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MASTER DEED
FOR
THE YACHT CLUB AT LIGHTKEEPERS VILLAGE
HORIZONTAL PROPERTY REGIME
Submitted by
THE YACHT CLUB AT LIGHTKEEPERS VILLAGE,
A SOUTH CAROLINA PARTNERSHIP
March 15, 1993

CONDO PRATOK C-244

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MASTER DEED

THE YACHT CLUB AT LIGHTKEEPERS VILLAGE HORIZONTAL PROPERTY REGIME

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STATE OF SOUTH CAROLINA) MASTER DEED FOR
) THE YACHT CLUB AT LIGHTKEEPERS VILLAGE
COUNTY OF HORRY) HORIZONTAL PROPERTY REGIME

LIGHTKEEPERS VILLAGE, A SOUTH CAROLINA PARTNERSHIP, hereinafter referred to as "Grantor", as the sole owner of the land, submerged land and improvements hereinafter described, does hereby make, declare and publish its intention and desire to submit, and does hereby submit the land, submerged land, and building hereinbelow described, together with all other improvements thereon, including all easements, rights, and appurtenances thereto belonging, to a horizontal property regime to be known as THE YACHT CLUB AT LIGHTKEEPERS VILLAGE HORIZONTAL PROPERTY REGIME (hereinafter referred to as the "Regime"), in the manner provided for by Sections 27-31-10 through 27-31-300 (both inclusive) of Chapter 31 (hereinafter referred to as the "Horizontal Property Act") of the Code of Laws of South Carolina 1976. In conformity with Sections 27-31-30 and 27-31-100 of said Act, Grantor sets forth the following particulars:

I. DEFINITIONS: Unless the context requires otherwise, the terms used in this Master Deed and in the Exhibits thereto shall have the following definitions:

a. Association shall mean The Yacht Club at Lightkeepers Village Homeowners Association, Inc., a not for profit corporation organized to administer the Regime.

b. Board shall mean and refer to the Board of Directors of the Association.

c. Boat Slip means a part of the Property intended for independent recreational use as moorage for a boat or any other permitted use, located in a separately delineated open space with a direct access to a common area leading to a street or highway. As used herein "Boat Slip" shall have the same meaning as "Apartment" under the Horizontal Property Act.

d. Common Elements as used herein shall mean and comprise the following:

1. The parcel of land herein described on which the

building and marina stand.

2. The portions of the building described herein, not otherwise herein defined as being embraced within the Condominium Units, including but not limited to the foundations, floors, roofs, ceilings, perimeter walls of Residential Units, load bearing interior walls, and partition walls enclosing common facilities, slabs, stairs, pipes, wires, conduits, air ducts, and utility lines, including the space actually occupied by the above.

3. All improvements to the premises constructed or to be constructed other than the building such as utilities, walkways, plantings, trees, shrubbery, yards, lawns, gardens, and etc., located on said parcel of land.

4. Parking facilities.

5. All other elements of the building, not included within the Condominium Units, constructed or to be constructed on the herein described parcel of land, rationally of common use or necessary to existence, upkeep, and safety; and in general, all other devices or installations existing for common use.

6. The portions of the Marina described herein, not otherwise defined as being embraced within the Boat Slips, including but not limited to bulkheads, walkways, gangplanks, main docks, finger docks, pilings, cable television lines, telephone lines, electric lines, water lines, handrails and dock cleats.

7. All property of the Regime whether land, building, marina, improvements, or otherwise, except such as is included in the herein described Units.

8. All assets of Association.

e. Common Expenses means the expenses for which the Owners are liable to the Association and include:

1. Expenses of administration, expenses of maintenance, insurance, operation, repair or replacement of the Common Elements and the portions of the Units which are the responsibility of the Association.

2. Expenses declared common expenses by this Master Deed.

3. Any valid charges against the Regime as a whole.

f. Grantor means Lightkeepers Village, a South Carolina Partnership, and its successors, assigns, or designees.

g. Horizontal Property Act means Section 27-31-10 through 27-31-300 (both inclusive) of the Code of Laws of South Carolina 1976, as amended.

h. Limited Common Expenses shall mean those portions of the common expenses which are specifically assessed against Condominium Unit Owners or against the Boat Slip Owners or against any other type units as set forth herein.

i. Marina shall mean the portion of the property bounded by and including the bulkhead and the entrance to the waterway.

j. Owner means the record owner of a Unit in the Regime, whether one or more persons or other legal entities.

k. Property means the land submitted by this Master Deed to be, including all improvements and structures thereon and all easements, rights and appurtenances belonging thereto.

l. Condominium Unit means a part of the property intended for any type of independent residential use including one or more rooms or enclosed spaces located on one or more floors, or parts thereof, in a building with a direct exit to a common area leading to a public street or highway as used herein "Unit" shall have the same meaning as "Apartment" under the Horizontal Property Act.

m. Unit shall mean a part of the property which is subject to private ownership and independent use and shall include Condominium Units, Boat Slip Units and other type units which shall have the same meaning as "Apartment" under the Horizontal Property Act.

II. DESCRIPTION OF LAND. The land and submerged land which is hereby submitted to the Regime is described in Exhibit "A" which is attached hereto and made a part hereof.

III. DESCRIPTION OF BUILDING. The Grantor has recently completed or caused to be completed on the above described parcel of land one (1) building of 14,755 square feet, which contains twelve (12) individual Condominium Units, and one (1) building of 10,716 square feet, which contains nine (9) individual Condominium Units.

The horizontal and vertical location of the buildings and other improvements within the property boundary are particularly

VIII. PHASES AND EASEMENTS THEREFOR. The Grantor's general plan of development for the REGIME is that the Condominium Units and the Boat Slips shall be submitted in THIRTY (30) phases. The first phase of the Regime would be ONE (1) building containing TWELVE (12) Condominium Units (herein "Phase I") located on the land described in Paragraph II. The next Phases (herein "Future Phases") would consist of buildings and boat slips which would be located on the adjacent land in the The Yacht Club at Lightkeepers Village Development. The percentage interest in the Common Elements of each Owner upon the submission of the subsequent Phases to the Regime is set forth in Exhibit "G" attached hereto.

The Grantor shall have the right to add the Future Phases to the Regime. In the event the Grantor exercises its right and option to add any or all of the Future Phases, the property of said phase will become an integral part of the Regime once an appropriate amendment to this Master Deed has been filed as hereinafter provided. The Grantor reserves the right to alter the sequence or order of introducing phases into the Regime. Further, there is reserved by the Grantor, for itself, its successors and assigns, in, over, across, under and upon the properties of the Regime, all easements and right of ingress, egress, and use necessary and convenient for the construction of the said Future Phases, which such easements shall remain in full force and effect for such time as the Grantor retains the option of submitting the said Future Phases to the Regime.

The Grantor hereby reserves unto itself, its successors or assigns, the right and option, to be exercised at its sole discretion, to submit the Future Phases, to the provisions of this Master Deed thereby causing the Future Phases to become and be a part of the Regime. The Grantor may exercise this right or option as to the Future Phases, no later than ten (10) years from the filing of this Master Deed. The said Phases shall be added only upon execution by the Grantor, its successors or assigns, within the time specified herein, of amendments to this Master Deed which shall be filed for record in the Office of the Clerk of Court for Horry County, South Carolina. Any such amendment shall expressly submit the Phases to all of the provisions of this Master Deed and By-Laws made a part hereof as either or both may be amended. Upon the exercise, if any, of this right or option, the provisions of this Master Deed and all exhibits thereto shall then be construed and understood as embracing Phase I (the basic "property" herein defined) and the Future Phases, together with all improvements then or thereafter constructed. Should the Grantor fail to exercise its right or option within the time specified herein, then in that event, said option shall expire and be of no further force or effect.

IX. NO REPRESENTATION AS TO FUTURE PHASES. The Grantor

shall be under no obligation to construct or submit Future Phases. Developer reserves the right to make changes in the style and/or configuration of all future buildings. This would include the possibility of adding townhouses, cluster homes and/or single family homes with condominium-style ownership.

Phase I and each additional phase, as constructed and submitted, shall constitute the entirety of the Regime and the Regime, the Association and the Owners shall not acquire any rights as to any properties not depicted thereon.

The "Plat", "Plot Plan", "Floor Plans", and all other exhibits attached hereto, incorporated herein and/or associated herewith which depict or refer to any Future Phase which has not been made a part hereof by amendment as herein provided shall be of no force or effect until such phase has been incorporated herein by amendment. No such "Plat", etc., shall constitute a warranty or representation that any additional phase will be constructed or submitted or that any amenity not shown on the phase actually constructed and submitted is or will be constructed or submitted.

X. NAME. The name by which the Regime shall be known as THE YACHT CLUB AT LIGHTKEEPERS VILLAGE HORIZONTAL PROPERTY REGIME.

XI. DECLARATION OF RESTRICTIVE AND PROTECTIVE COVENANTS AND AGREEMENT AND EASEMENT GRANTS. The Units and Common Elements shall be and the same are hereby declared to be subject to the restrictions, easements, conditions, and covenants prescribed and established herein governing the use of said Units and Common Elements, and setting forth the obligations and responsibilities incident to ownership of each Unit and its appurtenant undivided interest in the Common Elements, and said Units and Common Elements are further declared to be subject to the restrictions, easements, conditions, and limitations now of record affecting the land and improvements of the Regime.

XII. RESTRICTION AGAINST FURTHER SUBDIVIDING OF UNITS AND SEPARATE CONVEYANCE OF COMMON ELEMENTS, ETC. No Unit may be divided or subdivided into a smaller unit, or smaller units, than as described herein; nor shall any Unit, or portion thereof, be added to or incorporated into any other Unit without the written consent of Grantor or the Board of Directors of the Association. The undivided interest in the Common Elements declared to be an appurtenance to each Unit shall not be conveyed, devised, encumbered, or otherwise dealt with separately from said Unit; and the undivided interest in Common Elements appurtenant to each Unit shall be deemed conveyed, devised, encumbered, or otherwise included with the Unit even though such undivided interest is not expressly mentioned or described in the instrument conveying,

devising, encumbering, or other instrument which purports to affect the conveyance, devise, or encumbrance; or which purports to grant any right, interest, or lien in, to, or upon a Unit, shall be null, void and of no effect insofar as to the same purports to affect any interest in a Unit and its appurtenant undivided interest in the Common Elements; unless the same purports to convey, devise, encumber, or otherwise trade or deal with the entire Unit. Any instrument conveying, devising, encumbering, or otherwise dealing with any Unit, which describes said Unit by the Unit number assigned thereto herein, without limitation or exception, shall be deemed and construed to affect the entire Unit and its appurtenant undivided interest in the common elements. Nothing herein contained shall be construed as limiting or preventing ownership of any Unit and its appurtenant undivided interest in the Common Elements by more than one person or entity as tenants in common, joint tenants, or as tenants by the entirety.

XIII. PERPETUAL NON-EXCLUSIVE EASEMENT IN COMMON ELEMENTS.

The Common Elements shall be and the same are hereby declared to be subject to a perpetual non-exclusive easement in favor of all the Owners for their use and the use of their immediate guests, licensees, and invitees for all proper and normal purposes, for the furnishing of services and facilities for which the same are reasonably intended, and for the enjoyment of said Owners. Notwithstanding anything above provided in this article, the Association shall have the right to establish the rules and regulations pursuant to which the Owners may use and enjoy the Common Elements.

XIV. EASEMENT FOR UNINTENTIONAL NON-NEGLIGENT ENCROACHMENTS.

In the event that any Unit shall encroach upon any Common Elements or upon any Unit for any reason not caused by the purposeful or negligent act of the Unit Owner, then an easement appurtenant to such Unit shall exist for the continuance of such encroachment of the Unit upon the Common Elements or upon the other Units so long as such encroachment shall naturally exist; and, in the event that any portion of the Common Elements shall encroach upon any Unit, then an easement shall exist for the continuance of such encroachment of the Common Elements into any Unit for so long as such encroachment shall naturally exist.

XV. RESTRAINT UPON SEPARATION AND PARTITION OF COMMON ELEMENTS.

Recognizing that the proper use of a Unit by any Owner is dependent upon the use and enjoyment of the Common Elements, in common with the Owners of all other Units, and that it is in the best interest of all Owners that the ownership of the Common Elements be retained in common by the Owners, it is declared that the percentage of the undivided interest in the Common Elements appurtenant to each Unit shall remain undivided, and no Owner shall bring or have any right to bring any action for partition or division.

XVI. EASEMENT FOR AIR SPACE. The Owner of each Unit shall have an exclusive easement for the use of the air space occupied by said unit as exists at any particular time, and as said Unit may be lawfully altered or reconstructed from time to time, which easement shall be terminated automatically in any air space which is vacated from time to time.

XVII. ADMINISTRATION OF THE REGIME. To effectively and efficiently provide for the administration of the Regime by the Owners, a non-profit corporation has been formed (herein the "Association"), and said Association shall administer the operation and management of the Regime and undertake and perform all acts and duties incident thereto in accordance with the terms, provisions, and conditions of this Master Deed, its Declaration and Petition of Incorporation, and its By-Laws. A true copy of the Declaration and Petition of Incorporation and By-Laws of said Association are annexed hereto and expressly made a part hereof as Exhibits "H" and "I" respectively. Each Owner shall automatically become a member of the Association upon acquisition of an ownership interest in any Unit and the membership of such Owner shall terminate automatically upon the Owner being divested of such ownership regardless of the means by which such ownership may be divested. No person, firm, or corporation holding any lien, mortgage or other encumbrance on any interest in a Unit shall be entitled by virtue of such to membership in the Association, or to any other rights or privileges of such membership. In the administration of the operation of the management of the Regime, the Association shall have and is hereby granted the authority and power to enforce the provisions of this Master Deed, levy and collect assessments in the manner hereinafter provided, and to adopt, promulgate, and enforce such rules and regulations governing such use of the Units and Common Elements as the Association may deem to be in the best interest of the Regime.

XVIII. RESIDENTIAL AND RECREATIONAL USE RESTRICTION APPLICABLE TO THE UNITS.

(1) CONDOMINIUM UNITS. Each Condominium Unit is hereby restricted to use as a residence by the Owner, guests, and lessees; provided, however, that so long as the Grantor shall retain any interest in the ownership of a Unit, it may utilize a Unit or Units of its choice from time to time, for sales offices, models, construction office or other usage for the purpose of constructing and selling the Units in said Regime. Grantor may also have separate temporary offices for a sales office and construction office. Further, so long as Grantor retains any ownership in a Unit, Grantor shall have the right to maintain rent free a sales and rental office in the shipstore. Further still, Grantor may assign this commercial usage right to such other person or entities as it may choose; provided, however, that when all Units have been sold, this right of commercial usage shall immediately cease. The shipstore shall not be restricted and

commercial usage may be made of said property.

An Owner may not lease a Condominium Unit for a term of less than three (3) months without the written consent of Grantor, or when control of the Regime is transferred to the Association, of the Board of Directors of said Association; except, however, the Developer reserves the right to lease or otherwise use any unit for a term of less than three (3) months, for marketing purposes, including the housing of guests, purchasers and prospective purchasers.

No Condominium Unit shall be "time-shared", nor shall any Unit be owned, used or operated in violation of the statutory provisions regulating Vacation Time Sharing Plans, S.C. Code Ann. sections 27-32-10 et seq. (1983 Supp.), as the same may be amended from time to time, nor shall any Unit be owned, used or operated so as to constitute such Unit as a "time-sharing" unit, within the meaning of such statutory provisions, without the express written consent of Grantor, its successors and assigns. However, this shall not act as a prohibition against the sale of partnership interests by the Grantor or an Owner.

No "For Sale", "For Rent", or similar signs shall be permitted on any Common Element or in any Unit so as to be visible from any Common Element or public or private street or area.

All draperies, blinds, or other window coverings on a window facing the exterior of any Unit and visible from any Common Element or public or private street or area shall be lined with a color to be approved by Grantor with the said color lining exposed to the exterior of the Unit.

No animal, livestock, or fowl shall be kept or maintained in or on any part of the Unit or Common Elements except one small domestic animal which may be kept thereon as a pet for the pleasure and use of the Owner but not for any commercial use or purpose. All animals must be kept on a leash when they are outside the Unit and must not become a nuisance to other residents by barking or other acts. Non-owners (e.g. renters, lessees or guests) may not keep any pets in or on any part of the Unit or Common Elements without prior written approval of the Board of Directors of the Association.

(2) BOAT SLIPS. Each Boat Slip is hereby restricted to recreational use as the moorage for a boat by the Owner, guests and lessees. No persons may live aboard a boat or vessel on a "permanent or semi-permanent" basis or use a boat or vessel as their residence, without the express written consent of Grantor or the Board of Directors, as further elaborated in the RULES AND REGULATIONS OF THE MARINA AT THE YACHT CLUB AT LIGHTKEEPERS VILLAGE as described on Exhibit "J" attached. As used herein "permanent or semi-permanent" shall be defined as a period exceeding 72 hours in any given week. Since it is the intention of this provision to preclude use of a boat or vessel as a living

quarters or residence without the express written consent of Grantor or the Board of Directors, Grantor and the Board of Directors reserve the right to interpret and enforce this provision, in their sole discretion, so as to give full effect to its intent.

No boat or vessel may be docked or kept in The Yacht Club at Lightkeepers Village marina or harbour area unless it is a properly licensed vessel in good operating condition with all necessary operating and safety equipment on board. No commercial boat or vessel may be docked without consent of Grantor or the Board of Directors. The foregoing provisions shall not prevent the Grantor or assigns from using any reasonable boat or vessel, including a commercial boat or vessel, for the purpose of marketing units or boat slips at The Yacht Club at Lightkeepers Village.

Grantor or the Board of Directors may disallow the docking of any boat or vessel which in its sole discretion is not an appropriate boat or vessel because of its appearance, condition, safety, odor, noise, use, or other reasonably unacceptable factor which detracts from the use and enjoyment of the The Yacht Club at Lightkeepers Village marina and harbour area by other owners. No boat or engine repairs other than nominal repairs which can be completed in a few minutes can be made in the marina or harbour area. Repairs other than those which can be completed in a few minutes may be made in the marina or harbour area provided Owner obtains a permit for same from Grantor, the Board of Directors, or other committee designated by the Association. The granting or denial of such permits is within the sole discretion of Grantor, the Board, or any committee designated for this purpose.

An owner may not lease a boat slip for a term of less than three (3) months without the consent of the Grantor or the Board of Directors of the Association. The owner of a boat slip must notify the Grantor, the Board, or the Association Manager before a boat slip lease becomes effective and provide any reasonable information needed regarding the lessee's name, address, and boat description.

The use of "For Sale", "For Rent", or other similar signs on a Boat Slip, boat or vessel docked in a Boat Slip, and in the marina or harbour areas shall be regulated by Grantor or the Board.

No animal, livestock, or fowl shall be kept or maintained in or on any part of the Boat Slip, marina, harbour area, or boat or vessel moored or located therein.

XIX. USE OF COMMON ELEMENTS SUBJECT TO RULES OF ASSOCIATION.
The use of the Common Elements by the Owners and all parties

authorized to use the same, shall be at all times subject to such reasonable rules and regulations as may be prescribed and established governing such use, or which may hereafter be prescribed and established by the Association. The initial rules and regulations for the Marina are attached hereto as Exhibit "J".

Traffic regulations on all roads and streets within the Regime will be enforced under the provisions of the South Carolina Uniform Act for regulating traffic to private roads. A speed limit of 15 MPH is established on all roads and streets and all traffic control signs, including but not limited to speed limit, stop, directional and no parking signs will be enforced.

No parking shall be permitted on any Common Elements except in designated improved parking areas. Only conventional passenger cars, vans, and pickup trucks shall be allowed to park in the passenger vehicle parking areas, and these vehicles must be licensed, operative and maintained in a reasonably attractive condition. The Board of Directors or its appointed committee may disallow the parking of any vehicle which in its sole discretion is not well maintained as to its appearance. All vehicles must be reasonably quiet at all times, must not emit large amounts of smoke or odors, nor make use of loud horns, bells, whistles, radios, speakers, or other devices. The Board of Directors or its appointed committee must approve the parking or storage of any other type of vehicle or trailer and any such approved parking or storage shall be allowed only in the area designated for such parking or storage, except that a Boat Slip shall be used as moorage for a boat.

No stripped, partially wrecked, disabled or junk motor vehicle, or part thereof, shall be permitted to be parked or kept on any Regime property.

No junk, debris, towels, laundry or materials of any kind shall be stored on Regime property outside of any approved enclosed structure or in a manner that is visible from any other Unit, common area, street, easement or amenity area.

XX. REGIME TO BE USED FOR LAWFUL PURPOSES, RESTRICTIONS AGAINST NUISANCES, ETC. No immoral, improper, offensive, or unlawful use shall be made of any Unit or Common Elements, nor any part thereof; and all laws, zoning ordinances, and regulations of all governmental authorities having jurisdiction of the Regime shall be observed. No Owner shall permit or suffer anything to be done or kept in his Unit, or on the Common Elements, which will increase the rate of insurance on the Regime, or which will obstruct or interfere with the rights of other occupants of the building, or annoy them by unreasonable noises; nor shall any such Owner undertake any use or practice which will create and constitute a nuisance to any other Owner or which interferes with the peaceful possession and proper use of any Unit or the Common

Elements.

XXI. RIGHT OF ENTRY INTO UNITS IN EMERGENCIES. In case of any emergency originating in or threatening any Unit, regardless of whether the Owner is present at the time of such emergency, the Board or any person authorized by it shall have the right to enter such Unit for the purpose of remedying or abating the cause of such emergency, and such right of entry shall be immediate; and to facilitate entry in the event of any such emergency, each Owner, if required by the Association, shall deposit under the control of the Association a key to such Unit.

XXII. RIGHT OF ENTRY FOR MAINTENANCE OF COMMON ELEMENTS. Whenever it is necessary to enter any Unit for the purpose of performing any maintenance, alteration, or repair to a portion of the Common Elements, the Owner shall permit other Owners or their representatives, or the duly constituted and authorized agent of the Association, to enter such Unit, provided that such entry shall be made only at reasonable times and with reasonable advance notice.

XXIII. LIMITATION UPON RIGHT OF OWNERS TO ALTER AND MODIFY UNITS. No Owner shall permit there to be made any structural modifications or alterations to a Unit without first obtaining the written consent of the Association, which consent may be withheld in the event that a majority of the Board determine, in their sole discretion, that structural modifications or alterations would affect or in any manner endanger the building in part or in its entirety. If the modification or alteration desired by the Owner involves the removal of any permanent interior partition, the Board shall have the right to permit such removal so long as the permanent interior partition to be removed is not a load bearing partition, so long as the removal thereof would in no manner affect or interfere with the provision of utility services constituting Common Elements located therein. No Owner shall cause any balcony, porch, or patio abutting his Unit to be closed, or cause any improvements or changes to be made on the exterior of the building, including painting or other decoration, or the installation of electrical wiring, television antenna, machines, or air conditioning units which may protrude through the walls or roof of the building, or in any manner change the appearance of any portion of the building not within the walls of such Unit, nor shall storm panels or awnings be affixed without the written consent of the Association being first obtained.

XXIV. RIGHT OF ASSOCIATION TO ALTER AND IMPROVE COMMON ELEMENTS AND ASSESSMENT THEREFOR. The Association shall have the right to make, or cause to be made, such alterations or improvements to the Common Elements which do not prejudice the rights of the Owner of any Unit; provided the making of such alterations and improvements are approved by the Board, and the costs of such alterations or improvements shall be assessed as

common expense to be assessed and collected from all of the Owners. However, where any alterations and improvements are exclusively or substantially exclusively for the benefit of the Owner of a Unit or a category of Owners requesting the same, then the costs of such alterations and improvements shall be assessed against and collected solely from the Owner of the Unit or a category of Owners exclusively or substantially exclusively benefitted, the assessment to be levied in such proportion as may be determined by the Board.

XXV. MAINTENANCE AND REPAIR BY OWNERS OF UNITS. Every Owner must perform promptly all maintenance and repair work within his Unit which, if omitted, would affect the Regime in its entirety or in a part or Units belonging to other Owners, being expressly responsible for the damages and liability which his failure to do so may engender. The Owner of each Unit shall be liable and responsible for the maintenance, repair, or replacement, as the case may be, of all air conditioning and heating equipment, stoves, refrigerators, fans, or other appliances or equipment, including any fixtures and/or their connections required to provide water, light, power, telephone, sewage, and sanitary service to his Unit, and which may now or hereafter be situated in his Unit. Such Owner shall further be responsible and liable for maintenance, repair, and replacement of any and all window glass, screens, wall, ceiling, and floor, exterior services, painting, decorating, furnishings, and all other accessories which such Owner may desire to place or maintain in his Unit. Wherever the maintenance, repair, and replacement of any items, which the Owner of a Unit is obligated to maintain, repair, or replace at his own expense, is occasioned by any loss or damage which may be covered by any insurance maintained by the Association, the proceeds of the insurance received by said Association, or the insurance trustee hereinafter designated, shall be used for the purpose of making such maintenance, repair, or replacement except that the Owner of such unit shall be in said instance required to pay such portion of the cost of such maintenance, repair, or replacement as shall, by reason of the applicability of any deductibility portion of such insurance, exceed the amount of the insurance proceeds applicable to such maintenance, repair, or replacement.

XXVI. MAINTENANCE AND REPAIR OF COMMON ELEMENTS BY THE ASSOCIATION. The Association, at its expense, shall be responsible for the maintenance, except as noted herein, repair, or replacement of all of the Common Elements, including those portions thereof which contribute to the support of the building and all conduits, ducts, plumbing, wiring, and other facilities located in the Common Elements for the furnishing of utility services for the Units and said Common Elements, and should any incidental damage be caused to any Unit by virtue of any work which may be done or caused to be done by the Association in the maintenance, repair, or replacement of any Common Elements, the said Association shall, at its expense, repair such incidental
damage.

shown and delineated on the plat attached hereto and designated as Exhibit "B", which is expressly made a part hereof and incorporated herein by reference. The location of the buildings and other improvements and the dimensions, area, and location of each of the Condominium Units are shown on the plot plan, floor plans and narrative description attached hereto as Exhibit "C", which are expressly made a part hereof and incorporated herein by reference.

IV. DESCRIPTION OF CONDOMINIUM UNITS. Exhibit "C" delineates the dimensions, area and location of each Condominium Unit. Each Unit consists of:

(1) The volumes or cubicles of space enclosed by the unfinished interior surfaces of perimeter walls, ceilings, and floors of the Unit, including the surfaces of load bearing interior walls, vents, chimneys, doors, windows, and such other structural elements that ordinarily are regarded as enclosures of space, and excluding the interior walls containing conduits and wiring for utilities.

(2) All interior dividing walls and partitions including the space occupied by such walls or partitions, excepting, however, load bearing walls.

(3) The decorated interior surfaces of said perimeter walls and the decorated surfaces of interior walls, including load bearing walls, floors, and ceilings consisting of, as the case may be, wallpaper, paint, plaster, carpeting, tiles, and all other finishing materials affixed or installed as a part of the physical structure of the Condominium Unit.

(4) All fixtures, mechanical systems, and equipment installed in said Condominium Unit and intended for the sole and exclusive use of the Condominium Unit. No pipes, wires, conduits, or other utility lines or installations constituting a part of the overall systems designated for the service of any other Unit, nor structural members or portions of any of the Condominium Unit, nor any other property of any kind, including fixtures and appliances within the Unit, which are not removable without jeopardizing the soundness, safety, or usefulness of the remainder of the building, shall be deemed to be a part of any individual Condominium Unit.

V. DESCRIPTION OF BOAT SLIPS. Each Boat Slip shall consist of an individual docking area, the dimensions and location of which would be shown on Exhibit "D" if any Boat Slips were included in Phase I. There are no individual Boat Slips in Phase I. Grantor reserves the right to transfer an Owner to a similar size Boat Slip in another dock if the Owner consents thereto in the Boat Slip Sales Agreement. The boundaries of the individual Boat Slips are as follows:

(1) Horizontally the boundaries shall be from the

surface of the water in the Marina to the height necessary to accommodate the boat. Since the space is open the top boundary shall vary according to the amount of space necessary to accommodate the height of the boat. Likewise, since the water level shall vary with the tide the bottom boundary shall vary to the location of the surface of the water.

(2) The vertical boundary shall run from the exterior of the adjoining finger dock to the exterior of the main dock, then to a line halfway between the finger docks, then to a line at the last mooring piling.

VI. COMMON ELEMENTS. Common Elements as the term is used herein shall mean and comprise all of the real property, tennis court, swimming pool, main docks, finger docks, walkways, gangways, pilings, and other improvements and facilities of the Regime other than the Condominium Units and Boat Slips as defined above. The ownership of each Unit shall include an undivided share in and to the Common Elements as set forth in Paragraph VII. It is the intention of the Grantor hereby to provide that the Common Elements in the Regime shall be owned by the Owners of the Units as tenants-in-common, the undivided share of each Owner being as stated hereafter.

Portions of the Common Elements are hereby set aside and reserved for the restricted use of the respective Unit to the exclusion of the other Unit, or reserved to the restricted use of a particular group of Units (i.e. the boat slip units) and such portions shall be known and referred to as "limited Common Elements". The limited Common Elements restricted to the respective Unit are those portions of any walls which are deemed to be Common Elements and which are within the individual Condominium Units, stairs, balconies, patios, and all other Common Elements which are peculiar or limited to the use of particular groups of Units. The term "Common Elements" when used throughout this instrument shall mean both general and limited Common Elements.

VII. UNIT OWNERSHIP AND APPURTENANT INTEREST IN COMMON ELEMENTS. Each Unit shall be conveyed and treated as an individual property capable of independent use and fee simple ownership, and the Owner shall own, as an appurtenance to the ownership of said Unit, an undivided interest in the Common Elements, the undivided interest appurtenant to each Unit being that which is set forth in Exhibit "E" hereto. The percentage of undivided interest in the Common Elements assigned to each Unit shall not be changed except upon the expansion of the Regime to include the Phases as set forth herein or with the unanimous consent of all the Owners, provided, however, that Grantor may make changes in the Phases as they are added which may cause the percentage ownership in the Common Elements to differ slightly from the proposed schedule.

damage.

XXVII. PERSONAL LIABILITY AND RISK OF LOSS OF OWNER OF UNIT AND SEPARATE INSURANCE COVERAGE. The Owner of each Unit may, at his own expense, obtain insurance coverage for loss of or damage to any furniture, furnishings, personal effects, boats, and other personal property belonging to such Owner and may, at his own expense and option, obtain insurance coverage against personal liability for injury to the person or property of another while within such Owner's Unit or upon the Common Elements. All such insurance obtained by the Owner of each Unit shall, wherever such provisions shall be available, provide that the insurer waives its right of subrogation as to claims against other Owners of Units, the Association, and respective servants, agents, and guests of other Owners in the Association; and such other insurance coverage should be obtained from the insurance company from which said Association obtains coverage against the same risk, liability, or peril, if said Association has such coverage. Risk, or loss of, or damage to any of the furniture, furnishings, personal effects, and other personal property (other than such furniture, furnishings, and personal property as constitutes a portion of the Common Elements) belonging to or carried on the person of the Owner of each Unit, or which may be stored in any Unit, or in, to, or upon Common Elements, shall be borne by the Owner of each such Unit. All furniture, furnishings, or personal property constituting a portion of the Common Elements and held for the joint use and benefit of all Owners of all Units shall be covered by such insurance as shall be maintained in force and effect by the Association, as hereinafter provided. The Owner of a Unit shall have no personal liability for any damages caused by the Association or in connection with the use of the Common Elements. The Owner of a Unit shall be liable for injuries or damage resulting from an accident in his own Unit to the same extent and degree that the Owner of a house would be liable for an accident occurring within the house.

XXVIII. INSURANCE COVERAGE TO BE MAINTAINED BY ASSOCIATION; INSURANCE TRUSTEE, APPOINTMENT AND DUTIES; APPROVAL OF INSURERS BY INSTITUTIONAL LENDER; USE AND DISTRIBUTION OF INSURANCE PROCEEDS, ETC.. The following insurance coverage shall be maintained in full force and effect by the Association covering the operation and management of the Regime and the said Regime, meaning the Units and Common Elements, to wit:

(1) Casualty insurance covering all of the Units and Common Elements in amount equal to the maximum insurance replacement value thereof, exclusive of excavation and foundation costs, as determined annually by the Association, such coverage to afford protection against loss, or damage by fire, or other hazards covered by the standard extended coverage, or other perils, endorsements, and such other risks of a similar or dissimilar nature as are or shall be customarily covered with

respect to buildings, similar in construction, location and use to the Regime, including but not limited to vandalism, malicious mischief, windstorm, water damage, and war risk insurance, if available.

(2) Public liability and property damage insurance in such amounts and in such form as shall be required by the Association to protect said Association and the Owners of all Units including but not limited to water damage, legal liability, hired automobile, non-owned automobile, and off-premises employee coverage.

(3) Workmen's compensation insurance to meet the requirements of law.

(4) Such other insurance coverage, other than title insurance, as the Board of Directors of the Association, in its sole discretion, may determine from time to time to be in the best interest of said Association and the Owners of all of the Units, or as an institutional-type lender may reasonably require so long as it is the Owner of a mortgage on any Unit.

All liability insurance maintained by the Association shall contain cross-liability endorsements to cover liability of all Owners of Units as a group to each Owner. All insurance coverage authorized to be purchased shall be purchased by the Association for itself and for the benefit of all Owners of all Units. The cost of obtaining the insurance coverage authorized above is declared to be a common expense, as are any other fees and expenses incurred, which may be necessary or incidental in carrying out the provisions hereof. If deemed desirable or required by holder of any mortgage on any Unit, the Association shall have the right to designate any insurance trustee, and all parties beneficially interested in such insurance coverage shall be bound hereby.

In the event of the loss of or damage only to Common Elements, real or personal, which loss or damage is covered by the casualty insurance, the proceeds paid to cover such loss or damage shall be applied to the repair, replacement, or reconstruction of such loss or damage. If the insurance proceeds are in excess of the cost of repair, replacement or reconstruction of such Common Elements, then such excess insurance proceeds shall be paid to the Owners of all of the Units and their respective mortgagees, the distribution to be solely made to the Owner of each Unit and his respective mortgagee or mortgagees, as their interest may appear, in such proportion that the share of such excess insurance proceeds paid to the Owner of each Unit and his mortgagee or mortgagees, if any, shall bear the same ratio to the total excess insurance proceeds as does the undivided interest in Common Elements appurtenant to each Unit bear to the total undivided interest in Common Elements appurtenant to all Units. If it

appears that the insurance proceeds covering the casualty loss or damage are not sufficient to pay for the loss or damage, replacement or reconstruction of the loss or damage; or that the insurance proceeds when collected will not be so sufficient, then the Association shall add to the proceeds such sum as will enable it to completely pay for the repair, replacement or reconstruction of any loss or damage, as the case may be. The monies added by the Association, in said latter event, may be paid by said Association out of its reserve for replacements fund; and if the amount in such reserve is not sufficient, then said Association shall levy and collect an assessment against the Owners of all Units in an amount which shall provide the funds required to pay for said repair, replacement or reconstruction.

In the event of the loss of or damage to Common Elements and any Units which loss or damage is covered by the casualty insurance, the proceeds paid to cover such loss or damage shall be first applied to the repair, replacement, or reconstruction, as the case may be, of Common Elements, real or personal and then any remaining insurance proceeds shall be applied to the repair, replacement, or reconstruction of any Units which may have sustained any loss or damage so covered. If the insurance proceeds are in excess of the costs of the repair, replacement, or reconstruction of the Common Elements and the Units which have sustained loss or damage, the insurance proceeds shall be paid and distributed to the Owners of all Units and to their mortgagee or mortgagees, as their respective interests may appear, such distribution to be made in the manner and in the proportions as are provided hereinbefore. If it appears that the insurance proceeds covering the casualty loss or damage are not sufficient to pay for the repair, replacement, or reconstruction of the loss or damage; or that the insurance proceeds when collected will not be so sufficient; then the Board of Directors shall determine and allocate the costs of repair, replacement, or reconstruction between the Common Elements and the Units sustaining any loss or damage. If the proceeds of said casualty insurance are sufficient to pay for the repair, replacement, or reconstruction of any loss or damage to Common Elements, but should the same not be sufficient to repair, replace, or reconstruct any loss of or damage to any Units, then the Association shall levy and collect an assessment from the Owner or Owners of Units sustaining any loss or damage; and the assessment so collected from said Owners shall be deposited so that the sum on deposit shall be sufficient to completely pay for the repair, replacement, or reconstruction of all Common Elements and Units. In said latter event, the assessment to be levied and collected from the Owners of each Unit sustaining any loss or damage shall be proportioned between such Owners in such manner that the assessment levied against each Owner of a Unit shall bear the same proportion to the total assessment levied against all of said Owners of Units sustaining loss or damage as does the cost of repair, replacement, or reconstruction of each Owner's Unit bear to the cost applicable to

all of said Units sustaining loss or damage. If the casualty insurance proceeds payable, in the event of loss of or damage to Common Elements and Unit or Units, is not in an amount which will pay for the complete repair, replacement, or reconstruction of the Common Elements, it being recognized that such insurance proceeds are to be first applied to the payment of repair, replacement, or reconstruction of said Common Elements before being applied to the repair, replacement, or reconstruction of a Unit or Units, then the cost to repair, replace, or reconstruct said Common Elements in excess of available casualty insurance proceeds shall be levied and collected as would such assessment from all of the Owners of all Units in the same manner as would such assessment be levied and collected had the loss or damage sustained been solely to Common Elements and the casualty insurance proceeds been not sufficient to cover the costs of repair, replacement, or reconstruction; and the costs of repair, replacement, or reconstruction of each Unit or Units sustaining loss or damage shall then be levied and collected by assessment of the Owner or Owners of Unit or Units sustaining the loss or damage in the same manner as above provided for the apportionment of such assessment between the Owner or Owners of a Unit or Units sustaining such loss or damage. In the event of loss of or damage to property covered by such casualty insurance, the Association shall, within sixty (60) days after any such occurrence, obtain reliable and detailed estimates of the costs to replace the damaged property in condition as good as that before such loss or damage; such estimates to contain and include the costs of any professional fees and premium for such bond as the Board of Directors of the Association may deem to be in the best interest of the membership of said corporation. Wherever it shall appear that the insurance proceeds payable for such loss or damage will not be sufficient to defray the costs of repair, replacement, or reconstruction thereof, the additional monies required to pay for such repair, replacement, or reconstruction of said loss or damage, whether to be paid by all of the Owners of Units or only by the Owner or Owners of any Unit or Units sustaining loss or damage or both, shall be deposited with the Board of Directors not later than thirty (30) days from the date of which said Board shall receive the monies payable under the policy or policies of casualty insurance.

In the event of the loss of or damage to personal property belonging to the Association, the insurance proceeds shall be paid to said Association. In the event of the loss of or damage to personal property constituting a portion of the Common Elements, and should the Board of Directors of said Association determine not to replace such personal property as may be lost or damaged, then the insurance proceeds received by the Board shall be paid to all of the

Owners of all of the Units and their respective mortgagee or mortgagees, as their interest may appear, in the manner and proportions hereinbefore provided for the distribution of excess

P. B. Smith
State of S.C.

insurance proceeds.

XXIX. APPORTIONMENT OF TAX OR SPECIAL ASSESSMENT IF LEVIED AND ASSESSED. In the event that any taxing authority having jurisdiction over the Regime shall levy or assess any tax or special assessment against the Regime, as a whole, as opposed to levying and assessing such tax or special assessment against each individual Unit and its appurtenant undivided interest in Common Elements, as now provided by Section 27-31-260 of the Horizontal Property Act of the Code of Laws of South Carolina, 1976, then such tax or special assessment so levied shall be paid as common expense by the Association; any taxes or special assessments which are to be levied are to be included, wherever possible, in the estimated annual budget of said Association or shall be separately levied and collected as an assessment by said Association against all of the Owners of all Units and said Units if not included in said annual budget. The amount of any tax or special assessment paid, or to be paid by the Association, in the event that such tax or special assessment is levied against the Regime, as a whole, instead of against each separate Unit and appurtenant undivided interest in the Common Elements, shall be apportioned among all Units so that the amount of such tax or special assessment so paid or to be paid by said Association and attributable to and to be paid by the Owner or Owners of each Unit shall be that portion of such total tax or special assessment which bears the total undivided interest in Common Elements appurtenant to all Units. In the event that any tax or special assessment shall be levied against the Regime in its entirety, without apportionment by the taxing to the Units and appurtenant undivided interest in Common Elements, then the assessment by said Association, which shall include the proportionate share of such tax or special assessment attributed to each Unit and its appurtenant undivided interest in Common Elements, shall separately specify and identify the amount of such assessment attributable to such tax or special assessment; and the amount of such tax or special assessment so designated shall be and constitute a lien prior to all mortgages and encumbrances upon any Unit and its appurtenant undivided interest in Common Elements, regardless of the date of the attachment and/or recording of such mortgage or encumbrance, to the same extent as though such tax or special assessment had been separately levied by the taxing authority upon each Unit and its appurtenant undivided interest in Common Elements.

All personal property taxes levied or assessed against personal property owned by the Association shall be paid by said Association and shall be included as a common expense in the annual budget of the Association.

XXX. ASSOCIATION TO MAINTAIN REGISTRY OF OWNERS AND MORTGAGEES. The Association shall at all times maintain a register setting forth the names of Owners of the Units; and in

the event of the sale or transfer of any Unit to a third party, the purchaser or transferee shall notify said Association in writing of his interest in such dwelling together with such recording information as shall be appurtenant to identify the instrument by which such purchaser or transferee has acquired his interest in any Unit. Further, the Owner of each Unit shall at all times notify the Association of the names of the parties holding any mortgage or mortgages on any Unit, the amount of such mortgage or mortgages, and the recording information which shall be appurtenant to identifying the mortgage or mortgages. The holder of any mortgage or mortgages on any Unit may, if he so desires, notify the Association of the existence of any mortgage or mortgages held by such party on any Unit; and upon receipt of such notice, the Association shall register in its records all pertinent information pertaining to the same.

XXXI. ASSESSMENTS. The Association is given the authority to administer the operation and management of the Regime, it being recognized that the delegation of such duties to one entity is in the best interest of the Owners. To properly administer the operation and management of the Regime, the Association will incur for the mutual benefit of all Owners common expenses and for the benefit of some Owners limited common expenses. To provide funds necessary for such proper operation and management, the Association has heretofore been granted the right to make, levy, and collect assessments against the Owners and the Units. In furtherance of said grant of authority to the Association to make, levy, and collect assessments to pay the costs and expenses for the operation and management of the Regime, the following provisions shall be operative and binding upon the Owners, to wit:

(1) Whereas the Regime has two categories of Owners, being the Condominium Unit Owners and the Boat Slip Owners, to assess all common expenses against all Owners would be unfair since some of the Common Elements are of no benefit or usage by one category or the other. These expenses which are peculiar to one category of Owners are herein referred to as "limited common expenses."

The limited common expenses which are assessable against the Boat Slip Owners are all expenses which involve the repair, replacement or maintenance of all Common Elements located within the Marina, which is defined as that area encompassed by and including the bulkhead.

The limited common expenses which are assessable against the Condominium Unit Owners are all expenses involving the repair, replacement or maintenance of the buildings which contain the Condominium Units.

(2) All assessments for common expenses levied against the Owners and Units, shall be uniform; all assessments for

limited common expenses shall be uniform within the category of Owners against which it is assessed whether Condominium Unit Owners and Boat Slip Owners, and unless specifically otherwise provided for in this Master Deed, the assessments made by the Association shall be in such proportion that the amount of assessment levied against each Owner and his Unit shall bear the same ratio to the total assessment made against all Owners, and their Units, as does the undivided interest in the Common Elements appurtenant to each Unit bear to the total undivided interest in the Common Elements appurtenant to all Units. Should the Association be the Owner of any Unit, the assessment which would otherwise be due and payable to the Association by the Owner of such Unit reduced by an amount of income which may be derived from the leasing of such Unit or Units of the Association shall be apportioned, and assessment therefore levied ratably among the Owners of all Units which are not owned by the Association, based upon their proportionate interest in the Common Elements exclusive of the interest therein appurtenant to any Unit owned by the Association.

Assessments

Special Assessments

(3) The assessment levied against the Owner and his Unit shall be payable in annual, quarterly, or monthly installments or in such other installments, and in such times, as may be determined by the Board.

(4) The Board shall establish three annual budgets in advance for each fiscal year which shall correspond to the calendar year, and such budgets shall project all expenses for the forthcoming year which may be required for the proper operation, management, and maintenance of the Regime, including a reasonable allowance for contingencies and reserves; such budgets to take into account projected anticipated income which is to be applied in reduction of the amount required to be collected as an assessment each year. These three budgets shall consist of one budget for the Common Elements, and one budget for each of the Limited Common Elements--the Condominium Limited Common Elements and the Boat Slip Limited Common Elements. Upon adoption of such annual budgets by the Board, copies of said budgets shall be delivered to each Owner thereby affected and an assessment for said year shall be established based on such budgets, although the delivery of a copy of said budget to each Owner shall not affect liability of any Owner for such assessment. Should the Board at any time determine, in its sole discretion, that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Regime, or in the event of an emergency, said Board shall have the authority to levy such additional assessment or assessments that it shall deem to be necessary.

(5) The Board in projecting said annual budgets for the operation, management, and maintenance of the Regime shall include therein a sum to be collected and maintained as a reserve fund for

replacement of Common Elements, which reserve fund shall be for the purpose of enabling the Association to replace structural elements and mechanical equipment constituting a part of the Common Elements as well as the replacement of personal property which may constitute a portion of the Common Elements held for the joint use and benefit of all of the Owners. The amount to be allocated to such reserve fund for replacement shall be established by said Board so as to accrue and maintain at all times a sum reasonably necessary to anticipate the need for replacement of said common elements. The amount collected and allocated to the reserve fund for replacements from time to time shall be maintained in a separate account by the Association; although nothing herein contained shall limit the Association from applying any monies from such reserve fund for replacement to meet other needs, or requirements of the Association in operating or managing the Regime in the event of emergencies, or in the event that the sums collected from the Owners are insufficient to meet the then fiscal financial requirements of the Association, but it shall not be a requirement that these monies be used for such latter purposes, as a separate assessment may be levied therefor, if deemed to be preferable by the Board in its sole discretion.

(6) The Board, in establishing said annual budgets for operation, management, and maintenance of the Regime shall include therein a sum to be collected and maintained as a general operating reserve which shall be used to provide a measure of financial stability during periods of special stress when such sum may be used to meet deficiencies from time to time existing as a result of a delinquent payment of assessment of Owners, or as a result of emergencies, or for other reasons placing financial stress upon the Association.

(7) All monies collected by the Association shall be treated as a separate property of the Association, and such monies may be applied by the said Association for the payment of any expense of operating and managing the Regime, or to the proper undertaking of all acts and duties imposed upon it by virtue of this Master Deed and the By-Laws, and as the monies for any assessment are paid unto the Association by any Owner, the same may be commingled with the monies paid to the said Association by the other Owners. Although all funds and other assessments of the Association, and any increments thereto or profits derived therefrom, or from the leasing and use of the Common Elements, shall be held for the benefit of the members of the Association, who shall own any common surplus in the proportions of their percentage of undivided interest in the Regime, no member of said Association shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest therein, except as an appurtenance to his Unit.

(8) The payment of any assessment or installment thereof due to the Association shall be in default if such

assessment, or installment thereof, is not paid unto the Association, on or before the due date of such payment. When in default, the delinquent assessment or the delinquent installment thereof due to the Association shall bear interest at the rate of twelve percent (12%) per annum until such delinquent assessment or installment thereof, and all interest due thereon has been paid in full to the Association. Further, the Association shall have the right to assess a late payment fee equal to five percent (5%) of the outstanding balance on any assessment more than thirty (30) days past due.

*late
payment*

(9) Each Owner shall be personally liable, jointly and severally, as the case may be, to the Association for the payment of all assessments, regular or special, which may be levied by the Association while Owner of a Unit in the Regime. In the event that any Owner is in default of payment of any assessment or installment thereof owed to the Association, such Owner or Owners shall be personally liable, jointly and severally, if more than one, for interest on such delinquent assessment or installment thereof as above provided, and for all costs of collecting such assessment or installment thereof and interest thereon, including a reasonable attorney's fee, whether suit be brought or not.

(10) No Owner may exempt himself of a liability for any assessment levied against such Owner and his Unit by waiver of the use or enjoyment of any of the Common Elements, or by abandonment of the Unit, or in any other manner.

(11) Recognizing that the necessity for providing proper operation and management of the Regime entails the continuing payment of costs and expenses therefor, which results in benefit to all of the Owners, and that the payment of such common expense represented by the assessments levied and collected by the Association is necessary in order to preserve and protect the investments of the Owners, the Association is hereby granted a lien upon such Unit and its appurtenant undivided interest in the Common Elements as set forth in Section 27-31-210 of the Code of Laws of South Carolina, 1976, which lien shall secure and does secure the monies due for all assessments now or hereafter levied against the Owner of each Unit, which lien shall also secure interest, if any, which may be due on the amount of any delinquent assessments owing to the Association, and which lien shall also secure all costs and expenses, including a reasonable attorney's fee, which may be incurred by the Association in enforcing this lien upon said Unit and its appurtenant undivided interest in the Common Elements. The lien granted to the Association may be foreclosed in the same manner as mortgages may be foreclosed in the State of South Carolina, and in any suit for the foreclosure of said lien, the Association shall be entitled to rental from the Owner of any Unit from the date on which the payment of any assessment or installment thereof became delinquent and shall be entitled to the appointment of a receiver for said Unit. The

rental required to be paid shall be equal to the rental charged on comparable type of Units in Myrtle Beach, South Carolina. The lien granted to the Association shall further secure such advances for taxes, and payments on account of superior mortgages, liens, or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien, and the Association shall further be entitled to interest at the rate of twelve percent (12%) per annum on any such advances made for such purposes. All persons, firms, or corporations who shall acquire, by whatever means, any interest in the ownership of any Unit or who may be given or acquire a mortgage, lien or other encumbrance thereof, are hereby placed on notice of the lien granted to the Association, and shall acquire such interest in any Unit expressly subject to such lien.

*date
payments*

(12) The lien herein granted unto the Association shall be effective from and after the time of recording in the records of Horry County, South Carolina, a claim of lien stating the description of the Unit encumbered thereby, the name of the record Owner, the amount due and the date when due, and the lien shall continue in effect until all sums secured by said lien, as herein provided, shall have been fully paid. Such claims of lien shall include only assessments which are due and payable when the claim of lien is recorded, plus interest, costs, attorney's fees, advances to pay taxes and prior encumbrances and interest thereon, all as above provided. Such claims of lien shall be signed, and verified by an officer or agent of the Association. Upon full payment of all sums secured by such claim of lien, the same shall be satisfied of record. The claim of lien filed by the Association shall be subordinate to the lien of any mortgage or any other lien recorded prior to the time of recording the Association's claim of lien, except the lien of the Association for tax of special assessment advances made by the Association where any taxing authority having jurisdiction levies any tax or special assessment against the Regime as an entity instead of levying the same against each Unit and its appurtenant undivided interest in the Common Elements, shall be prior in lien, right and dignity to the lien of all mortgages, liens, encumbrances, whether or not recorded prior to the Association's claim of lien therefor, and the Association's claim of lien for collection of such portion of such tax or special assessment shall specifically designate that the same secures an assessment levied pursuant to paragraph "Article XXIX" of this Section.

In the event that any person, firm, or corporation shall acquire title to any Unit and its appurtenant undivided interest in Common Elements by virtue of any foreclosure or judicial sale, such person, firm, or corporation so acquiring title shall only be liable and obligated for assessments as shall accrue and become due and payable for said Unit and its appurtenant undivided interest in the Common Elements subsequent to the date of acquisition of such title, and shall not be liable for the payment

of any assessments which were in default and delinquent at the time of such title subject to the lien of any assessment by the Association representing an apportionment of taxes or special assessment levied by taxing authorities against the Regime in its entirety. In the event of the acquisition of title to a Unit by a foreclosure or judicial sale, the assessment or assessments as to which the party so acquiring title shall not be liable shall be absorbed and paid by all Owners of all Units as far as the common expenses, although nothing herein contained shall be construed as releasing the party liable for such delinquent assessment from the payment thereof that the enforcement of collection of such payment by means other than foreclosure.

(13) Whenever any Unit may be sold or mortgaged by the Owner thereof, the Association, upon written request by the Owner of such Unit, shall furnish to the proposed purchaser or mortgagee, a statement verifying the status of payment of any assessment which will be due and payable to the Association by the Owner of such Unit. Such statement shall be executed by any officer of the Association, and any purchaser or mortgagee may rely upon such statement in concluding the proposed purchase or mortgage transaction, and the Association shall be bound by such statement.

In the event that a Unit is to be sold or mortgaged at the time when the payment of any assessment against the Owner of said Unit and such Unit due to the Association shall be in default (whether or not a claim of lien has been recorded by the Association) then the proceeds of such purchase or mortgage proceeds, will be applied by the purchaser or mortgagee first to payment of any then delinquent assessment or installment thereof due to the Association before the payment of any proceeds of purchase or mortgage proceeds to the Owner of any Unit who is responsible for payment of such delinquent assessment.

In any voluntary conveyance of an Unit, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against grantor made prior to the time of such voluntary conveyance, without prejudice to the rights of grantee to recover from the grantor the amount paid by the grantee therefor.

Institution of a law suit to attempt to effect collection of the payment of any delinquent assessment shall not be deemed to be an election by the Association which shall prevent it thereafter seeking enforcement of the collection of any sums remaining owing to it by foreclosure, nor shall any proceeding by foreclosure to attempt to effect such collection be deemed to be an election precluding the institution of a law suit to attempt to effect collection of any sums then remaining owing to it.

(14) Notwithstanding anything in this Master Deed or any attachments here to the contrary, it is declared that each Unit shall be exempt from the assessment created herein until such time as the Unit is conveyed by Grantor to the initial purchaser. In lieu of paying such assessments on unsold units, Grantor shall be assessed and pay to the Association an amount equal to the difference between the actual operation expenditures of the Association less the sum collected from the Owners. For the purposes hereof "actual operating expenditures" shall not be deemed to include reserves for replacement, reserves for repair, and escrows for future expenses. Commencing two (2) years after the initial filing of the Master Deed and By-Laws in the Office of the Clerk of Court for Horry County, South Carolina, Grantor shall be assessed on unsold Units on the same basis as other Owners. Grantor reserves the right to pay the normal assesment on the Units.

XXXII. TERMINATION. This Master Deed and the Regime may only be terminated by the unanimous consent of all of the Owners and all parties holding mortgages, liens, or other encumbrances against any of the Units, in which event the termination of the Regime shall be by such plan as may then be adopted by said Owners and parties holding any mortgages, liens, or other encumbrances. Such election to terminate this Master Deed and the Regime established herein shall be executed in writing by all of the aforementioned parties, and such instrument shall be recorded in the records of Horry County, South Carolina.

XXXIII. AMENDMENT OF MASTER DEED. Except for any alteration in the percentage of ownership in the Common Elements appurtenant to each Unit, which percentage ownership may differ slightly from the proposed schedule as Phases are added by Grantor, or alteration of the basis for apportionment of assessments which may be levied by the Association according to the provisions hereof, in which said instances consent of all of the Owners and their respective mortgagees shall be required, and except for any alteration, amendment, or modification of the rights and privileges granted and reserved hereunder in favor of Grantor, which said rights and privileges granted and reserved unto Grantor shall only be altered, amended or modified with the expressed written consent of the said Grantor, this Master Deed may be amended in the following manner:

A. An amendment or amendments to this Master Deed may be proposed by the Board acting upon a vote of the majority of the Directors, or by the members of the Association owning a majority of the Units in the Regime, whether meeting as members or by instrument in writing signed by them.

B. Upon any amendment to the Master Deed being proposed by said Board or members, such proposed amendment shall be transmitted to the President of the Association, or other officer

of the Association in the absence of the President, who shall thereupon call a special meeting of the members of the Association for a date not sooner than twenty (20) days nor later than sixty (60) days from receipt by him of the proposed amendment or amendments; and it shall be the duty of the Secretary to give to each member written or printed notice of the special meeting, stating the time and place thereof, and reciting the proposed amendment or amendments in reasonable detailed form, which notice shall be mailed not less than ten (10) days nor more than thirty (30) days before the date set for such special meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States mail addressed to the member at his post office address as appears on the records of the Association, postage thereon prepaid. Any member may, by written waiver of notice signed by such member, waive such notice and such waiver, when filed in the records of the Association, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such member.

C. At such meeting, the amendment or amendments proposed must be approved by an affirmative vote of Owners owning at least two-thirds (2/3) of the Units and two-thirds (2/3) of the total interest in the Common Elements in the Regime in order for such amendment or amendments to become effective.

D. There upon such amendment or amendments of this Master Deed shall be transcribed and certified by the President and Secretary of the Association as having been duly adopted, and the original or an executed copy of such amendment or amendments so certified and executed with the same formalities as the Master Deed shall be recorded in the public records of Horry County, South Carolina, within the ten (10) days from the date on which the same became effective, such amendment or amendments to specifically refer to the recording date identifying the Master Deed. Thereafter, a copy of said amendment in the form in which the same were placed of record by the officers of the Association shall be delivered to all of the Owners of all Units and mailed to the mortgagees listed in the registry required to be maintained by delivery in mailing of a copy thereof shall not be a condition precedent to the effectiveness of such amendment or amendments.

E. At any meeting held to consider such amendment or amendments, the written vote of any member of the Association shall be recognized if such member is not in attendance at such meeting or represented thereof by proxy, provided such written vote is delivered to the Secretary of the Association at or prior to such meeting.

F. Furthermore, no amendment of this Master Deed shall be adopted which would operate to affect the validity or priority of any mortgage held by a mortgagee or which would alter, amend, or modify in any manner whatsoever the rights, powers, and

privileges granted and reserved herein in favor of any mortgagee or in favor of Grantor without the consent of all such mortgagees or Grantor as the case may be.

XXXIV. REMEDIES IN THE EVENT OF DEFAULT. Each Owner shall be governed by and shall comply with the provisions of this Master Deed and the By-Laws of the Association and its rules and regulations as any of the same are now constituted or as they may be adopted and/or amended from time to time. A default by an Owner shall entitle the Association or the other Owners to the following relief:

A. Failure to comply with any of the terms of this Master Deed or other restrictions or regulations contained in the By-Laws, or its rules and regulations, shall be grounds for relief which may include, without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien or any combination thereof which relief may be sought by the Association, or, if appropriate, by an aggrieved Owner.

B. Owner shall be liable for the expense of any maintenance, repair or replacement rendered when necessary by his act, neglect or carelessness, or by that of any member of his family or his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of the insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of a Unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation.

C. In any proceeding arising because of an alleged default by any Owner, the Association, if successful, shall be entitled to recover the costs of the proceedings, and such reasonable attorney's fees as may be determined by the Court, but in no event shall the Owner be entitled to such attorney's fees.

D. The failure of the Association or of an Owner to enforce any right, provision, covenant, or condition which may be granted by this Master Deed or other above-mentioned documents shall not constitute a waiver of the right of the Association or of the Owner to enforce such right, provision, covenant or condition in the future.

E. All rights, remedies, and privileges granted to the Association or the Owners pursuant to any terms, provisions, covenants, or conditions of this Master Deed or other above-mentioned documents, shall be deemed to be cumulative in the exercise of any one or more and shall not be deemed to constitute an election of remedies nor shall it preclude the party thus exercising such other and additional rights, remedies, or privileges as may be available to such party at law or in equity.

F. The failure of Grantor to enforce any right, privilege, covenant, or condition which may be granted to it by this Master Deed or other above-mentioned documents shall not constitute waiver of the right of said party to thereafter enforce such right, provision, covenant, or condition in the future.

XXXV. USE OR ACQUISITION OF INTEREST IN THE REGIME TO RENDER USER OR ACQUIRER SUBJECT TO PROVISIONS OF MASTER DEED.
All present or future Owners, tenants, or other persons who might use the facilities of this Regime in any manner, are subject to the provisions of this Master Deed and all documents appurtenant hereto and incorporated herewith including, but not limited to the By-Laws and Articles of Incorporation of the Association.

The mere acquisition or rental of any Unit, or the mere act of occupancy of any Unit, shall signify that the provisions of this Master Deed and all documents appurtenant hereto and incorporated herewith are accepted and ratified in all respects.

XXXVI. RIGHT OF GRANTOR TO SELL OR LEASE UNIT OWNED BY IT AND RIGHT OF GRANTOR TO REPRESENTATION ON BOARD OF DIRECTORS OF ASSOCIATION. So long as the Grantor herein, shall own any Unit, the said Grantor shall have the absolute right to lease or sell any such Unit to any person, firm or corporation, upon any terms and conditions as it shall deem to be in its own best interest. Further, so long as Grantor is the Owner of four (4) or more Units, then Grantor shall have the right to designate and select a majority of the persons who shall serve as members of each Board of Directors of the Association. Whenever Grantor shall be entitled to designate and select any person or persons to serve on any Board of Directors of the Association the manner in which such person or persons shall be designated shall be as provided in the Articles of Incorporation and/or By-Laws of Association, and Grantor shall have the right to remove any person or persons selected by it to act and serve on said Board of Directors and to replace such person or persons with another person or other persons to act and serve in the place of any Director or Directors so removed for the remainder of the unexpired term of any Director or Directors so removed. Any Director designated and selected by the Grantor, need not be an Owner of a Unit in the Regime. The power of the Grantor to designate Directors as above referred to shall terminate on August 1, 2002.

Any representative of the Grantor, serving on the Board, shall not be required to disqualify himself upon any vote upon any management contract or other matter between Grantor and Association where the said Grantor may have a

pecuniary or other interest. Similarly, Grantor, as a member of the Association, shall not be required to disqualify itself in any vote which may come before the membership of the Association upon any management contract or other matter between Grantor and Association, where Grantor may have a pecuniary interest.

XXXVII. SEVERABILITY. In the event that any of the terms, provisions, or covenants of this Master Deed are held to be partially or fully invalid or unenforceable for any reason whatsoever, such holding shall not affect, alter, modify, or impair in any manner whatsoever any of the other terms, provisions or covenants.

XXXVIII. LIBERAL CONSTRUCTION AND ADOPTION OF PROVISIONS OF HORIZONTAL PROPERTY ACT. Provisions of this Master Deed shall be liberally construed to effectuate its purpose of creating a uniform plan of condominium ownership. The Horizontal Property Act of the Code of Law of South Carolina, 1976, as the same may be amended from time to time hereafter, is hereby adopted and made part hereof. In the event of any conflict between the provisions of this Master Deed and the said Horizontal Property Act, as the same may be amended, the said Act shall take the place of the provisions in conflict with this Master Deed.

XXXIX. MASTER DEED BINDING UPON GRANTOR; HIS HEIRS AND ASSIGNS; AND SUBSEQUENT OWNERS. The restrictions and burdens imposed by the covenants of this Master Deed are intended to and shall constitute covenants running with the land, and shall constitute an equitable servitude upon each Unit and its appurtenant undivided interest in Common Elements, and this Master Deed shall be binding upon Grantor, its heirs and assigns, and upon all parties who may subsequently become Owners of Units in the Regime, and their respective heirs, legal representatives, successors, or assigns.

XXXX. NOTICE OF RESTRICTION. The Regime contains submerged land and pursuant to Section 27-31-100 of the Horizontal Property Act, notice is hereby given that all activities on or over and all uses of the submerged land or other critical areas are subject to the jurisdiction of the Coastal Council, including, but not limited to, the requirement of 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 area.

IN WITNESS WHEREOF, Grantor has caused these presents to executed this 2ND day of MARCH, 1993.

WITNESSES:

LIGHTKEEPERS VILLAGE,
A South Carolina Partnership

BY: LITTLE RIVER VENTURES, INC.,
A Partner

Shirley H. Kelleher
C. Roberts

BY: [Signature]

ITS: PRESIDENT

ATTEST: B. Rex Stephens

ITS: SECRETARY

STATE OF ^{North} SOUTH CAROLINA)
COUNTY OF ^{New Hanover} Horry)

PROBATE

PERSONALLY appeared before me the undersigned witness and made oath that s(he) saw the within named Lightkeepers Village, a South Carolina partnership, by Little River Ventures, Inc., a partner, sign, seal and as its act and deed deliver the within written MASTER DEED FOR THE YACHT CLUB AT LIGHTKEEPERS VILLAGE HORIZONTAL PROPERTY REGIME; and that (s)he with the other witness subscribed above witnessed the execution thereof.

Shirley H. Kelleher

SWORN to before me this 2nd day of March, 1993.

C. Roberts
Notary Public for ^{North} South Carolina
My Commission Expires: 3/22/95

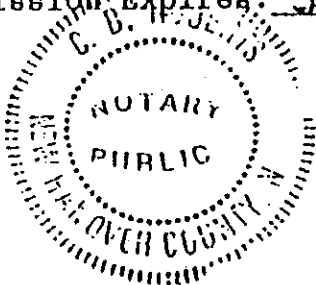


EXHIBIT A

ALL AND SINGULAR, that certain piece, parcel or tract of land lying, being and situate in Horry County, SC, containing 0.486 acres, more or less, and shown as Phase I of THE YACHT CLUB AT LIGHTKEEPERS VILLAGE HORIZONTAL PROPERTY REGIME, on that certain plat prepared by Jan K. Dale, R.L.S., dated March 11, 1993, and filed 3-15-93, in Condo Plat Book C at Page 249, Horry County RMC.

EXHIBITS "B", "C", and "D"

Exhibits "B", "C", and "D" are shown in Condominium Plat Book
C, at Page 249, in the RMC Office of Horry County,
South Carolina

Exhibit "E"

THE YACHT CLUB AT
LIGHTKEEPERS VILLAGE
COMMON AREA CALCULATIONS

Phase I

<u>Units</u>	<u>Statutory Value</u>	<u>Common Elements</u> <u>% Ownership</u>	
(1) 12-Unit Building	\$80,000 Each Unit	8.33333%	Each Unit
Total	<u>\$960,000</u>		

The values set forth herein are for statutory purposes only and do not reflect the actual market value of the properties. Furthermore, Grantor reserves the right to make changes in the phases as they are added which may cause the percentage ownership in the Common Elements to differ from the proposed schedule.

**THE YACHT CLUB AT
LIGHTKEEPERS VILLAGE
COMMON AREA CALCULATIONS
Future Phases**

<u>Units</u>			<u>Statutory Value</u>		<u>Common Elements %Ownership</u>	
<u>Including Phase II</u>						
I	<u>9-Unit Building Added This Phase</u>					
(1)	12-Unit Building	(12 Total)	\$80,000	Each Unit	4.89297%	Each Unit
(1)	9-Unit Building	(9 Total)	<u>\$75,000</u>	Each Unit	4.58716%	Each Unit
Total			<u>\$1,635,000</u>			

Including Phase III

I	<u>12-Unit Building Added This Phase</u>					
(2)	12-Unit Building	(24 Total)	\$80,000	Each Unit	3.08285%	Each Unit
(1)	9-Unit Building	(9 Total)	<u>\$75,000</u>	Each Unit	2.89017%	Each Unit
Total			<u>\$2,595,000</u>			

Including Phase IV

I	<u>9-Unit Building Added This Phase</u>					
(2)	12-Unit Building	(24 Total)	\$80,000	Each Unit	2.44648%	Each Unit
(2)	9-Unit Building	(18 Total)	<u>\$75,000</u>	Each Unit	2.29358%	Each Unit
Total			<u>\$3,270,000</u>			

Including Phase V

I	<u>29-Unit Boat Dock Added This Phase</u>					
(2)	12-Unit Building	(24 Total)	\$80,000	Each Unit	1.86698%	Each Unit
(2)	9-Unit Building	(18 Total)	\$75,000	Each Unit	1.75029%	Each Unit
(1)	29 Unit Boat Dock	(29 Total)	<u>\$35,000</u>	Each Unit	0.81680%	Each Unit
Total			<u>\$4,285,000</u>			

The values set forth herein are for statutory purposes only and do not reflect the actual market value of the properties.

Furthermore, Grantor reserves the right to make changes in the phases as they are added which may cause the percentage ownership in the Common Elements to differ from the proposed schedule.

Exhibit "F"
**THE YACHT CLUB AT
 LIGHTKEEPERS VILLAGE
 COMMON AREA CALCULATIONS**
 Future Phases

<u>Units</u>			<u>Statutory Value</u>		<u>Common Elements</u> <u>%Ownership</u>	
<u>Including Phase VI</u>						
1	<u>12-Unit Building Added This Phase</u>					
(3)	12-Unit Building	(36 Total)	\$80,000	Each Unit	1.52526%	Each Unit
(2)	9-Unit Building	(18 Total)	<u>\$75,000</u>	Each Unit	1.42993%	Each Unit
(1)	29-Unit Boat Dock	(29 Total)	\$35,000	Each Unit	0.66730%	Each Unit
Total			<u>\$5,245,000</u>			

Including Phase VII

1	<u>9-Unit Building Added This Phase</u>					
(3)	12-Unit Building	(36 Total)	\$80,000	Each Unit	1.35135%	Each Unit
(3)	9-Unit Building	(27 Total)	<u>\$75,000</u>	Each Unit	1.26689%	Each Unit
(1)	29-Unit Boat Dock	(29 Total)	\$35,000	Each Unit	0.59122%	Each Unit
Total			<u>\$5,920,000</u>			

Including Phase VIII

1	<u>10-Unit Boat Dock Added This Phase</u>					
(3)	12-Unit Building	(36 Total)	\$80,000	Each Unit	1.27592%	Each Unit
(3)	9-Unit Building	(27 Total)	<u>\$75,000</u>	Each Unit	1.19617%	Each Unit
(1)	29-Unit Boat Dock	(29 Total)	\$35,000	Each Unit	0.55821%	Each Unit
(1)	10-Unit Boat Dock	(10 Total)	\$35,000	Each Unit	0.55821%	Each Unit
Total			<u>\$6,270,000</u>			

Including Phase IX

1	<u>12-Unit Building Added This Phase</u>					
(4)	12-Unit Building	(48 Total)	\$80,000	Each Unit	1.10650%	Each Unit
(3)	9-Unit Building	(27 Total)	\$75,000	Each Unit	1.03734%	Each Unit
(1)	29-Unit Boat Dock	(29 Total)	\$35,000	Each Unit	0.48409%	Each Unit
(1)	10-Unit Boat Dock	(10 Total)	\$35,000	Each Unit	0.48409%	Each Unit
Total			<u>\$7,230,000</u>			

The values set forth herein are for statutory purposes only and do not reflect the actual market value of the properties. Furthermore, Grantor reserves the right to make changes in the phases as they are added which may cause the percentage ownership in the Common Elements to differ from the proposed schedule.

Revised: 3-2-93

**THE YACHT CLUB AT
LIGHTKEEPERS VILLAGE
COMMON AREA CALCULATIONS**

Future Phases

<u>Units</u>			<u>Statutory Value</u>		<u>Common Elements %Ownership</u>	
<u>Including Phase X</u>						
I	<u>9-Unit Building Added This Phase</u>					
(4)	12-Unit Building	(48 Total)	\$80,000	Each Unit	1.01202%	Each Unit
(4)	9-Unit Building	(36 Total)	<u>\$75,000</u>	Each Unit	0.94877%	Each Unit
(1)	29-Unit Boat Dock	(29 Total)	\$35,000	Each Unit	0.44276%	Each Unit
(1)	10-Unit Boat Dock	(10 Total)	\$35,000	Each Unit	0.44276%	Each Unit
Total			<u>\$7,905,000</u>			

<u>Including Phase XI</u>						
I	<u>9-Unit Building Added This Phase</u>					
(4)	12-Unit Building	(48 Total)	\$80,000	Each Unit	0.93240%	Each Unit
(5)	9-Unit Building	(45 Total)	<u>\$75,000</u>	Each Unit	0.87413%	Each Unit
(1)	29-Unit Boat Dock	(29 Total)	\$35,000	Each Unit	0.40793%	Each Unit
(1)	10-Unit Boat Dock	(10 Total)	\$35,000	Each Unit	0.40793%	Each Unit
Total			<u>\$8,580,000</u>			

<u>Including Phase XII</u>						
I	<u>9-Unit Building Added This Phase</u>					
(4)	12-Unit Building	(48 Total)	\$80,000	Each Unit	0.86440%	Each Unit
(6)	9-Unit Building	(54 Total)	<u>\$75,000</u>	Each Unit	0.81037%	Each Unit
(1)	29-Unit Boat Dock	(29 Total)	\$35,000	Each Unit	0.37817%	Each Unit
(1)	10-Unit Boat Dock	(10 Total)	\$35,000	Each Unit	0.37817%	Each Unit
Total			<u>\$9,255,000</u>			

<u>Including Phase XIII</u>						
I	<u>28-Unit Boat Dock This Phase</u>					
(4)	12-Unit Building	(48 Total)	\$80,000	Each Unit	0.78163%	Each Unit
(6)	9-Unit Building	(54 Total)	\$75,000	Each Unit	0.73278%	Each Unit
(1)	29-Unit Boat Dock	(29 Total)	\$35,000	Each Unit	0.34196%	Each Unit
(1)	10-Unit Boat Dock	(10 Total)	\$35,000	Each Unit	0.34196%	Each Unit
(1)	28-Unit Boat Dock	(28 Total)	\$35,000	Each Unit	0.34196%	Each Unit
Total			<u>\$10,235,000</u>			

Values set forth herein are for statutory purposes only and do not reflect the actual market value of the properties. Furthermore, Grantor reserves the right to make changes in the phases as they are added which may cause the percentage ownership in the Common Elements to differ from the proposed schedule.

Revised: 3-2-93

Exhibit "F"
**THE YACHT CLUB AT
 LIGHTKEEPERS VILLAGE
 COMMON AREA CALCULATIONS
 Future Phases**

<u>Units</u>			<u>Statutory Value</u>		<u>Common Elements %Ownership</u>	
<u>Including Phase XIV</u>						
1	<u>12-Unit Building Added This Phase</u>					
(5)	12-Unit Building	(60 Total)	\$80,000	Each Unit	0.71460%	Each Unit
(6)	9-Unit Building	(54 Total)	\$75,000	Each Unit	0.66994%	Each Unit
(1)	29-Unit Boat Dock	(29 Total)	\$35,000	Each Unit	0.31264%	Each Unit
(1)	10-Unit Boat Dock	(10 Total)	\$35,000	Each Unit	0.31264%	Each Unit
(1)	28-Unit Boat Dock	(28 Total)	\$35,000	Each Unit	0.31264%	Each Unit
Total			<u>\$11,195,000</u>			

<u>Including Phase XV</u>						
1	<u>9-Unit Building Added This Phase</u>					
(5)	12-Unit Building	(60 Total)	\$80,000	Each Unit	0.67397%	Each Unit
(7)	9-Unit Building	(63 Total)	\$75,000	Each Unit	0.63184%	Each Unit
(1)	29-Unit Boat Dock	(29 Total)	\$35,000	Each Unit	0.29486%	Each Unit
(1)	10-Unit Boat Dock	(10 Total)	\$35,000	Each Unit	0.29486%	Each Unit
(1)	28-Unit Boat Dock	(28 Total)	\$35,000	Each Unit	0.29486%	Each Unit
Total			<u>\$11,870,000</u>			

<u>Including Phase XVI</u>						
1	<u>9-Unit Building Added This Phase</u>					
(5)	12-Unit Building	(60 Total)	\$80,000	Each Unit	0.63770%	Each Unit
(8)	9-Unit Building	(72 Total)	\$75,000	Each Unit	0.59785%	Each Unit
(1)	29-Unit Boat Dock	(29 Total)	\$35,000	Each Unit	0.27900%	Each Unit
(1)	10-Unit Boat Dock	(10 Total)	\$35,000	Each Unit	0.27900%	Each Unit
(1)	28-Unit Boat Dock	(28 Total)	\$35,000	Each Unit	0.27900%	Each Unit
Total			<u>\$12,545,000</u>			

<u>Including Phase XVII</u>						
1	<u>9-Unit Building Added This Phase</u>					
(5)	12-Unit Building	(60 Total)	\$80,000	Each Unit	0.60514%	Each Unit
(9)	9-Unit Building	(81 Total)	\$75,000	Each Unit	0.56732%	Each Unit
(1)	29-Unit Boat Dock	(29 Total)	\$35,000	Each Unit	0.26475%	Each Unit
(1)	10-Unit Boat Dock	(10 Total)	\$35,000	Each Unit	0.26475%	Each Unit
(1)	28-Unit Boat Dock	(28 Total)	\$35,000	Each Unit	0.26475%	Each Unit
Total			<u>\$13,220,000</u>			

The values set forth herein are for statutory purposes only and do not reflect the actual market value of the properties. Furthermore, Grantor reserves the right to make changes in the phases as they are added which may cause the percentage ownership in the Common Elements to differ from the proposed schedule.

Revised: 3-2-93

**THE YACHT CLUB AT
LIGHTKEEPERS VILLAGE
COMMON AREA CALCULATIONS
Future Phases**

UnitsStatutory ValueCommon Elements%OwnershipIncluding Phase XVIII

<u>I</u>	<u>29-Unit Boat Dock Added This Phase</u>					
(5)	12-Unit Building	(60 Total)	\$80,000	Each Unit	0.56200%	Each Unit
(9)	9-Unit Building	(81 Total)	\$75,000	Each Unit	0.52687%	Each Unit
(2)	29-Unit Boat Dock	(58 Total)	\$35,000	Each Unit	0.24587%	Each Unit
(1)	10-Unit Boat Dock	(10 Total)	\$35,000	Each Unit	0.24587%	Each Unit
(1)	28-Unit Boat Dock	(28 Total)	<u>\$35,000</u>	Each Unit	0.24587%	Each Unit

total

\$14,235,000Including Phase XIX

<u>I</u>	<u>12-Unit Building Added This Phase</u>					
(6)	12-Unit Building	(72 Total)	\$80,000	Each Unit	0.52649%	Each Unit
(9)	9-Unit Building	(81 Total)	\$75,000	Each Unit	0.49358%	Each Unit
(2)	29-Unit Boat Dock	(58 Total)	\$35,000	Each Unit	0.23034%	Each Unit
(1)	10-Unit Boat Dock	(10 Total)	\$35,000	Each Unit	0.23034%	Each Unit
(1)	28-Unit Boat Dock	(28 Total)	<u>\$35,000</u>	Each Unit	0.23034%	Each Unit

total

\$15,195,000Including Phase XX

<u>I</u>	<u>9-Unit Building Added This Phase</u>					
(6)	12-Unit Building	(72 Total)	\$80,000	Each Unit	0.50410%	Each Unit
(10)	9-Unit Building	(90 Total)	\$75,000	Each Unit	0.47259%	Each Unit
(2)	29-Unit Boat Dock	(58 Total)	\$35,000	Each Unit	0.22054%	Each Unit
(1)	10-Unit Boat Dock	(10 Total)	\$35,000	Each Unit	0.22054%	Each Unit
(1)	28-Unit Boat Dock	(28 Total)	<u>\$35,000</u>	Each Unit	0.22054%	Each Unit

total

\$15,870,000Including Phase XXI

<u>I</u>	<u>9-Unit Building Added This Phase</u>					
(6)	12-Unit Building	(72 Total)	\$80,000	Each Unit	0.48353%	Each Unit
(11)	9-Unit Building	(99 Total)	\$75,000	Each Unit	0.45331%	Each Unit
(2)	29-Unit Boat Dock	(58 Total)	\$35,000	Each Unit	0.21154%	Each Unit
(1)	10-Unit Boat Dock	(10 Total)	\$35,000	Each Unit	0.21154%	Each Unit
(1)	28-Unit Boat Dock	(28 Total)	<u>\$35,000</u>	Each Unit	0.21154%	Each Unit

total

\$16,545,000

The values set forth herein are for statutory purposes only and do not reflect the actual market value of the properties. Furthermore, Grantor reserves the right to make changes in the phases as they are added which may cause the percentage ownership in the Common Elements to differ from the proposed schedule.

Revised: 3-2-93

**THE YACHT CLUB AT
LIGHTKEEPERS VILLAGE
COMMON AREA CALCULATIONS
Future Phases**

<u>Units</u>			<u>Statutory Value</u>		<u>Common Elements % Ownership</u>	
<u>Including Phase XXII</u>						
<u>1</u>	<u>9-Unit Building Added This Phase</u>					
(6)	12-Unit Building	(72 Total)	\$80,000	Each Unit	0.46458%	Each Unit
(12)	9-Unit Building	(108 Total)	\$75,000	Each Unit	0.43554%	Each Unit
(2)	29-Unit Boat Dock	(58 Total)	\$35,000	Each Unit	0.20325%	Each Unit
(1)	10-Unit Boat Dock	(10 Total)	\$35,000	Each Unit	0.20325%	Each Unit
(1)	28-Unit Boat Dock	(28 Total)	<u>\$35,000</u>	Each Unit	0.20325%	Each Unit
Total			<u>\$17,220,000</u>			

Including Phase XXIII

<u>1</u>	<u>9-Unit Building Added This Phase</u>					
(6)	12-Unit Building	(72 Total)	\$80,000	Each Unit	0.44705%	Each Unit
(13)	9-Unit Building	(117 Total)	\$75,000	Each Unit	0.41911%	Each Unit
(2)	29-Unit Boat Dock	(58 Total)	\$35,000	Each Unit	0.19559%	Each Unit
(1)	10-Unit Boat Dock	(10 Total)	\$35,000	Each Unit	0.19559%	Each Unit
(1)	28-Unit Boat Dock	(28 Total)	<u>\$35,000</u>	Each Unit	0.19559%	Each Unit
Total			<u>\$17,895,000</u>			

Including Phase XXIV

<u>1</u>	<u>12-Unit Building Added This Phase</u>					
(7)	12-Unit Building	(84 Total)	\$80,000	Each Unit	0.42429%	Each Unit
(13)	9-Unit Building	(117 Total)	\$75,000	Each Unit	0.39777%	Each Unit
(2)	29-Unit Boat Dock	(58 Total)	\$35,000	Each Unit	0.18563%	Each Unit
(1)	10-Unit Boat Dock	(10 Total)	\$35,000	Each Unit	0.18563%	Each Unit
(1)	28-Unit Boat Dock	(28 Total)	<u>\$35,000</u>	Each Unit	0.18563%	Each Unit
Total			<u>\$18,855,000</u>			

Including Phase XXV

<u>1</u>	<u>9-Unit Building Added This Phase</u>					
(7)	12-Unit Building	(84 Total)	\$80,000	Each Unit	0.40963%	Each Unit
(14)	9-Unit Building	(126 Total)	\$75,000	Each Unit	0.38402%	Each Unit
(2)	29-Unit Boat Dock	(58 Total)	\$35,000	Each Unit	0.17921%	Each Unit
(1)	10-Unit Boat Dock	(10 Total)	\$35,000	Each Unit	0.17921%	Each Unit
(1)	28-Unit Boat Dock	(28 Total)	<u>\$35,000</u>	Each Unit	0.17921%	Each Unit
Total			<u>\$19,530,000</u>			

The values set forth herein are for statutory purposes only and do not reflect the actual market value of the properties. Furthermore, Grantor reserves the right to make changes in the phases as they are added which may cause the percentage ownership in the Common Elements to differ from the proposed schedule.

Revised: 3-2-93

Exhibit "I"
**THE YACHT CLUB AT
 LIGHTKEEPERS VILLAGE
 COMMON AREA CALCULATIONS
 Future Phases**

Units

Statutory ValueCommon Elements
%OwnershipIncluding Phase XXVI

Units	9-Unit Building Added This Phase	Statutory Value	Common Elements %Ownership
1	9-Unit Building Added This Phase		
(7)	12-Unit Building (84 Total)	\$80,000 Each Unit	0.39594% Each Unit
(15)	9-Unit Building (135 Total)	\$75,000 Each Unit	0.37120% Each Unit
(2)	29-Unit Boat Dock (58 Total)	\$35,000 Each Unit	0.17322% Each Unit
(1)	10-Unit Boat Dock (10 Total)	\$35,000 Each Unit	0.17322% Each Unit
(1)	28-Unit Boat Dock (28 Total)	\$35,000 Each Unit	0.17322% Each Unit
Total		<u>\$20,205,000</u>	

Including Phase XXVII

Units	9-Unit Building Added This Phase	Statutory Value	Common Elements %Ownership
1	9-Unit Building Added This Phase		
(7)	12-Unit Building (84 Total)	\$80,000 Each Unit	0.38314% Each Unit
(16)	9-Unit Building (144 Total)	\$75,000 Each Unit	0.35920% Each Unit
(2)	29-Unit Boat Dock (58 Total)	\$35,000 Each Unit	0.16762% Each Unit
(1)	10-Unit Boat Dock (10 Total)	\$35,000 Each Unit	0.16762% Each Unit
(1)	28-Unit Boat Dock (28 Total)	\$35,000 Each Unit	0.16762% Each Unit
Total		<u>\$20,880,000</u>	

Including XXVIII

Units	9-Unit Building Added This Phase	Statutory Value	Common Elements %Ownership
1	9-Unit Building Added This Phase		
(7)	12-Unit Building (84 Total)	\$80,000 Each Unit	0.37114% Each Unit
(17)	9-Unit Building (153 Total)	\$75,000 Each Unit	0.34795% Each Unit
(2)	29-Unit Boat Dock (58 Total)	\$35,000 Each Unit	0.16238% Each Unit
(1)	10-Unit Boat Dock (10 Total)	\$35,000 Each Unit	0.16238% Each Unit
(1)	28-Unit Boat Dock (28 Total)	\$35,000 Each Unit	0.16238% Each Unit
Total		<u>\$21,555,000</u>	

Including XXIX

Units	29-Unit Boat Dock Added This Phase	Statutory Value	Common Elements %Ownership
1	29-Unit Boat Dock Added This Phase		
(7)	12-Unit Building (84 Total)	\$80,000 Each Unit	0.35445% Each Unit
(17)	9-Unit Building (153 Total)	\$75,000 Each Unit	0.33230% Each Unit
(3)	29-Unit Boat Dock (87 Total)	\$35,000 Each Unit	0.15507% Each Unit
(1)	10-Unit Boat Dock (10 Total)	\$35,000 Each Unit	0.15507% Each Unit
(1)	28-Unit Boat Dock (28 Total)	\$35,000 Each Unit	0.15507% Each Unit
Total		<u>\$22,570,000</u>	

The values set forth herein are for statutory purposes only and do not reflect the actual market value of the properties. Furthermore, Grantor reserves the right to make changes in the phases as they are added which may cause the percentage ownership in the Common Elements to differ from the proposed schedule.

Revised: 3-2-93

Exhibit "F"
 THE YACHT CLUB AT
 LIGHTKEEPERS VILLAGE
 COMMON AREA CALCULATIONS
 Future Phases

UnitsStatutory Value

Common Elements
%Ownership

Including Phase XXX

1	9-Unit Building Added This Phase					
(7)	12-Unit Building	(84 Total)	\$80,000	Each Unit	0.34416%	Each Unit
(18)	9-Unit Building	(162 Total)	\$75,000	Each Unit	0.32265%	Each Unit
(3)	29-Unit Boat Dock	(87 Total)	\$35,000	Each Unit	0.15057%	Each Unit
(1)	10-Unit Boat Dock	(10 Total)	\$35,000	Each Unit	0.15057%	Each Unit
(1)	28-Unit Boat Dock	(28 Total)	<u>\$35,000</u>	Each Unit	0.15057%	Each Unit
			<u>\$23,245,000</u>		<u>100.00000%</u>	

total

re... set forth herein are for statutory purposes only and do not reflect the actual market value of the properties.
 Furthermore, Grantor reserves the right to make changes in the phases as they are added which may cause the percentage
 ownership in the Common Elements to differ from the proposed schedule.

Revised: 3-2-93

" EXHIBIT G "
DECLARATION AND PETITION FOR INCORPORATION
APPLICATION MUST BE TYPEWRITTEN
DO NOT FILE IN DUPLICATE

The undersigned declarants and petitioners.

NAME	STREET ADDRESS AND CITY
D. REX STEPHENS	4000 Oleander Dr. Wilmington, NC 28401
CECIL A. KNIGHT	4000 Oleander Dr. Wilmington, NC 28401

Being two or more of the officers or agents appointed to supervise or manage the affairs of
THE YACHT CLUB AT LIGHTKEEPERS VILLAGE HOMEOWNERS ASSOCIATION, INC.

A corporation which has been duly and regularly organized for the purposes hereinafter to be set forth, do affirm and declare:
 That at a meeting of the aforesaid organization, held pursuant to the by-laws or regulations of the said organization, they were authorized and directed to apply for incorporation.

That the said organization holds, or desires to hold, property in common for a Religious, Educational, Social, Fraternal, Charitable or other charitable purpose, or any two or more of said purposes, and is not organized for the purpose of profit or gain to the members, other than to above stated, or for the insurance of life, health, accident or property and that the three days' notice to the Sun News

a newspaper published in the County of Horry has been given that the aforesaid Declaration would be filed.

The said Declarants and Petitioners further declare and affirm:

FIRST. Their names and residences are as above given.
 SECOND. The name of the proposed Corporation is: THE YACHT CLUB AT LIGHTKEEPERS VILLAGE HOMEOWNERS ASSOCIATION, INC.

THIRD. The place at which it proposes to have its headquarters or to be located is: 650-23E Lightkeepers Way in the City of Little River

FOURTH. The purpose of the said proposed Corporation is: to manage the common elements of The Yacht Club at Lightkeepers Village

FIFTH. The names and residences of all Managers, Trustees, Directors or other officers, are as follows:

NAME	TITLE	ADDRESS
D. REX STEPHENS	PRESIDENT	4000 Oleander Dr. Wilmington, NC 28401
CECIL A. KNIGHT	SECRETARY	4000 Oleander Dr. Wilmington, NC 28401

SIXTH. That they desire to be incorporated in perpetuity for number of years 1.

Wherefore your petitioners pray that the Secretary of State do issue to the aforesaid

THE YACHT CLUB AT LIGHTKEEPERS VILLAGE HOMEOWNERS ASSOCIATION, INC.
(Correct Name of Association)

A Certificate of Incorporation, with all rights, powers, privileges and immunities, and subject to all the limitations and disabilities conferred by Title 31 Chapter 31, 1974 Code, and Acts amendatory thereto, to provide for the incorporation of Religious, Educational, Social, Fraternal or Charitable Churches, Lodges, Societies, Associations, or Companies, and for amending the Charters of those already formed and to be formed.

(Sign Here) B. Rex Stephens
 B. REX STEPHENS

Cecil A. Knight
 CECIL A. KNIGHT

Dated: February 19, 1993

EXHIBIT "H"

BY-LAWS
OF
THE YACHT CLUB AT LIGHTKEEPERS VILLAGE
HOMEOWNERS ASSOCIATION, INC.

I. IDENTITY

These are the By-Laws of THE YACHT CLUB AT LIGHTKEEPERS VILLAGE HOMEOWNERS ASSOCIATION, INC., hereinafter called the "Association", a non-profit corporation incorporated under Title 31 of the Code of Laws of South Carolina 1976, which has been organized pursuant to Title 27 of the Code of Laws of South Carolina 1976, hereinafter referred to as the "Horizontal Property Act", for the purpose of administering THE YACHT CLUB AT LIGHTKEEPERS VILLAGE HORIZONTAL PROPERTY REGIME, hereinafter called the "Regime", established pursuant to a Master Deed recorded in the Office of the Clerk of Court for Horry County, South Carolina, hereinafter called the "Master Deed."

A. The term "property" as used herein shall mean and include the land, all improvements, and structures thereon located in Horry County, South Carolina, submitted to THE YACHT CLUB AT LIGHTKEEPERS VILLAGE HORIZONTAL PROPERTY REGIME, (hereinafter referred to as the "Regime").

B. The provisions of these By-Laws are applicable to said Regime, and the terms and provisions hereof are expressly subject to the effect of the terms, provisions, conditions, and authorizations contained in the Articles of Incorporation and which may be contained in the Master Deed which will be recorded in the Public Records of Horry County, South Carolina, at the time said property and the improvements now or hereafter situate thereon are submitted to the plan of condominium ownership, the terms and provisions of said Articles of Incorporation and Master Deed to be controlling wherever the same may be in conflict herewith.

C. All present or future owners, tenants, future tenants, or their employees, or any other person that might use said Regime or any of the facilities thereon in any manner are subject to the regulations set forth in these By-Laws and in said Articles of Incorporation and Master Deed.

D. The fiscal year of the Association shall be the calendar year.

II. MEMBERS AND MEETINGS

A. The members of the Association shall consist of all

of the owners by the records of Horry County, South Carolina, of a Unit in the Regime and after termination of the Regime, shall consist of those who are members at the time of the termination and their successors and assigns.

B. Change of membership in the Association shall be established by recording in the public records of Horry County, South Carolina, a deed or other instrument establishing a record title to a Unit in the Regime and the delivery to the Association of a certified copy of such instrument. The owner designated by such instrument thus becomes a member of the Association and the membership of the prior owner is terminated.

C. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner except as an appurtenance to his Unit.

D. All owners, by virtue of their ownership of a Unit are mandatory members of the Association, and shall be entitled to vote on all matters upon which members of the Association are entitled to vote, pursuant to the Articles of Incorporation and in accordance with these By-Laws. Owners shall be entitled to one vote in accordance with their percentage interest in the common elements belonging to their respective Unit.

E. Until such time said Master Deed is recorded, the membership of the Association shall be comprised of the subscribers to the Articles of Incorporation, each of which subscribers shall be entitled to cast one vote on all matters on which the membership shall be entitled to vote.

F. The annual members meetings shall be held at the office of the Association at 10:00 a.m., Eastern Standard Time, on the second Saturday in November in each year for the purpose of electing directors and of transacting any other business authorized to be transacted by the members; provided, however, that if that day is a legal holiday, the meeting shall be held at the same hour on the next day. The annual meeting may be waived by a unanimous agreement of the members in writing which provides for the naming of directors not otherwise designated.

G. Special members meetings shall be held whenever called by the President or the Vice President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members entitled the majority of the votes of the entire membership.

H. Notice of all members meetings stating the time and place and the objects for which the meeting is called shall be given to the President or Vice President or Secretary unless

waived in writing. Such notice shall be in writing to each member at his address as it appears on the books of the Association and shall be mailed not less than ten (10) days nor more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of the meeting may be waived before or after meetings.

I. A quorum at a members meeting shall consist of persons entitled to cast fifty-one (51%) percent of the votes of the Association. The acts approved by a majority of fifty-one (51%) percent of the votes of the Association at a meeting in which a quorum is present shall constitute the acts of the members, except where approval by a greater number of members is required by The Horizontal Property Act, the Master Deed, the Articles of Incorporation, or these By-Laws. The joinder of a member in this action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such member for the purpose of determining a quorum.

J. Proxies. Votes may be cast in person or by a proxy. Proxies may be made by any person entitled to vote and shall be valid only for the particular meeting designated therein and must be filed with the secretary before the appointed time of the meeting or any adjournment thereof.

K. Adjourned Meetings. If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or in proxy, may adjourn the meeting from time to time, until a quorum is present.

L. At members meetings, the President or Vice-President shall preside, or in his absence, the membership shall select a Chairman.

M. The order of business at annual members meetings, and, as far as practical at all other members meetings, shall be:

1. Calling of the roll and certifying of proxies.
2. Proof of notice of meeting or waiver of notice.
3. Reading of minutes.
4. Reports of officers.
5. Reports of committees.
6. Appointment by President or Chairman of Inspectors of Election.
7. Election of Directors.

8. Unfinished business.
9. New business.
10. Adjournment.

III. BOARD OF DIRECTORS

A. The initial Board of Directors of the Association shall consist of three (3) persons until the first annual meeting, and succeeding Boards of Directors shall consist of five (5) persons. All of the Board of Directors shall be members of the Association, or shall be authorized representatives, officers, or employees of a corporate member of the Association.

B. Election of directors shall be conducted in the following manner:

1. Notwithstanding anything contained herein, so long as Lightkeepers Village, a S. C. Partnership, hereinafter referred to as "Developer", shall own one or more Condominium Units, then Developer shall have the right to designate and select a majority of the persons who shall serve as members of each Board of Directors of the Association. Developer shall, at the beginning of the election of the Board of Directors, designate and select that number of the members of the Board of Directors which it should be entitled to designate and select in accordance with the provisions of these By-Laws, and upon such designation and selection by written instrument presented to the meeting at which such election is held, said individuals so designated and selected by shall be deemed and considered for all purposes directors of the Association, and shall thenceforth perform the offices and duties of such directors until their successors shall have been selected or elected in accordance with the provisions of these By-Laws.

2. All members of the Board of Directors whom Developer shall not be entitled to designate and select under the terms and provisions of these By-Laws, shall be elected by a plurality of the votes cast at the Annual Meeting of the Association immediately following the designation and selection of the members of the Board of Directors whom shall be entitled to designate and select.

3. Vacancies in the Board of Directors may be filled until the date of the next Annual Meeting by the remaining directors, except that should any vacancy in the Board of Directors be created in any directorship previously filled by any person designated and selected by Developer, such vacancy shall be filled by designating and selecting, by written instrument delivered to any officer of the Association, the successor director to fill the vacated

directorship for the unexpired term thereof.

4. At the first Annual Meeting of the members held after the Master Deed has been recorded in the Public Records of Horry County, South Carolina, the term of office of the three (3) directors receiving the highest plurality of votes shall be established at two (2) years, and the term of office of the other two (2) directors shall be established at one year. Thereafter, as many directors so elected at the annual meeting of the members each year shall be for two (2) years expiring at the second annual meeting following their election, and thereafter until their successors are duly elected and qualified or until removed in the manner elsewhere provided or as may be provided by the law for the removal of directors of South Carolina corporations for profit. However, if at the time of the first annual meeting, the Developer is the co-owner of at least one (1) Condominium Unit, then the Developer shall have the right to designate and select two Directors whose term of office shall be established at two (2) years, and one director whose term of office shall be established at one year.

5. In the election of directors, there shall be appurtenant to each Unit as many votes for directors as there are directors to be elected (regardless of the percentage interest in common elements appurtenant to such Condominium Unit), it being the intent hereof that voting for directors shall be cumulative.

6. In the event that Developer, in accordance with the privilege granted unto it, selects any person or persons to serve on any Board of Directors of the Association, the said shall have the absolute right at any time, in its sole discretion, to replace any such person or persons with another person or persons to serve on said Board of Directors. Replacement of any person or persons designated by to serve on any Board of Directors of the Association shall be made by written instrument delivered to any officer of the Association, which instrument shall specify the name or names of the person or persons to be replaced and the name or names of the person or persons designated as successor or successors to the persons so removed from said Board of Directors. The removal of any director and designation of his successor shall be effective immediately upon delivery of such written instrument by developer to any officer of the Association.

C. Membership. The affairs of the Association shall be managed by a Board of Directors, hereinafter referred to as the "Board." Until the first election of directors, the Board shall consist of three (3) members appointed by the Developer, who need not be owners of Units in the Regime, and thereafter the Board shall be comprised of five (5) directors. All Directors elected by members of the Association, and not appointed by Developer, must be owners of Condominium Units.

D. The directors shall be elected by ballot (unless dispensed by unanimous consent) and by a plurality of the votes cast at the Annual Meeting of the members of the Association. Each person shall be entitled to vote for as many nominees as there are vacancies to be filled.

E. Except as to vacancies created by removal of directors by members, vacancies in the Board occurring between annual meetings of members shall be filled by the remaining Directors.

F. Any director may be removed in the manner provided by law for the removal of directors of South Carolina Corporations for profit.

G. The term of each director's service shall extend until the next Annual Meeting of the members and thereafter until the successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

H. The organization meeting of a newly elected Board shall be held within ten (10) days of their election at such place and time as shall be fixed by the directors at the meeting at which they were elected, and no further notice of the organization meeting shall be necessary.

I. Regular meeting of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of a regular meeting shall be given to each director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting, unless such notice is waived by all of the directors.

J. Special meetings of the Board may be called by the President and must be called by the Secretary at the written request of one-third of the directors. Not less than three (3) days notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place, and purpose of the meeting.

K. Any director may waive notice of the meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

L. A quorum at a director's meeting shall consist of a majority of the entire Board. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board, except where approval by greater number of directors is required by the Horizontal Property Act, Articles of Incorporation, Master Deed or these By-Laws.

M. If at any meeting of the Board there be less than a

quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice.

N. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such director for the purpose of determining a quorum.

O. The presiding officer of the director's meeting shall be the Chairman of the Board if such officer has been elected; and if none, then the President shall preside. In the absence of the presiding officer the directors shall designate one of their number to preside.

P. Directors fees, if any, shall be determined by the members of the Association.

Q. The first Board shall be comprised of the three (3) persons designated to act and serve as directors in the Articles of Incorporation, which said persons shall serve until their successors are elected at the first Annual Meeting of the members of the Association called after the property identified herein has been submitted to the plan of Condominium ownership and the Master Deed has been recorded in the Public Records of Horry County, South Carolina. Should any member of said first Board be unable to serve for any reason, a majority of the remaining members of the Board shall have the right to select and designate a party to act and serve as a director for the unexpired term of said director who is unable to serve.

R. The undertakings and contracts authorized by said first Board shall be binding upon the Association in the same manner as though such undertakings and contracts had been authorized by the first Board of Directors duly elected by the membership after the property identified herein has been submitted to the plan of Condominium ownership and said Master Deed has been recorded in the Horry County Public Records, so long as any undertakings and contracts are within the scope of the powers and duties which may be exercised by the Board in accordance with all applicable Condominium documents.

IV. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association existing under the Horizontal Property Act, the Master Deed, and these By-Laws shall be exercised exclusively by the Board, its agents, contractors or employees, subject only to approval by unit owners when such is specifically required. Such powers and duties of the Board shall include but shall not be limited to the following, subject, however, to the provisions of the

Master Deed and these By-Laws:

A. To make and collect assessments against members to defray costs and expenses of the Regime.

B. To use the proceeds of assessments in the exercise of the powers and duties.

C. The maintenance, repair, or replacement in operation of the Regime.

D. The purchases of insurance on the condominium property and insurance for the protection of the Association and its members.

E. The reconstruction of improvements after casualty and the further improvement of the property.

F. To make and amend reasonable regulations respecting the use of the property in the Regime in the manner provided for by the Master Deed.

G. To enforce by legal means the provisions of the Horizontal Property Act, the Master Deed, the By-Laws, and the regulations for the use of the property in the Regime.

H. To contract for the management of the Regime and delegate to the contractor all powers and duties of the Association except such as are specifically required by the Master Deed to have approval of the Board or the membership of the Association.

I. To employ personnel to perform the services required for proper operation of the condominiums.

J. To foreclose any lien for unpaid assessments in the same manner as mortgages.

K. To terminate any contracts entered into by the Board prior to the passage of control from the to the Owner's Association and said termination right is specifically vested in the Board and is exercisable without penalty at any time after transfer of contract upon not more than ninety (90) days notice to the other party thereto.

V. OFFICERS

A. The executive officer of the Association shall be a president, who shall be a director, a vice-president, who shall be a director, and a secretary, and treasurer, who shall be a director, all of whom shall be elected annually by the Board and who may be peremptorily removed by vote of the directors at any meeting. Any person may hold two or more offices except that the President shall not be the Secretary-

treasurer. The Board shall from time to time elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

B. The President shall be the Chief Executive Officer of the Association. He shall have all of the powers and duties which are usually vested in the office of president of an Association, including but not limited to the power to appoint committees from among the members from time to time, as he may at his discretion determine appropriate, to assist in the conduct of the affairs of the Association.

C. The Vice President shall in the absence or disability of the President exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be described by the directors.

D. The Secretary shall keep the minutes of all proceedings of the directors and the members. He shall attend to the giving and serving of all notices to the members and directors and other notices required by law. He shall keep the records of the Association, and shall perform all other duties instant to the office of a secretary of an Association and as may be required by the directors or the President.

E. The Treasures shall have custody of all property of the Association, including the funds, securities and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties instant with office of treasurer.

F. The compensation of all officers and employees of the Association shall be fixed by the directors. This provision shall not preclude the Board of Directors from employing a director as an employee of the Association nor preclude the contracting with director for the managing of the condominium.

VI. FISCAL MANAGEMENT

The provisions for fiscal management of the Association are set forth in the Master Deed.

VII. NON-LIABILITY & INDEMNITY OF DIRECTORS & OFFICERS

A. No director or officer of the Association shall be liable for acts, defaults, or neglects of any other director or officer or member for any loss sustained by the Association of any co-owner, unless the same shall have resulted from his own willful or negligent act or omission.

B. Every director, officer and agent of the Association shall be indemnified by the Association against all reasonable

costs, expenses and liabilities (including counsel fees) actually and necessarily incurred by or imposed upon him in connection with or resulting from any claim, action, suit, procedure, investigation, or inquiry as to whatever nature in which he may be involved as a party or otherwise by reason of his being or having been a director, officer or agent of the Association whether or not he continues to be such director, officer or agent at the time of incurring or imposition of such cost, expenses, or liabilities, except in relation to matters as to which he shall be finally adjudged in such action, suit, proceeding, investigation, or inquiry to be liable for willful misconduct or neglect in the performance of his duties, in the absence of such final adjudication of the existence of such liability, the Association and each member thereof and officer or agent thereunder may conclusively rely on an opinion of legal counsel selected by the Association. The foregoing right of indemnification shall be in addition to and not in limitation of all other rights to which such person may be entitled as a matter of law, and such shall inure to the benefit of the legal representative of such person.

VIII. PARLIAMENTARY RULES

Roberts' Rules of Order, (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Master Deed or these By-Laws.

IX. AMENDMENT

A. These By-Laws may be amended in the following manner:

(1) Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

(2) A resolution for the adoption of the proposed amendment shall be presented to the meeting of the members.

(3) No amendment shall be attached to a Certificate unless approved by members representing the majority of the statutory value of the property in the Regime as shown in the Master Deed.

B. The amendment shall be attached to a Certificate executed by the officers of the Association, certifying that the amendment was duly adopted and shall be recorded in the office of the Clerk of Court for Horry County, South Carolina.

X. DEFINITIONS

All terms defined in the Master Deed shall have the same meaning in this By-Laws as in the Master Deed.

In the event of any conflicts between the provisions of the Master Deed or the Horizontal Property Act and the provisions of these By-Laws, the provisions of the Master Deed or the Act shall control.

Arif A Knight

SECRETARY

MARCH 2, 1993

Date

EXHIBIT "I"

RULES AND REGULATIONS OF THE MARINA

AT

LIGHTKEEPERS VILLAGE

As used herein the word "MEMBER" shall mean and refer to any member of the Association or as the context may require, any assignee or lessee of any member and shall include the masculine feminine, neuter, singular, or plural as the context shall require.

All members and invited guests as well as any other person who might lawfully be entitled to use the facilities of the Marina in any manner, are subject to the Declaration, By-Laws and Rules and Regulations of Lightkeepers Village Horizontal Property Regime, as stated in the Declaration, the By-Laws or these Rules and Regulations.

Every member shall be given a copy of the Rules and Regulations. Each member shall insure that the dock master or other designee of the Board of Directors is notified at or before the time that such member begins the use and enjoyment of his membership. Such notification shall include the full name of the user, his permanent address, telephone numbers, and the name, official number or South Carolina registration of the boat authorized by the member to dock in his boat slip. Each member is authorized under these Regulations and should:

1. Warn any person who is observed to be violation the Rules; and
2. Call police to oust possible trespassers who do not identify themselves upon polite request; and
3. Call police to quell disorderly conduct by anyone.

Each member should also notify the President of the Association whenever he has to warn someone, and shall supply the President with the facts of the incident as soon as

practical.

All members shall be responsible to see that their guests follow the By-Laws of the Association and these Rules and Regulations while occupying or visiting any of the Marina facilities.

No member shall invite guests to the facilities and property of the Association in unreasonable numbers or on unreasonable occasions or for unreasonable times, determinations of reasonable numbers and time to be in the sole discretion of the Board of Directors of the Association.

The Dockmaster shall be charged with the duty of enforcing the rules and regulations. In the event of violation he shall first notify the offender in writing and request that the violation be stopped immediately. In the event the violation persists he shall notify the Board of Directors and the Board shall undertake such enforcement as the Board deems appropriate. After notification, each day that a violation continues shall constitute a separate violation subject to separate enforcement.

1. SLIP LEASES

No boat slip may be leased to more than one lessee per calendar year, nor is subleasing permitted.

2. VESSELS IN THE HARBOR CLASSIFICATION, SLIP ASSIGNMENT AND MECHANICAL CONDITION

Only vessels in good condition, properly registered or documented and under their own engine power will be admitted to the harbor.

All vessels must be maintained in a state of constant readiness for movement.

All vessels transitting or approaching the harbor will maintain an "idle" or "no wake" speed.

3. NO DISCHARGE

The Federal Water Pollution Control Act prohibits the discharge of oil and oily waste into or upon the navigable waters and contiguous zone of the United States if such discharge caused a film or sheen upon, or discoloration of, the surface of the water, or causes a sludge or emulsion beneath the surface of the water. Violators are subject to a penalty of \$5,000.00.

No refuse, solid or liquid (to include sewage), shall be thrown overboard within the approach channel, lock or harbor. All garbage and trash must be bagged and placed in receptacles

provided.

4. CLEANLINESS, STORAGE, MAIL, SOLICITING

Owners must keep their vessels in such condition that they do not become unsightly or dilapidated or reflect unfavorably on the appearance standards of the facility. Decks of vessels berthed at Lightkeepers Village and boat slips must be kept clear of debris, bottles, papers, trash or other unsightly material at all times. Walkways and piers must be kept clear of all equipment and gear. No vehicles (including bikes, golf carts and mopeds) are permitted on the walkways and piers. Individual slip owners or renters shall not install their own dock boxes. When not in use, water hoses must be coiled neatly on the hose rack or stowed aboard. When not in use, electrical cables must be stowed aboard. Laundry of any type, or any item of personal or unsightly nature, must not be dried or aired in public view on any vessel or pier. Neither the vessel nor the harbor address may be used for business or mailing purposes. No advertising or soliciting (such as "For Sale" signs, etc.) is permitted on vessels berthed in the harbor.

5. REPAIRS AND MAINTENANCE

Major repairs, outfitting or refitting of vessels at dock are prohibited. Minor repairs, mechanical adjustments, electrical work and touch up painting by the owner are permitted only for vessels permanently berthed in the harbor. No work will be performed on the piers or harbor promenade which results in damage, scarring or staining the surface of the piers, dock boxes and trash receptacles or which obstructs passage of normal vehicular and pedestrian traffic. Contractors will not perform work on vessels at Lightkeepers Village without permission of Lightkeepers Village. Lightkeepers Village's approval must be obtained before commencing any work which is not clearly acceptable.

6. SWIMMING, DIVING AND SAILING

Swimming, diving or sailing within the harbor for recreation of pleasure is prohibited.

7. WATER QUALITY

The cleaning of fish shall be allowed only at the designated area. No refuse, sewage, trash, oil, gasoline or other item may be released into the water of the harbor.

8. DOCK BOXES

For each boat slip there shall be no more than one (1) dock box. No removal of any dock box or change in its

location, size, design or construction shall be made without the written consent of the Board of Directors; provided, that any such approved removal or change shall be at the expense of the person seeking such removal or change.

Dock box covers shall be securely latched at all times when not being actually accessed. Any cover damage resulting from failure to comply with this rule will be repaired by the Association at the slip owner's expense.

9. COURTESY/PETS

Application of the Rules of the Road and common courtesy will contribute to the safe and satisfying use of the harbor, lock and approaches. Owners must be discreet in the use of TV sets, musical instruments, loud hailer, radios and any other on-board equipment so as not to disturb others. Rigging must be secured to prevent slacking. All pets must be leashed or carried when not on board. Pets must be toileted on commonly-owned grass areas and excrement immediately removed by the owner. Pets are permitted only if they do not disturb other owners.

10. SECURITY

The Association is not responsible for any loss or damages caused by vandalism or theft. Vessel owners are responsible at all times for the security of their vessels. Upon accepting his berth, each vessel owner must register with the Lightkeepers Village, sign a boarding permission slip, and leave either a key or a combination to the vessel, to be kept in a secure place by the Lightkeepers Village. Lightkeepers Village must have access to every vessel for emergency purposes. Bilge pumps must be maintained in a constant state of readiness. Switches or handles should be labeled and installed in readily discernible locations.

11. COLLISIONS, ACCIDENTS AND SINKING

The Association is not responsible or liable for personal or property damages in connection with collisions, accidents or sinkings within the harbor. Federal and state laws govern the reporting of boating accidents. Owners must provide their own insurance to cover these eventualities. Individual owners are responsible for damage to property belonging to the Association. Lightkeepers Village will endeavor to assist any boater involved in an emergency situation.

12. FIREFIGHTING EQUIPMENT

The use of charcoal burners, gas welders, or any open flame-producing equipment, except equipment permanently installed within the vessel (e. g., cook stoves, lamps or lanterns) is prohibited.

13. OIL SPILLS

Accidental spills of oil, fuel or bilge waste must be reported immediately.

14. COLD WEATHER

In the event of freezing weather, owners are responsible for protecting their vessels against the cold. Owners who live away from Little River may contact Lightkeepers Village for assistance in damage prevention measures. Expenses incurred shall be paid by the owner.

15. STORM PRECAUTIONS

To prevent damage from weather or storms, dock lines should be properly secured and all outside property of any owner or guest shall be battened down, secured, or placed inside the boat, and she should be closed and locked when any owner leaves his boat slip. Owners unable to attend their boats in their slips for a prolonged period should remove all furniture, plants and objects from their boats and notify Lightkeepers Village of their plans before leaving. Also, all moveable items should be removed from each boat if storm weather is threatening.

Those boats left in the harbor during severe weather conditions are subject to following conditions:

Owners are responsible for any damage done by their boats to other boats or property.

Owners will hold Lightkeepers Village harmless for any damage to their boats or equipment.

16. OTHER

No persons shall live on boats moored in the marina.

Lightkeepers Village is empowered and required to make periodic area inspections. Any violations will be immediately brought to the attention of the boat owner and Marina Board of Directors. Upon investigation, appropriate action will be taken. If necessary, violations will be reported to the USCG, which is empowered to enforce current environmental regulations.

17. AMENDMENT

These Rules and Regulations may be added to or deleted in whole or in part, or amended in any way by a vote of the majority of the Board of Directors of the Association.

Dated this 2ND day of MARCH, 1993.

LIGHTKEEPERS VILLAGE, A South
Carolina Partnership

BY: LITTLE RIVER VENTURES, INC., A
Partner

BY: Billy Maul

ITS: PRESIDENT

ATTEST: B. Rex Stephens

ITS: Secretary