission is subject to all easements, covenants and restrictions of record or presently existing, including, but not limited to, specifically as set forth on Exhibit A.

ARTICLE II
DEFINITIONS

Section 2.1. The following words and phrases shall have the meanings herein ascribed to them:

(a) Dock Unit: Each separately delineated place constituting a slip for moorage of a boat, located adjacent to, and including a specified part of, a Dock, intended for any type of independent use, and with a direct exit to a public street or highway or to the Common Elements leading to such street or highway, together with the Appurtenant Interest appertaining to such Unit. Each Unit is shown on the site plan and dock plans referred to in Section 1.1, and is identified on Exhibit B attached hereto. Excluded from a Unit, however, are all chutes, pipes, flues, ducts, wires, conduits and other facilities running through any dock for the purpose of furnishing utility or similar services to other Units or Common Elements. Each Unit shall include the exterior vertical surface of the adjacent Dock and an exclusive Moorage Easement with respect to the adjoining one-half of the exterior horizontal surface of the adjacent Dock and the adjacent waters within the boundaries of the Unit (to the natural depth), and all cleats, electrical switches, wiring, pipes, ducts, conduits, and television, telephone, and electrical receptacles and boxes serving that Unit exclusively, the surfaces of the foregoing being the boundaries of such Unit, whether or not such spaces are contiguous.

Commercial Unit: There shall be two Commercial Units in the Regime as follows:
(i) the "Amenity Facility", as shown on the plot plan attached hereto which shall be used for

restroom facilities, bathing facilities, snack bar (including the sale of alcoholic beverages) and related uses, and which will include, as a Limited Common Element to the Amenity Facility Unit, the area shown on the plot plan attached hereto; the Amenity Facility Unit may be used for any purpose allowed by applicable law and zoning, including any authorized variances and (ii) an "Office Unit" as shown on the plot plan attached hereto to be used for general office and related purposes, together with, as a Limited Common Element, the area surrounding the office facility Unit as shown on the plot plan attached hereto. Each Commercial Unit shall be a Unit for all purposes under this Master Deed and the attached Bylaws unless specifically indicated otherwise.

Unit: Means each Dock Unit and each Commercial Unit.

As used herein, the word "Unit" is in strict adherence with the term "Apartment" as defined in the Horizontal Property Act, Section 27-31-20, South Carolina Code of Laws, 1976, as amended.

(b) Access Easement: the non-exclusive access easement shown on the plat recorded in the RMC Office for Charleston County in Book CM at Page 99 on May 26, 1993. Declarant reserves the right to itself and its successors and assigns to use the Access Easement for access purposes.

(c) Appurtenant Interest: (1) the undivided interest in the Common Elements appurtenant to a Unit; (2) the interest of a Co-Owner in any Unit acquired by the Council of Co-Owners or its designee on behalf of all Co-Owners, or the proceeds of the sale or lease thereof, if any; and (3) the interest of a Co-Owner in any other right, right of membership, claim, cause of action or asset of the Condominium or the Council of Co-Owners.

(d) Board of Directors: The Board of Directors of the Council of Co-Owners. It consists of natural persons elected by the Co-Owners to direct the operation of the Condominium.

(e) Common Charges: The charges assessed against Units for their share of Common Expenses, as provided by the Bylaws.

(f) Common Elements: All real property, including the Access Easement, a parking lot, a utility lot, certain designated areas around each Commercial Unit, and the submerged land below the Docking System (as fully described on Exhibit B hereto), fixtures, docks, pilings, ramps, and equipment constituting the Condominium other than the Units unless otherwise specifically designated in this Master Deed as Limited Common Elements. General Common Elements shall include parking spaces, docks, pilings, ramps, fire hose cabinets, cleats, and walkways. General Common Elements shall also include (1) easements through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services to Units and the General Common Elements; and (2) an easement of support in every portion of a Dock Unit which contributes to the support of the Dock System; (3) easements through the Units and General and Common Elements for utilities, drainage, maintenance, repair and replacement of the Units and General and Limited Common Elements; (4) all non-exclusive support, maintenance, parking and other easements conveyed to the Regime by Declarant; (5) all riparian rights arising from or attendant to the real

property conveyed by Declarant in this Master Deed which are not part of a Dock Unit; and (6) a non-exclusive easement for vessel ingress and egress over and across the existing channels from real property subject to this Master Deed to Morgan Creek and to the Intercoastal Waterway.

(g) Common Expenses and Reserves: (1) Expenses of administration and or maintenance, repair or replacement of the Common Elements; (2) expenses declared to be Common Expenses by the Condominium Instruments or by the Act or assessments of Morgan Creek Harbor Association, Inc.; (3) special assessments and expenses agreed upon as Common Expenses by the Council of Co-Owners; and (4) reasonable reserves provided for in the Condominium Documents or agreed upon by the Council of Co-Owners, whether held in trust or by the Council of Co-Owners, including, but not limited to, repair, replacement or addition to the Common Elements or any other real or personal property acquired or held by the Council of Co-Owners. Assessments for dredging all Units and surrounding and adjacent waters, as necessary, shall be Common Expenses.

(h) Common Profits: The balance of all income, rent, profits, and revenues from Common Charges remaining after the deduction of Common Expenses.

(i) Condominium: The real property, all Units, and any incidents thereto and interests therein constituting a Horizontal Property Regime and submitted to the Act by the recordation of Condominium Instruments pursuant to the provisions of the Act.

(j) Act: Section 27-31-10 et. seq., South Carolina Code of Laws 1976, as amended, and as the same may from time to time be amended and which amendment(s) applies to this Condominium.

(k) Condominium Instruments: This Master Deed, the Bylaws, the plot plan, and the dock plans recorded and filed pursuant to the provisions of the Act. Any exhibit, schedule or certification accompanying a Condominium Instrument and recorded or filed simultaneously therewith shall be deemed an integral part of that Condominium Instrument. To the extent permitted by law, any amendment or certification of any Condominium Instrument shall, from the time of the recordation or filing or such amendment or certification, be deemed an integral part of the affected Condominium Instrument, whether or not such amendment or certification was made in accordance with the provisions of the Condominium Act.

(l) Co-Owner: The Person or Persons owning a Unit and the attendant undivided interest in Common Elements specified and established in this Master Deed, and the heirs, executors, administrators, successors and assigns of such Person or Persons.

(m) Council of Co-Owners: Wild Dunes Yacht Harbor Council of Co-Owners, Inc., a corporation to be organized under the laws of the State of South Carolina, consisting of the Co-Owners acting as a group in accordance with the Condominium Instruments.

(n) Declarant and Successor Declarant: Wild Dunes Yacht Harbor, Inc., a South Carolina Corporation, or any Successor Declarant which is defined to mean any assignee or transferee of Declarant, whether voluntary or involuntary.

- (o) Dock System: The system of docks, pilings, ramps, and walkways depicted on Exhibit B. Each of the Docks described on Exhibit B hereto is a part of the Dock System.
- (p) Improvements: Any construction on or in any land included in the Condominium.
- (q) Limited Common Elements: Those Common Elements designated in this Master Deed as reserved for the use of a certain Unit or Units to the exclusion of other Units.
- (r) Majority or Majority of Co-Owners or Mortgagees: The owners of at least fifty-one percent (51%) of the total voting power in the Council of Co-Owners. The voting power of each Co-Owner shall be equal to the percentage interest in the Common Elements shown on the Schedule of Values, attached hereto as Exhibit D. Any specified percentage, portion or fraction of Co-Owners, or of mortgagees, unless otherwise stated in the Condominium Instruments, means such percentage, portion or fraction in the aggregate of such voting power.
- (s) Manager: A person, firm or corporation employed or engaged to perform management services for the Condominium and the Council of Co-Owners.
- (t) Master Deed: This document and all exhibits attached hereto.
- (u) Moorage Easement: An exclusive commercial easement appurtenant, which is a part of each Dock Unit, in favor of each Dock Unit Co-Owner which grants to such Co-Owner the exclusive right to use the horizontal surface of the adjacent Dock, from the boundary of such Dock with the space constituting the Dock Unit to the center line of such Dock and for the length of the Unit along such Dock, for moorage, storage, tying off of vessels, the exclusive right (as to the Association and other Dock Unit Owners) to the riparian use of the waters adjacent to such Dock within the space designated as part of such Dock Unit, and generally all other uses which will not obstruct free walking access (including portage) of other Dock Unit Owners and their guests and invitees.
- (v) Notice and Comment: The right of a Co-Owner to receive notice of action proposed to be taken by or on behalf of the Council of Co-Owners, and the right to comment thereon. These provisions are set forth in Article XII of the Bylaws.
- (w) Notice and Hearing: The right of a Co-Owner to receive notice of action proposed to be taken by or on behalf of the Council of Co-Owners, and the right to be heard thereon. These provisions are set forth in Article XII of the Bylaws.
- (x) Person: An individual, corporation, partnership, Council of Co-Owners, trustee or other entity capable of holding an interest in real property or any combination thereof.
- (y) Property: The real estate described on the attached Exhibit A, including submerged real estate, the Access Easement, certain designated areas around each Commercial Unit, parking lot, utility lot, all docks, all improvements and structures thereon, and all easements, rights and

appurtenances belonging thereto, which have been or are intended to be submitted to the provisions of the Condominium Act by this Master Deed.

(z) Regulations: Regulations for the use of Units and Common Elements and for the conduct of Persons within the Condominium, made and promulgated by the Board of Directors pursuant to the Bylaws. The Council of Co-Owners shall assign parking rights by Regulation.

(aa) Trustee: The entity, if any, designated by the Board of Directors as the Trustee for the receipt, administration and disbursement of funds derived from insured losses, condemnation awards, special assessments for uninsured losses, and other like sources.

(bb) Votes or Voting Power: See "Majority" above.

ARTICLE III
NAME OF CONDOMINIUM

Section 3.1. The name of the Condominium is WILD DUNES YACHT HARBOR HORIZONTAL PROPERTY REGIME.

ARTICLE IV
DESCRIPTION OF LAND

Section 4.1. The land over which the docks and Improvements are located, and the land adjacent to the Dock System, is described on Exhibit A attached hereto and made a part hereof. The Property includes the land, together with the Access Easement and the non-exclusive easements described in Section 20.3(a) of this Master Deed, and is subject to the reservations to Declarant in this Master Deed.

ARTICLE V
DESCRIPTION OF DOCK SYSTEM

Section 5.1. The Condominium includes a Dock System, comprising five (5) Docks, located at Isle of Palms, Charleston County, South Carolina. Each Dock contains the number of Units set forth below.

<u>Dock</u>	<u>Units</u>
A	12
B	19
C	23
D	23
E	23

ARTICLE VI
DESCRIPTION OF UNITS

Section 6.1. A general description of each Unit, including its Unit designation, location, area and other data necessary for its proper identification, is set forth on Exhibit B attached hereto. A graphic description of each Unit is shown on Exhibit B attached hereto.

Section 6.2. Amenity Facility Unit. The Amenity Facility Unit as created hereunder is created subject to existing recorded contractual obligations such that all Unit owners shall have the right to use and access to the bathing and restroom facilities which are a part of the Amenity Facility Unit and the Declarant, as the owner of the Amenity Facility Unit, and any future owner or owners of such Unit have the obligation to maintain a restroom and bathing facility for the use of Dock Unit owners and certain others. The owner of the Amenity Facility Unit shall have the right to charge a reasonable fee to the Council of Co-Owners for the use of the Amenity Facility Unit by Unit Owners and, in addition, shall have the right to charge a reasonable fee to other persons or entities having the contractual right to use the facility under existing written agreements.

ARTICLE VII
DESCRIPTION OF COMMON ELEMENTS

Section 7.1. Common Elements. The Common Elements include all Property other than the Units, including, but not limited to, the Access Easement, and parking facilities shown on Exhibit B.

Section 7.2. Limited Common Elements. The following are Limited Common Elements:

- (a) Certain Common Elements, if any, assigned to less than all the Units shown on the plot plan and dock plans referred to in Section 1.1 hereof.
- (b) Except as otherwise designated on such plans, any chute, pipe, flue, duct, wire, conduit, piling or any other fixture lying partially within and partially outside the designated boundaries of a Unit, serving only that Unit is a Limited Common Element allocated to that Unit.
- (c) Any dock boxes, light fixtures or other fixtures and hardware and trim associated with such fixtures, designed to serve a single or designated Units are Limited Common Elements allocated to that Unit.
- (d) The area contiguous to each Commercial Unit is a Limited Common Element to such Commercial Unit as shown on the plot plan referred to in Section 1.1 hereof.
- (e) Dock Unit 1A of Dock B is a Limited Common Element of Dock Unit 1 of Dock B and Dock Unit 2A of Dock B is a Limited Common Element of Dock Unit 2 of Dock B.

ARTICLE VIII
BASIC VALUE

Section 8.1. Basic Value of Property. The basic value of the property in the Regime is One Thousand and No/100 (\$1,000.00) Dollars.

Section 8.2. Basic Value of Units. The basic values of the Units are as shown on Exhibit D attached hereto and made a part hereof.

ARTICLE IX
PERCENTAGE INTEREST

Section 9.1. Percentage Interest. The percentage interest appertaining to the Units are as shown on Exhibit D attached hereto and made a part hereof. These percentage interests, as the same may be amended pursuant to Article XII of this Master Deed, shall be applicable whenever this Master Deed, the Bylaws or any exhibit to this Master Deed refers to the percentage interests of Unit owners.

ARTICLE X
UNIT OWNER'S RIGHTS AND OBLIGATIONS

Section 10.1. Use of Unit and Common Element. Subject to this Master Deed and By-Laws, the Unit owner shall have an undivided ownership interest according to his percentage interest in the limited and general common elements; the exclusive right to use his Unit, including his Moorage Easement as to a Dock Unit; the exclusive right with that of other, but not all, Unit owners to use the Limited Common Elements allocated to such Unit owners; and the non-exclusive right with that of other Unit owners to use all general Common Elements in accordance with the purposes for which they are intended. Without the written consent of Council of Co-Owners, the ownership of a Unit may not be subdivided for the purpose of, or with the result of, creating integrated or horizontal ownership, whether by forming a corporation, partnership or limited liability company, by time sharing or leasing, or otherwise, provided nothing herein contained is intended to prevent ownership of a Unit by an entity with five or less individual owners, members or shareholders.

Section 10.2. Compliance with Rules, Regulations; Enforcement. Each Unit owner shall comply strictly with the By-Laws and with the administrative rules and regulations adopted pursuant thereto and with the covenants, conditions and restrictions contained in this Master Deed or the deed to his Unit. Each Unit owner shall have a right of action against other Unit owners or the Council as the case may be, to enforce compliance by either of them with the above By-Laws, rules, regulations, and restrictions.

Section 10.3. Common Expense Liability. The Unit owners are bound to contribute toward the expenses of the property constituted into the Condominium and towards the expenses of maintenance and repair of the Common Elements, as follows. To the extent attributable to Common Elements and administration of the Condominium and the Council of Co-Owners, funds

for maintenance and repair and, for the payment of current expenses, for the payment (as to Dock Unit Owners) of assessments by the Morgan Creek Harbor Association, Inc. (including, but not limited to, any future bulkhead assessments), and for the creation of reserves for the payment of future expenses, including dredging (as to Dock Unit Owners), certain improvements, replacements and additions, and such other reserve requirements as may be accepted by the Council of Co-Owners, shall be Common Expenses and shall be obtained by assessments against the Co-Owners in proportion to their percentage interests in the Common Elements. Expenses for the maintenance and repair of limited common elements shall be assessed against those Units to which those elements have been allocated and expenses for any service to a Unit made at the request of the Unit Owner shall be assessed against such Unit.

Section 10.4. Dredging Assessments. As part of its budget, the Council of Co-Owners shall collect funds from the Dock Unit owners necessary to properly dredge the Regime property constituting common elements and the entrance channel either on its own or through the existing Morgan Creek Harbor Association, Inc. or any successor organization. The Council of Co-Owners or its designated agent shall cause the Regime property constituting common elements and the entrance channel to be dredged as needed. If the depth of the Regime property constituting common elements and the entrance channel shall be determined by the Council of Co-Owners to be less than necessary for the reasonable use by Co-Owners, then the Council of Co-Owners or its designated agent may, at its discretion, take the necessary steps to dredge the Regime property constituting Common Elements and such expense shall be a Common Expense.

Section 10.5. Voting Rights. In all matters on which the Council takes action pursuant to its By-Laws, each Unit owner shall have a vote equal to his percentage interest.

Section 10.6. Easements Appurtenant to Unit Ownership. The Council shall have easements in common with all Unit owners. Each Unit owner shall have an appurtenant easement in common with all other Unit owners to use all pipes, wires, ducts, cables, conduits, utility lines, columns, supporting and sheltering structural members, and other like facilities located in any of the other Units or in the Common Elements and serving his Unit. Each Unit and the Common Elements shall be subject to an appurtenant easement in favor of other Unit owners to use the pipes, ducts, cables, wires, conduits, utility lines and other facilities serving other Units or the Common Elements and located in each such Unit. In addition, each Unit shall be subject to and shall have such appurtenant easements of support from and over such other Units and the Common Elements as may be necessary for the quiet enjoyment of such Unit.

ARTICLE XI COUNCIL OF CO-OWNERS

Section 11.1. Name: The name of the Council of Co-Owners shall be Wild Dunes Yacht Harbor Council of Co-Owners, Inc. It shall be a non-profit corporation organized under the laws of the State of South Carolina. The Condominium shall be administered, supervised and managed by the Council, having its principal office at 40 C, 41st Avenue, Isle of Palms, South Carolina, 29451, which shall act by and on behalf of the Co-Owners of the Units in the Condominium in accordance with this instrument, the Bylaws of the Council, and in accordance with the Act, as amended. The

Bylaws, attached hereto as Exhibit C, form an integral part of the plan of ownership herein described, shall govern the conduct and affairs of the Co-Owners of the Condominium (who are the members of the Council) and shall be construed in conjunction with the provisions of this Master Deed.

Section 11.2. Rights. The Council is hereby vested with the rights, powers, privileges and duties necessary or incidental to the proper administration of the Condominium, including the care, upkeep and surveillance of the general and limited common elements, such rights powers privileges and duties being more particularly set forth in its Articles of Incorporation and in the Bylaws of the Council hereto attached. The Council shall also be empowered and is hereby empowered to exercise any of the rights, powers, privileges or duties which may, from time to time, be established by law or which may be delegated to it by the Co-Owners. The Council shall vote all votes in the Morgan Creek Harbor Association held by Co-Owners of Units with respect to all matters and each of the Co-Owners hereby gives an irrevocable proxy to the Council of Co-Owners for such purpose

Section 11.3. Membership. The Co-Owner of an Unit shall automatically, upon becoming the Co-Owner of an Unit, be a member of the Council, and shall remain a member of said Council until such time as his, her or its ownership ceases for any reason, at which time, his, her or its membership in said Council of Co-Owners shall automatically cease. Other than as an incident to a lawful transfer of the title to an Unit, neither membership in the Council nor any share in the assets of the Council shall be transferable, and any attempted transfer shall be null and void.

Section 11.4. Repair of Units. Notwithstanding the duty of the Council to maintain and repair parts of the Condominium, the Council shall not be liable to Co-Owners for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the Property to be maintained and repaired by the Council, or caused by the elements or other Co-Owners or Persons.

Section 11.5. Access to Units. The Council has the irrevocable right to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair, or replacement of all general and limited common elements therein, or accessible therefrom or for making emergency repairs therein necessary to prevent damage to the general and limited common elements or to another Unit or Units. This right to be exercised by the system of administration as specified by the By-Laws. The Council of Co-Owners shall also have the right, upon reasonable notice to Dock Unit owners, to temporarily move any and all docks for maintenance, repair or dredging purposes and require the removal of all boats from such docks.

Section 11.6. Easements for Maintenance and Operation. The Council has the right to grant permits, licenses, and easements for access to and over the common areas for utilities, roads, and other purposes reasonably necessary for the proper maintenance or operation of the Regime.

Section 11.7. Right of Repurchase. Any Unit owner, other than Declarant, desiring to sell or transfer his Unit, shall first offer the Unit for sale to the Council at the same net price and on the same terms at which the highest bona fide offer has been made for the Unit. The Unit owner shall, by certified or registered mail, return receipt requested, give the Council written notice of his desire to sell, and the name and address of the person making the highest bona fide offer, and the amount

and terms of such offer. Within thirty (30) days after receipt of the notice, the Council may, at its option, after notice to the Unit owners, purchase the Unit on behalf of all Unit owners for the same price and on the same terms. Should the Council fail or refuse within thirty (30) days after receipt of the written notice to exercise its option, the Unit must then be sold for terms not less beneficial and at a price not less than that for which it is offered to the Council. The Unit, after sale, will continue to be subject to the right of Repurchase in this Section 11.7. During the period of time Declarant controls the Board of Directors of the Council of Co-Owners under Section 12.14 hereof, the Declarant shall be vested with this Right of Repurchase for its own account and not for the Council.

Section 11.8. Enforcement of Agreements. The Council shall have a right of action against any Unit owner to enforce compliance with the By-Laws and with the administrative rules and regulations adopted pursuant thereto and with the covenants, conditions and restrictions contained in this Master Deed or the deed to his Unit.

Section 11.9. Management Agreement. For the benefit of the Unit Owners and the Council of Co-Owners and in order to maintain proper management of the marina facility constituting the Regime, the Council of Co-Owners will, and is hereby authorized and delegated to, enter into a Management Agreement with the Declarant regarding the management of the Regime, to include payments by the Council of Co-Owners to the Declarant, as Manager, to reimburse it for all personnel and operating costs allocable to the Council of Co-Owners and all costs and expenses incurred by the Declarant on behalf of the Council of Co-Owners. Until such time as a specific Management Agreement is entered into by and between the Council of Co-Owners and the Declarant, the Declarant shall collect all assessments and disburse all funds for the Council of Co-Owners.

ARTICLE XII DECLARANT'S RIGHTS AND OBLIGATIONS

Section 12.1. Commercial Units. Declarant reserves the right to convey either or both (and at the same or different times) of the Amenity Facility Unit and the Office Unit to the Council of Co-Owners for One and No/100 (\$1.00) Dollar each and, from and after such conveyance, the Council of Co-Owners shall be responsible for all charges and obligations of such Unit under this Agreement and under applicable law.

Section 12.2. Timetable. The Declarant may elect to convey either or both of the Commercial Units to the Council of Co-Owners at any time within ten (10) years from the date of this Master Deed. Failure to convey within the ten (10) year term shall constitute a forfeiture of Declarant's rights under this Section. Nothing herein contained limits the Declarant's right to expressly waive its rights before such date by executing and recording a statement of such waiver in the office where this Master Deed is recorded.

Section 12.3. Declarant Owner of All Units Created. The Declarant shall be the owner of all Units hereby created. Declarant retains and reserves the right to commercially lease Dock Units it owns, as a part of an operating marina, or otherwise.

Section 12.4. Easement Reservation. The Declarant reserves a permanent, transferable, commercial, appurtenant (i) easement, including a construction easement, through all general and limited common elements as may be reasonably necessary for the purpose of discharging Declarant's obligations or exercising special Declarant rights reserved in this Master Deed and (ii) access easement (the "Declarant Easement" as shown on the Plot Plan) across the Property from 41st Street, Town of Isle of Palms, to the small dock shown as "Declarants Dock" on the plot plan attached hereto, such easement to include the right to construct, maintain, repair and replace all utilities and to access such dock from Tract 3d as described on Exhibit A attached hereto, and provide access to the Amenity Facility.

Section 12.5. Council of Co-Owners Control of Board of Directors. Subject to the remainder of this Section, the Declarant may appoint and remove a majority of the members of the Board of Directors of the Council of Co-Owners ("Board") for a period not exceeding ten (10) years from the date of the first conveyance of a Unit to a person other than the Declarant. The period of Declarant control terminates no later than sixty days after conveyance of ninety percent (90%) of the Dock Units Co-Owners, other than Declarant, shall elect Directors in accordance with the Bylaws of the Council of Co-Owners. The Declarant may voluntarily surrender the right to appoint and remove members of the Board before termination of that time period.

ARTICLE XIII COMMON PROFITS

Section 13.1. Common Profits may, at the discretion of the Council of Co-Owners, be:

- (a) Distributed among the Co-Owners according to the percentages of the undivided interests in the Common Elements;
- (b) Credited to their Common Charges according to the stated percentage; or
- (c) Used for any other purpose as the Council of Co-Owners decides.

ARTICLE XIV USE

Section 14.1. Each Dock Unit shall be occupied and used by the respective Co-Owners solely for the moorage of no more than the two vessels (excluding tenders, dinghies or other boats mounted on or over a vessel), which vessels must lie within the described boundaries of each Dock Unit (including as set forth in Section 14.3 below), with no overhang from bow, stern or either beam of such vessel, including bow pulpits, swim platforms, dinghies, and any other projection beyond the limits shown on the plot plan attached hereto or which extends over any portion whatsoever of a Dock; provided, however, nothing herein or in the By-Laws shall prevent the Declarant from using

any Dock Unit owned by Declarant for promotional, marketing, or display purposes, or for settlement of sales of any Dock Units. Subject to those conditions and reservations by Declarant set forth in this Master Deed, including Article XII and this Section 14.1, and including the Bylaws and Regulations thereunder, Dock Units may be leased.

Section 14.2. No Co-Owner (other than Declarant) shall use or permit the use by any lessee or any other person, of any Dock Unit for any purpose other than the moorage of up to two vessels. Any vessel either designed or constructed by an individual or organization not principally engaged in the business of yacht design or construction shall not be berthed in any Dock Unit without the prior written consent of the Council of Co-Owners, which may require the submission of plans and photographs to assist in the determination of the vessel's compatibility with the aesthetic standards of the Condominium.

Section 14.3. Neither the bow nor the stern of any vessel moored in any Dock Unit, including bow pulpits, swim platforms, and any other projections, may extend closer than one (1') foot from any common boundary with another Unit or outside the boundaries set forth on the plot plan attached hereto. A Co-Owner of two contiguous Dock Units may moor a single vessel within such Units.

Section 14.4. The rental of Dock Units by Co-Owners shall be subject to reasonable rules and regulations prescribed by the Council of Co-Owners. Commercial Units may be leased.

Section 14.5. Pursuant to the Act, a Co-Owner is liable to the extent of his ownership for any damages to, any inappropriate or unpermitted uses of, any duties or responsibilities concerning any submerged land, coastal waters, or any other critical area.

ARTICLE XV
BYLAWS

Section 15.1. The Bylaws of the Council of Co-Owners shall be as set forth on Exhibit C attached hereto and made a part hereof.

ARTICLE XVI
AMENDMENTS

Section 16.1. Amendments. This Master Deed shall be amended only by vote of Co-Owners owning seventy-five percent (75%) of the Units, at any meeting of the Council of Co-Owners duly called for such purpose, following written notice to all Co-Owners, except that no such amendment shall change the rights reserved to Declarant, the boundaries of any Unit, the undivided interest in the Common Elements appertaining thereto, the allocation of any Limited Common Element appertaining thereto, the liability for Common Expenses appertaining thereto, or rights to Common Profits appertaining thereto. No amendment shall be effective until recorded in the Register of Mesne Conveyance Office for Charleston County, South Carolina. Notwithstanding the foregoing, neither this Article XVI nor Article XXII hereof may be amended without the consent of the Declarant.

Section 16.2. By-Laws. The system of administration adopted by the By-Laws may be modified at anytime by the vote of the Unit owners representing two-thirds of all the percentage interests, but such modification shall not be operative until recorded in the same office as this Master Deed.

ARTICLE XVII
POWER OF ATTORNEY TO BOARD OF DIRECTORS

Section 17.1. Each Co-Owner by the acceptance of a deed or by the exercise of any incident of ownership, grants to the Persons who shall, from time to time, constitute the Board of Directors an irrevocable power of attorney, coupled with an interest, to acquire title to or lease any Unit whose owner desires to surrender, sell or lease the same or which may be the subject of foreclosure of judicial sale, in the name of the Board of Directors or its designees, corporation or otherwise, on behalf of all Co-Owners; and to convey, sell, lease, mortgage or otherwise deal with any such Unit so acquired, or to sublease any Unit leased by the Board of Directors.

ARTICLE XVIII
PERSONS AND UNITS SUBJECT TO CONDOMINIUM INSTRUMENTS

Section 18.1. Survival. All present and future Co-Owners, tenants, mortgagees and occupants of Units shall be subject to and shall comply with the provisions of the Condominium Instruments as they now exist and as they may be amended from time to time. The acceptance of a deed or the exercise of any incident of ownership or the entering into of a lease or the entering into occupancy of a Unit shall constitute agreement that the provisions of such Condominium Instruments are accepted and ratified by such Co-Owner, tenant, mortgagee or occupant, and all such provisions shall be deemed and taken to be covenants running with the land and shall bind any Persons having at any time any interest or estate in such Unit as though the provisions of this Section had been recited and stipulated at length in each and every deed, conveyance or lease thereof.

Section 18.2. Rules and Regulations. The Board of Directors may promulgate Rules and Regulations regarding the use and occupancy of Units and Common Elements, and the activities of occupants therein.

ARTICLE XIX
TERMINATION

Section 19.1. Termination. The Co-Owners may remove the Property from the provisions of the Act and of the Condominium Instruments, by an instrument to that effect, recorded and containing the signatures of one hundred percent (100%) of the Co-Owners, provided one hundred percent (100%) of the holders of all liens affecting any of the Units consent thereto or agree in either case by recorded instruments that their liens be transferred to an undivided interest in the Property.

Section 19.2. Ownership. Upon the removal of the Property from the provisions of the Act and the Condominium Instruments, the Co-Owners shall be deemed to own the Property as tenants in common, with undivided interest in the same percentages as the undivided interests previously owned by each in the Common Elements.

Section 19.3. Resubmission. The removal provided for in this Article shall not bar the subsequent resubmission of the Property to the provisions of the Condominium Act.

ARTICLE XX
BOUNDARIES; EASEMENTS FOR ENCROACHMENT

Section 20.1. Boundaries. The existing physical boundaries, as defined in the Condominium Instruments, of any Unit or Common Element now existing or as reconstructed in substantial conformity with the plot plans shall be conclusively presumed to be its boundaries, regardless of the shifting, settlement, or lateral movement of any dock, bulkhead or piling and regardless of minor variations between the physical boundaries as described in this Master Deed or shown on the condominium plan and the existing physical boundaries of any such Unit or Common Element. This presumption applies only to encroachments within the Condominium.

Section 20.2. Encroachments. If any portion of any Common Element encroaches on any Unit or if any portion of a Unit encroaches on any Common Element, as a result of the duly authorized repair of the Unit, a valid easement for the encroachment and for the maintenance of the same shall exist so long as the Dock System stands. The purpose of this Section is to protect the Co-Owners, except in cases of willful and intentional misconduct by them or their agents or employees, and not to relieve the Declarant or any contractor, subcontractor, or materialmen of any liability which any of them may have by reason of any failure to adhere substantially to the plot plans.

Section 20.3. Easement Granted to the Council of Co-Owners. There shall be and the Declarant does hereby grant a general easement in favor of the Council of Co-Owners upon, across, above, and under all of the property and improvements submitted herein, and expressly including the Units, for ingress, egress, installation, replacing, repairing, and maintaining the Common Elements, and in general for dredging, access, repair, maintenance, ingress and egress, and any other purposes reasonably related to the purposes, rights and duties of the Council of Co-Owners. By virtue of this easement, the Council of Co-Owners shall be expressly permitted to erect and maintain any necessary equipment on the Common Elements of the Regime, and to affix and maintain wires, conduits, cables, and the like on, above, across, under and through improvements in the Regime, including the Dock System and the Units. Should any person furnishing any service covered by this Section request a specific easement by separate recordable documents, the Council of Co-Owners shall have the right to grant such easement under the terms hereof.

Section 20.4. Destruction. If any part of the Condominium is destroyed partially or totally as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings, and then is reconstructed, encroachment of any Unit on any Common Element, due to such

reconstruction, shall be permitted and valid easements for such encroachments and the maintenance of them shall exist so long as the Unit exists.

ARTICLE XXI
NO SEVERANCE OF OWNERSHIP

Section 21.1. No Co-Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Unit without including therein the Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more such interest, without including all such interests, shall be deemed and taken to include the interest of interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit to which such interests are appurtenant.

ARTICLE XXII
DECLARANT'S RIGHTS RESERVED

Section 22.1. As long as the Declarant is a Co-Owner, the Declarant and its duly authorized agents, representatives and employees may maintain and show its Units for sale and lease Units.

Section 22.2. The Declarant reserves the right to perform such work and repairs on the Property, other than Units which Declarant does not own; and the further right to control all such work and repairs, and the right of access thereto, until its completion. The Declarant reserves the right to any recovery or repayment allocable to the Property, whenever received, with respect to reconstruction of the bulkhead along Morgan Creek occurring prior to the date of this Master Deed.

Section 22.3. The Declarant reserves the right to post signs and displays in the Common Elements to promote sales of Units, and to conduct general sales activities, in such manner as will not unreasonably disturb the rights of Co-Owners.

Section 22.4. So long as the Declarant owns any Unit for sale in the ordinary course of business, no action may be taken by the Council of Co-Owners that would be detrimental to the sales of Units by the Declarant without written agreement thereto by the Declarant.

ARTICLE XXIII
CONDEMNATION

Section 23.1. Common Elements. If any part of the Condominium shall be taken or condemned by any authority having the power of eminent domain, such that no Unit, nor Limited Common Element appurtenant thereto is taken, all compensation and damages for and account of the taking, exclusive of compensation for consequential damages to certain affected Units, shall be payable to the Council of Co-Owners, or a Trustee, either as trustee for all Co-Owners and mortgagees according to the loss or damages to their respective interests. The Council of Co-Owners, acting through the Board of Directors, shall have the right to act on behalf of the

Co-Owners with respect to the negotiation and litigation of the issues with respect to the taking and compensation affecting the Common Elements, without limitation on the right of the Co-Owners to represent their own interests. Such proceeds shall be used in accordance with the provisions of the Bylaws. Nothing herein is to prevent Co-Owners whose Units are specifically affected by the taking or condemnation from joining in the condemnation proceedings and petitioning on their own behalf for consequential damages relating to loss of value of the affected Units, or personal improvements therein, exclusive of damages relating to Common Elements. In the event that the condemnation award does not allocate consequential damages to specific Co-Owners, but by its terms includes an award for reduction in value of Units without such allocation, the award shall be divided between the affected Co-Owners and the Council of Co-Owners or Trustee, as their interests may appear.

Section 23.2. Units. If part or all of the Condominium shall be taken or condemned by any authority having the power of eminent domain, such that any Unit or a part thereof (including Limited Common Elements assigned to any Unit) is taken, the Council of Co-Owners shall have the right to act on behalf of the Co-Owners with respect to the Common Elements as in Section 23.1 hereinabove, and the proceeds shall be payable as outlined therein. The Co-Owners directly affected by such taking shall represent and negotiate for themselves with respect to the damages affecting their respective Units. The awards so made shall be distributed through the Council of Co-Owners or Trustee first to restore the Units and common elements of the Condominium in the same manner as provided for restoration under the Bylaws to the extent possible, attempting to rebuild docks containing new Units of the same number, size and basic plan as the Units taken with any excess award distributed in accordance with the provisions of the Bylaws. In the event that the Board of Directors determines that such a taking so removes land and docks containing Units that they cannot effectively be restored or replaced substantially in compliance with the dock plans, and unless seventy-five percent (75%) of the Co-Owners and holders of first mortgages encumbering seventy-five percent (75%) of the undivided interest in the Common Elements subject to mortgages vote to accept an alternative plan, then the Council of Co-Owners shall submit the issue to arbitration in accordance with the Rules of the American Arbitration Council of Co-Owners for remedies with respect to the continued existence or reform of the Condominium, the division of the award as to the taken and remaining Units, and such other remedies as may be required.

ARTICLE XXIV INSURANCE

Section 24.1. The Council shall insure the Property against risks, without prejudice to each Co-Owner to insure that Owner's Unit for that Owner's account and benefit. In case of fire or any other disaster, all insurance proceeds attributable to the Dock System shall be used to reconstruct the Dock System to equal or better condition than the Dock System prior to the casualty; provided, however, that the construction shall not be compulsory when the damage comprises the whole or to the extent of eighty (80%) percent of the then replacement cost of the Dock System. In such case, if unanimously agreed upon by all Co-Owners of Dock Units and the holders of mortgage liens affecting at least seventy-five (75%) percent of the Dock Units subject to mortgages, the insurance proceeds shall be delivered pro rata to such Co-Owners, after any cleanup and removal of the Dock System remnants, in accordance with the Bylaws or in accordance with the decision of ninety (90%)

percent of the affected Co-Owners if there is no Bylaw provision. In the event insurance proceeds are insufficient to cover the cost of reconstruction, the unfunded rebuilding cost shall be a Common Expense. Each Unit owner shall carry, at such owner's expense, liability insurance with commercially reasonable limits covering the Unit owner's vessels or facility and Unit, and naming the Council of Co-Owners as an insured.

ARTICLE XXV
MORTGAGEES

Section 25.1. Rights of Mortgagee. Notwithstanding anything contained in the Condominium Instruments to the contrary, any right of first refusal granted to the Council shall not impair the rights of a first mortgagee, including, if applicable, for all sections of this Article XXV, the Declarant, to any Unit to (1) foreclose or take title to a Unit pursuant to the remedies provided in the Mortgage; or (2) accept a deed (or assignment) in lieu of foreclosure in the event of default by a mortgagor; or (3) sell or lease a Unit acquired by the mortgagee, but subject to this Master Deed.

Section 25.2. Title. Any first mortgagee obtaining title to a Unit pursuant to the remedies provided in the mortgage or foreclosure of the mortgage will not be liable for such Unit's unpaid assessments or Common Charges which accrue prior to the acquisition of title to such Unit by the mortgagee.

Section 25.3. Notices. In addition to any other notices required to be given by the Council of Co-Owners to holders of first mortgage liens on Units, the following notices shall be provided to all such mortgagees to which the Council of Co-Owners has written notice:

- (a) Written notice at least thirty (30) days prior to the effective date of any amendment to the Master Deed or the Bylaws.
- (b) Written notice of any default by any Owner whose Unit is subject to a mortgage lien, given to such lien holder, of any obligation of such Owner provided for in the Master Deed or the Bylaws on which default is not cured within thirty (30) days after the same shall occur.
- (c) Written notice to mortgagees of record of substantial damage or destruction to the Dock System.

ARTICLE XXVI
MISCELLANEOUS

Section 26.1. Captions. The captions contained in the Condominium Instruments are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of the Condominium Instruments nor the intent of any provision thereof.

Section 26.2. Gender. The use of the masculine gender shall be deemed to refer to the feminine and neuter gender and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context of the Condominium Instruments so require.

Section 26.3. Waiver. No provision contained in the Condominium Instruments shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 26.4. Invalidity. The invalidity of any provision of the Condominium Instruments shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder, and in such event, all of the other provisions of the Condominium Instruments shall continue in full force and effect.

Section 26.5. Conflict. The Condominium Instruments are intended to comply with the requirements of the Condominium Act and all other applicable laws. In the event of any conflict between the Condominium Instruments and the provisions of the statutes, the provisions of the statutes shall control. In the event of any conflict between this Master Deed and any other Condominium Instrument, this Master Deed shall control.

Section 26.6. Execution of Documents. The President or Secretary of the Council of Co-Owners are responsible for preparing, executing, filing and recording amendments to the Condominium Instruments.

IN WITNESS WHEREOF, the undersigned Declarant has set its Hand and Seal on the day and year first hereinabove written.

WITNESSES:

WILD DUNES YACHT HARBOR, INC., a
South Carolina Corporation

[Signature]
Kathy G. Willis

By: Henry F. Zisch Jr.
Its: As Chairman

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

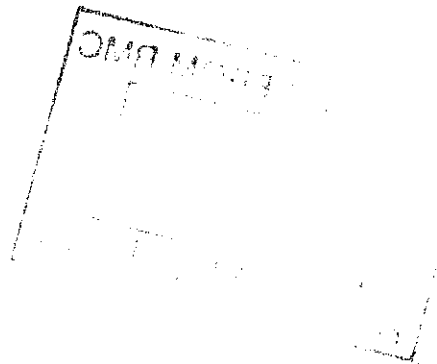
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PERSONALLY appeared before me the undersigned witness who, being duly sworn, deposes and says that (s)he saw the within named Declarant, WILD DUNES YACHT HARBOR, INC., a South Carolina Corporation, by its duly authorized officer, sign, seal, and as its act and deed, deliver the within written Master Deed and that (s)he with the other above subscribed witness witnessed the execution thereof.

Kathy G. Wilco

SWORN to before me this
14th day of August, 2000.

[Signature] (L.S.)
Notary Public for South Carolina
My Commission Expires: Aug 11, 2001



EXHIBITS TO MASTER DEED

- A. Property Description
- B. Plot Plan (including Boundary Survey), Dock Plans and Docking System
- C. By-Laws of Council of Co-Owners
- D. Schedule of Values