

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF BEAUFORT )

SEA PINES PLANTATION COMPANY )  
 )  
TO ) MASTER DEED  
 )  
SOUTH BEACH VILLAGE LAGOON VILLAS II ) HORIZONTAL PROPERTY REGIME  
HORIZONTAL PROPERTY REGIME LVII )

At Hilton Head Island, County of Beaufort, and State of South Carolina, on this 17th day of October, 1973, Sea Pines Plantation Company, a South Carolina Corporation, whose principal office is situated on Hilton Head Island, State of South Carolina, (hereinafter referred to as "Grantor"), does hereby declare:

FIRST: That Grantor owns a property situated at Hilton Head Island, County of Beaufort, State of South Carolina, which is described as follows:

ALL that certain piece, parcel or lot of land situate, lying and being in Sea Pines Plantation on Hilton Head Island, Beaufort County, South Carolina, known as South Beach Village Lagoon Villas II, Horizontal Property Regime LVII as shown on a plat thereof prepared by Calvert Surveying Company, Inc., R.L.S., which said plat is dated October 2, 1973 and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Plat Book \_\_\_\_\_ at Page \_\_\_\_\_; said herein described property commencing at a Point of Beginning which said Point of Beginning is the generally northernmost point of the above described South-Beach Village Lagoon Villas II property and its intersection with a portion of lands identified as Port Villas; thence S 44° E a distance of 46 feet to a point; thence S 17° 45' W a distance of 239 feet and generally parallel with a body of water identified on the said plat only as "Lagoon" to a point; thence S 46° W a distance of 112 feet to a point; thence N 44° W a distance of 77 feet to a point; thence N 46° E a distance of 37 feet to a point; thence N 03° 43' E a distance of 74.34 feet to a point; thence N 51° 32' W a distance of 65.58 feet to a point; thence S 63° 30' E a distance of 48.18 feet to a point; thence N 67° 30' E a distance of 30 feet to a point; thence N 33° 14' E a distance of 30 feet to a point; thence N 18° 42' E a distance of 30 feet to a point; thence N 03° 35' W a distance of 30 feet to a point; thence N 45° 51' E a distance of 57.70 feet to a point; thence S 44° 09' E a distance of 20 feet to a point; thence N 45° 51' E a distance of 62 feet to the said Point of Beginning. For a more detailed description as to courses, metes, bounds, location and distances, reference to the said plat of record is craved.

SECOND: That Grantor (intending to create a horizontal property regime that shall be known as South Beach Village Lagoon Villas II, Horizontal Property Regime LVII hereinafter called the "Regime") has constructed on the parcel of land described above certain buildings and other improvements (which, together with the land described in Paragraph "FIRST", all improvements and structures thereon, and all easements, rights and appurtenances belonging thereto and hereinafter usually referred to as the "Property"), according to the plans attached hereto and identified as Exhibit "B", which were certified to by Richard E. Collins, Jr., A.I.A., an architectural firm duly authorized and licensed to practice in the State of South Carolina, on the 27th day of September, 1973, and which are made a part hereof.

THIRD: That the Property includes three (3) buildings, containing six (6) individual dwelling units (hereinafter referred to as "Dwelling Units") all of which are to be used for residential purposes. The Dwelling Units are all capable of individual utilization on account of having their own exits to the common elements of the Property, and they will be sold to one or more co-owners, each co-owner obtaining a particular and exclusive property right thereto, and also undivided interest in the general and limited common elements of the Property, as listed hereinafter in this Deed, necessary for their adequate use and enjoyment (hereinafter referred to as "common elements"), all of the above in accordance with the Horizontal Property Act of South Carolina.

FOURTH: That Property has a total area of 0.77 acres of which 8,071.21 square feet will constitute Dwelling Units, and 25,469.99 square feet will constitute common elements.

FIFTH:

I. DWELLING UNITS.

A. General:

1. Building #1: This building contains two (2) Dwelling Units (hereinafter referred to as "Villas") and commonly referred to as Villas 1591 and 1592.
2. Building #2: This building contains two (2) Dwelling Units commonly referred to as Villas 1593 and 1594.
3. Building #3: This building contains two (2) Dwelling Units commonly referred to as Villas 1595 and 1596.

B. The Dwelling Units include the space enclosed by the unfinished surfaces of perimeter and interior walls, ceilings and floors thereof, including vents, doors, windows and such other structural elements that ordinarily are regarded as enclosures of space; all interior dividing walls and partitions (including the space occupied by such walls or partitions); and the decorated inner surfaces of said perimeter and interior walls (including the decorated inner surfaces of all interior load-bearing walls) and floors, ceilings, consisting, as the case may be, of wallpaper, paint, plaster, carpeting, tiles and all other furnishings, materials and fixtures affixed or installed and for the sole and exclusive use of any Dwelling Unit, commencing at the point of disconnection from the structural body of the building and from utility lines, pipes or systems serving the Dwelling Unit. No pipes, wires, conduits, or other public utility lines or installations constituting a part of the overall systems designed for the service of any particular Dwelling Unit of a building, nor any property of any kind, including fixtures and appliances within any Dwelling 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 Dwelling Unit.

C. Villas: That the Villas, as shown on the plans of the Property (Exhibit "B") are composed of four (4) two-bedroom Type A Villas; and two (2) three-bedroom Type B Villas.

1. Two-bedroom Type A Villas: (Units 1591, 1592, 1595 and 1596) These Villas measure 39.83 feet wide and 36.66 feet deep in their maximum interior dimensions and contain a net interior area of 1,086 square feet.

2. Three-bedroom Type B Villas: (Units 1593 and 1594) These Villas measure 44.83 feet wide and 44 feet deep in their maximum interior dimensions and contain a net interior area of 1,400 square feet.

II. COMMON ELEMENTS:

A. The General Common Elements are as follows:

1. The Property, excluding the limited common elements and the Dwelling Units, and including, but not limited to, the foundations, roofs, floors, ceilings, perimeter walls, load-bearing interior walls and partitions, slabs, stairways, pipes, wires, conduits, air ducts, and public utility lines, including the space actually occupied by the above.
2. Tanks, pumps, motors, fans, compressors, ducts, and, in general, all apparatus and installation existing for common use, including a substitution of same or additional equipment which may be acquired by the Council of Co-Owners or the Regime.
3. Parking facilities located on the Property, which parking facilities consist of approximately 1,701 square feet, and are shown on the Plat of the Property (attached hereto and identified as Exhibit "A").
4. All roads, walkways, paths, trees, shrubs, yards, gardens, etc., located on the Property.
5. All other elements of the Property, constructed or to be constructed, rationally of common use or necessary or convenient to the existence, upkeep, and safety of the Property, and, in general, all other devices or installations existing for common use.

B. The Limited Common Elements are as follows:

1. The rear and front yards and service areas (shown on the plat attached hereto and identified as Exhibit "A") adjacent to each Dwelling Unit, the storage cabinets located in the service yards, and the fences screening the service areas are limited common elements and are each restricted to the use of the Dwelling Unit adjacent to such limited common elements, respectively.

SIXTH:

I. That the title and interest of each co-owner of a Dwelling Unit in the common elements listed in Sub-Paragraph II of Paragraph "FIFTH" and their proportionate share in the profits and common elements (both general and limited), as well as the proportionate representation for voting purposes in the meeting of the Council of Co-Owners (hereinafter referred to as "Council") of the Regime is based on the proportionate value of each Dwelling Unit to the total value of the Property. The total value of the Property is Four Hundred Fifty-eight Thousand Dollars (\$458,000.00). The value of each Dwelling Unit and its proportionate percentage interest is set forth below. Such values shall not be deemed to limit the price for which the Property or any Dwelling Unit may be sold or exchanged are as follows:

A. Dwelling Units 1591, 1592, 1595 and 1596: 15.939 per cent each based on a value of \$73,000 for each of said Dwelling Units.

B. Dwelling Units 1593 and 1594: 18.122 per cent each based on a value of \$83,000 for each of said Dwelling Units.

SEVENTH: That the administration of the Regime consisting as aforesaid of the Property described in Paragraphs "FIRST" and "FIFTH" of this Deed shall be in accordance with the provisions of the By-Laws which are made a part hereof of this Deed and are attached hereto as Exhibit "C".

EIGHTH: That, as appears above, a Horizontal Property Regime is hereby constituted under and subject to the provisions of the Horizontal Property Act of the State of South Carolina, so that Dwelling Units may be conveyed and recorded as individual properties capable of independent use, and each having its own exit to the common elements of the Property, and each Dwelling Unit co-owner having an exclusive and particular right over his respective Dwelling Unit and in addition the specified undivided interest in the common elements of the Property.

NINTH: That so long as the Grantor owns one or more of the Dwelling Units, the Grantor shall be subject to the provisions of this Deed and of Exhibits "A", "B", and "C" attached hereto and the Grantor covenants to take no action which will adversely affect the rights of the Regime with respect to the assurances against latent defects in the Property or other rights assigned to the Regime by reason of the establishment of said Horizontal Property Regime.

TENTH: That the common elements shall remain undivided and no co-owner shall bring any action for partition and/or division.

ELEVENTH: That the percentage of the undivided interest in the common elements (both general and limited) established herein shall not be changed except with the unanimous consent of all of the co-owners expressed in amendment to this Deed duly recorded.

TWELFTH: That the undivided interest in the common elements (both general and limited) shall not be separated from the Dwelling Unit to which it appertains and shall be deemed conveyed or encumbered with the Dwelling Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

THIRTEENTH: That each co-owner shall comply with the provisions of this Master Deed, the Declaration of Covenants, Restrictions, and Affirmative Obligations Applicable to all Class "B" Multi-Family Residential Areas by Sea Pines Plantation Company dated July 9, 1964, and recorded in the Office of the Clerk of Court for Beaufort County at Book 124 of Deeds, Page 35, and any applicable recorded additions or amendments thereto, the Regime By-Laws, decisions resolutions of the Council of Co-Owners, Board of Administration and their representatives, as lawfully amended from time to time, and failure to comply with any such provisions, decisions, or resolutions shall be grounds for an action to recover sums due, for damages or for injunctive relief; provided that nothing contained herein shall limit the rights of the Sea Pines Plantation Company, its successors and assigns, as set forth in Covenants, Restrictions, and Affirmative Obligations dated August 20, 1967, declared by Sea Pines Land Company, Inc., Sea Pines Plantation Company, Inc., and Lighthouse Beach Company recorded in the Office of the Clerk of Court for Beaufort County at Book 150 of Deeds, Page 41. The Dwelling Unit shall also be conveyed subject to the recorded plat and plan of the Property. In addition, the Dwelling Units shall be conveyed subject to the South Beach Owners Association Restrictive Covenants recorded in the Office of the Clerk of Court, County of Beaufort, South Carolina, in Book \_\_\_\_\_ of Deeds, at Page \_\_\_\_\_, and to the By-Laws of the South Beach Owners Association, Inc.

FOURTEENTH: That the dedication of the Property to the Horizontal Property Regime herein shall not be revoked, or the Property removed from the Horizontal Property Regime, or any of the provisions herein amended unless all of the co-owners and the mortgagees of all the mortgages covering the Dwelling Units unanimously agree to such revocation, or amendment, or removal of the Property from the Horizontal Property Regime by duly recorded instrument.

FIFTEENTH: That no co-owner of a Dwelling Unit may exempt himself from liability for his contribution toward the common expenses by waiver of the use or enjoyment of any of the common elements or by the abandonment of his Dwelling Unit.

SIXTEENTH: That all present or future co-owners, tenants, future tenants, or any other person that might use the facilities of the Property in any manner, are subject to the provisions of this Deed, and that the mere acquisition or rental of any of the Dwelling Units shall signify that the provisions of this Deed are accepted and ratified.

SEVENTEENTH: That if the Property is totally or substantially damaged or destroyed, the repair, reconstruction, or disposition of the Property shall be as provided by the above-mentioned Statute of South Carolina.

EIGHTEENTH: That, where a mortgagee or other purchaser of a Dwelling Unit obtains title by reason of foreclosure of a mortgage covering a Dwelling Unit, such acquirer of title, his successors or assigns, shall not be liable for assessments by the Regime which became due prior to the acquisition of title by such acquirer, it being understood, however, that the above shall not be construed to prevent the Regime from filing and claiming liens for such assessments and enforcing same as provided by law, and that such assessment liens shall be subordinate to such mortgage.

NINETEENTH: That in a voluntary conveyance of a Dwelling Unit, the Grantee of the unit shall be jointly and severally liable with the Grantor for all unpaid assessments by the Regime against the latter for his share of the common expenses up until the time of the grant or conveyance without prejudice to the Grantees right to recover from the Grantor the amounts paid by the Grantee therefor. However, any such Grantee shall be entitled to a statement from the manager or Council of Co-Owners, as the case may be, setting forth the amount of the unpaid assessments against the Grantor due the Regime and such Grantees shall not be liable for, nor shall the Dwelling Unit conveyed be subject to a lien for, any unpaid assessments made by the Council of Co-Owners against the Grantor in excess of the amount therein set forth. . .

TWENTIETH: That the Board of Administration of the Regime or the Management Agent, or Manager, shall obtain and continue in effect blanket property insurance in form and amounts satisfactory to mortgagees holding first mortgages covering Dwelling Units, but without prejudice to the right of the co-owners to obtain additional individual Dwelling Unit insurance.

TWENTY-FIRST: That insurance premiums for blanket insurance coverage of the Property shall be a common expense to be paid by periodic assessments levied by the Regime and that such payments shall be held in a separate escrow account of the Regime and used solely for the payment of the Blanket Property Insurance premiums as such premiums become due.

IN WITNESS WHEREOF, the Grantor has caused these presents to be executed by the duly authorized officers the day and year first above written.

Signed, sealed and delivered  
in the presence of:

SEA PINES PLANTATION COMPANY

Mary Duncan

BY: Richard S. Woods (L.S.)

Kristine L. McClain

ATTEST: Richard Werth (L.S.)

STATE OF SOUTH CAROLINA )  
  )  
COUNTY OF BEAUFORT         )

P R O B A T E

PERSONALLY appeared before me Mary Duncan and made  
oath that she saw the within named Sea Pines Plantation Company by  
Richard S. Woods its Vice President and H. Richard Werth its Assistant  
Secretary sign and affix the corporate seal, and as its act and deed,  
deliver the within instrument dated the 17th day of October,  
1973, and that she with Kristine L. McClain witnessed the execution  
thereof.

Mary Duncan

SWORN TO before me this 17th  
day of October, 1973.

Kristine L. McClain  
Notary Public for South Carolina  
My Commission Expires: 4/10/83