

STATE OF SOUTH CAROLINA) **SECOND AMENDMENT TO THE BY-LAWS**
) **OF THE ANCHORAGE AT SHELTER**
COUNTY OF BEAUFORT) **COVE HORIZONTAL PROPERTY REGIME**
) **AND THE ANCHORAGE AT SHELTER**
) **COVE OWNERS ASSOCIATION, INC.**

THIS SECOND AMENDMENT TO THE BY-LAWS OF THE ANCHORAGE AT SHELTER COVE HORIZONTAL PROPERTY REGIME AND THE ANCHORAGE AT SHELTER COVE OWNERS ASSOCIATION, INC. (hereinafter "Amendment"), is made as of this 19th day of November, 2024, by The Anchorage at Shelter Cove Owners Association, Inc. ("Association").

WHEREAS, Greenwood Development Corporation duly recorded a Master Deed of The Anchorage at Shelter Cove Owners Association on December 5, 1984 in the Office of the Recorder of Deeds for Beaufort County, South Carolina, in Book 408 at Page 1585 (the "Master Deed"); and

WHEREAS, said Master Deed contained the By-Laws of the Anchorage at Shelter Cove Horizontal Property Regime and the Anchorage at Shelter Cove Owners Association, Inc. (hereinafter, "By-Laws") as Exhibit "D" thereto; and

WHEREAS, the Association duly recorded a First Amendment to the By-Laws of The Anchorage at Shelter Cove Owners Association on December 26, 2001 in the Office of the Recorder of Deeds for Beaufort County, South Carolina, in Book 1517 at Page 1445 (the "By-Laws")¹; and

WHEREAS, the Association desires to make further amendment to the By-Laws, as amended, to add a section to Article VII, said article bearing the heading "OBLIGATIONS OF THE UNIT OWNERS"; and

WHEREAS, the Association desires to designate such section as "Section 14. Fee Due Upon Transfer" which shall adopt and incorporate a transfer fee; and

WHEREAS, the Association has determined that this Amendment is necessary to promote and preserve the financial stability of the Association; and

WHEREAS, the By-Laws provide that they may be amended by ratification of at least sixty-seven (67.000%) of the all membership votes of the Association; and

WHEREAS, the Association called for action at the annual members' meeting held on October 11, 2024; and

WHEREAS, at said meeting the matter was put to the members with the return on the voting showing Sixty-Seven and 04/100^{THS} percent (67.0473%) of the Association's membership interest favoring the motion; and

¹ Said amendment appeared to abbreviate the full name of the original bylaws.

WHEREAS, the votes in favor of this Amendment met the amendment threshold of the By-Laws and was adopted and approved; and

NOW, THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS that the undersigned President of the Association does hereby execute this Amendment, certify that it constitutes a duly-approved amendment to the By-Laws of the Association, and does hereby declare:

1. **Recitals:** The foregoing paragraphs and recitals, also known as “Whereas clauses”, are not mere recitals, are incorporated herein as part of this Amendment, and are an integral part hereof; and
2. **Effective Date:** This Amendment is to be effective upon recording with the Beaufort County land records.
3. **Amendment:** The Association amends the By-Laws to add Section 14 to Article VII of the By-Laws titled “OBLIGATIONS OF THE UNIT OWNERS” to read as follows:

Section 14. FEE DUE UPON TRANSFER. Upon the sale or transfer of a Unit, or any interest therein or any portion thereof, the party acquiring the same shall remit to the Association at closing, and the Association shall so collect, by and through the Board of Directors or a management agent, a one-time cost reimbursement and initiation fee in an amount equal to One-Half of One Percent (0.500%) of the purchase price. Said funds are to be applied to reserves for future capital projects and kept in a capital reserve account. The Board of Directors is vested with exclusive authority to establish and record, as appropriate, criteria, rules, definitions, uses, and policies related to the terms hereof. The fee is intended to apply to arm’s length transfers. The Board of Directors shall also have the obligation to determine whether any particular transfer triggers the fee or is exempt therefrom, with the initial exemptions being:

- i) transfers for purposes of asset protection, i.e. to a trust, into a life estate, from a natural person into a limited liability company in which the transferor has a substantial ownership, controlling, or reversionary interest;
- ii) transfers incident to death;
- iii) transfers for nominal consideration; or
- iv) transfers amongst Unit Owners so long as the transfer is associated only with one Unit and involves only the Unit Owners of that same Unit.

This fee is separate and distinct from any other fee or assessment presently charged or collectible under the Master Deed or By-Laws. Notwithstanding the foregoing, should such a fee not be paid at the time of transfer, said Fee Due Upon Transfer is collectible and enforceable under the same terms and powers as

assessments, including right of lien and all other collection rights, as well as reimbursement for costs of collection thereof, to include attorney fees, costs and expenses. The purchaser of said Unit has an affirmative duty to contact the Association to put it on notice of said transfer and confirm no fee is due.

4. **Definitions:** Unless otherwise specified herein, all terms to be given the same meaning as set out in the Master Deed and By-Laws, respectively, including all Exhibits and amendments thereto.

5. **Conflict:** The provisions stated herein constitute an amendment to the By-Laws and alter/modify said By-Laws as herein stated.

6. **Incorporation:** The provisions of the By-Laws, and all valid amendments thereto, which are not modified herein are expressly incorporated into and reaffirmed by this Amendment in the same manner as if the same were expressly set forth herein. This Amendment is intended to comply with the provisions of the aforementioned By-Laws.

7. **Miscellaneous:** All provisions of the By-Laws which are not modified herein are expressly incorporated into and reaffirmed by this Amendment in the same manner as if the same were expressly set forth herein. This Amendment is intended to comply with the provisions of the aforesaid Master Deed and By-Laws and the South Carolina Horizontal Property Act contained in S.C. Code Ann. §27-31-10, et seq. (1976, as amended). In case any of the provisions stated above conflict with the provisions of said statute, the provisions of said statute shall control. In case any of the provisions stated above conflict with the provisions of the Master Deed, the provisions of said Master Deed shall control. The provisions hereof shall be deemed independent and severable, and the invalidity in whole or in part of any section, sub-section, sentence, clause, phrase or word, or other provision of this Amendment shall not affect the validity or enforceability of the remaining portions thereof and in the event, all of the other provisions of the Amendment shall continue in full force and effect as if such invalid provision had never been included therein.

[SIGNATURE & CERTIFICATION PAGE FOLLOWS]

