

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

791

LIGHTHOUSE BEACH COMPANY)
)
TO) MASTER DEED
) HORIZONTAL PROPERTY REGIME
SOUTH BEACH VILLAGE PORT VILLAS)
HORIZONTAL PROPERTY REGIME NO. LII)

At Hilton Head Island, County of Beaufort, and State of South Carolina, on this 28 day of November, 1972. Lighthouse Beach Company, a limited partnership organized and existing under the laws of the State of South Carolina, whose principal office is situated on Hilton Head Island, State of South Carolina, hereinafter referred to as Grantor, does hereby declare through Sea Pines Management Company, a duly authorized general partner of Grantor, with consent of The Prospect Company:

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 parcel or block of land in Sea Pines Plantation shown and designated as recorded on plat thereof in the Office of the Clerk of Court for Beaufort County, South Carolina, in Plat Book 20 at Page 121, and being more particularly described as follows:

COMMENCING at the intersection of grid coordinates 11,400.00 and 5800.00 South Beach Grid Coordinate System Sea Pines Plantation, thence N. 45° 51' E. a distance of 42.69 feet to the point of beginning; thence N. 42° 07' W. a distance of 52.12 feet to the point of curvature of a curve to the left, said angle of intersection being 25° 32' and radius 152.35 feet; thence along the arc of the curve a distance of 67.89 feet to the point of curvature of a curve to the right, said curve's angle of intersection being 56° 39' and a radius 34.94 feet; thence along the arc of the curve a distance of 34.55 feet to the point of tangency of said curve; thence N. 11° W. a distance of 11.82 feet to the point of curvature of a curve to the left, said curve's angle of intersection being 25° 47' and radius 87.54 feet; thence along the arc of the curve a distance of 39.39 feet to the point of tangency; thence N. 36° 47' W. a distance of 116.25 feet to the point of curvature of a curve to the right, said curve's angle of intersection being 25° 33' and radius 58.88 feet; thence along the arc of the curve a distance of 26.26 feet to the point of tangency of the curve; thence N. 46° 40' E. a distance of 110.68 feet to a point on a bulkhead; thence S. 43° 20' E. along the bulkhead a distance of 44.53 feet to a point; thence S. 24° 20' E. along the bulkhead a distance of 160.62 feet to a point; thence S. 44° 09' E. along the bulkhead a distance of 91.26 feet to a point; thence S. 73° 39' E. along the bulkhead a distance of 68.93 feet to a point; thence S. 44° 09' E. along the bulkhead a distance of 48.91 feet to a point; thence S. 45° 51' W. along a line 60.00 feet south of and parallel with grid line 5800 a distance of 80.00 feet to a point; thence N. 44° 09' W. along a line east of and parallel with grid line 11,400 a distance of 20.00 feet to a point; thence S. 45° 51' W. along a line 40.00 feet south of and parallel with grid line 5800 a distance of 57.70 feet to the point of curvature of a curve to the left, said curve's angle of intersection being 27° 50' and radius 86.65 feet; thence along the arc of the curve a distance of 42.09 feet to the point of tangency of the curve, which point is also the point of beginning.

SECOND: That Grantor (intending to create a horizontal property regime that shall be known as South Beach Village Port Villas Horizontal Property Regime LII, 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 are 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 architect duly authorized and licensed to practice in the State of South Carolina, on the 4th day of October, 1972, and which are made a part hereof.

THIRD: That the Property includes two (2) buildings containing a total of eleven (11) individual dwelling units (hereinafter referred to as "Dwelling Units") and shown on the plans identified as Exhibit "B" hereinbefore mentioned, 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 (either general or limited) 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 0.97 acres of which 10,434.72 square feet will constitute Dwelling Units, and 26,365.44 square feet will constitute common elements.

FIFTH: That the Dwelling Units and common elements of the Property will be as follows:

1. Dwelling Units: In Building Number One (1) there are six (6) Dwelling Units; two (2) "A" Type Dwelling Units, two (2) "AL" Type Dwelling Units and two (2) "C" Type Dwelling Units, numbered consecutively A-1597, C-1598, AL-1599, C-1600, AL-1601, and A-1602, and hereinafter usually referred to as Dwelling Units A-1597, C-1598, AL-1599, C-1600, AL-1601 and A-1602.

In Building Number Two (2) there are five (5) Dwelling Units; two (2) "A" Type Dwelling Units, one (1) "AL" Type Dwelling Unit, and two (2) "C" Type Dwelling Units, numbered consecutively A-1603, C-1604, AL-1605, C-1606 and A-1607 and hereinafter usually referred to as Dwelling Units A-1603, C-1604, AL-1605, C-1606 and A-1607.

Heating and air conditioning equipment in each Dwelling Unit is by General Electric or equal.

The Dwelling Units are described hereinbelow. The Dwelling Units include (a) 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; (b) all interior dividing walls and partitions (including the space occupied by such walls or partitions) excepting those interior walls and partitions shown on the Plans of the Property (attached hereto and identified as Exhibit "B") as enclosing the common-pipe chases; and (c) the decorated inner surfaces of said perimeter and interior walls (including the decorated inner surfaces of all interior load bearing walls and enclosing the common-pipe chases) and floors, ceilings, consisting (as the case may be) of wallpaper, paint, plaster, carpeting, tiles and all other furnishing 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, constituting a part of the overall systems designed for the service of any particular Dwelling Unit or building, nor any structural members or portions of any Dwelling Unit or 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 part of any Dwelling Unit.

(a) Port Villa Type AL: All one bedroom Villas measure 30.0 feet wide and 28.33 feet deep in their maximum interior dimensions and contain a net interior area of 1033.8 square feet.

A recessed entry of 20.9 square feet provides access to a foyer of 34.5 square feet containing a coat closet of 6 square feet and provides access to a kitchen of 85.5 square feet, a centrally located stair of 54.2 square feet and opposite the kitchen the foyer opens into a hall of 23.3 square feet containing an owner's closet of 4 square feet.

The hall opens into a bedroom of 133.3 square feet located to the front of the Villa and containing a closet of 15.3 square feet. A three (3) fixture private bath of 50 square feet located adjacent to the entry opens into both the bedroom and the hall.

Adjacent to the stair, as referenced above, the hall discharges into a living room of 203.3 square feet located to the rear of the Villa and providing access past a storage closet of 21 square feet located under the platform of the stair to a dining room of 102.9 square feet. The dining room opens onto a porch of 98.7 square feet overlooking the rear common area and into the aforementioned kitchen.

The kitchen which contains a pantry of 4.5 square feet is equipped with a single bowl sink with garbage disposal, a dishwasher, electric range and refrigerator-freezer. Access is gained from the kitchen to a laundry room of 33 square feet located to the front of the Villa and containing a washer and electric dryer.

The stair, as referenced above, leads from the first floor foyer to a second floor of 177.3 square feet (referred to as "Loft" on the Architectural Plans) which overlooks the living room and contains a closet of 12.6 square feet, a linen closet of 4.6 square feet and access to a three (3) fixture private bath of 45.8 square feet. The second floor opens onto a balcony of 19.5 square feet overlooking the front common area.

All one bedroom Villas shall be provided with such heating, cooling and water heating equipment as shown on the Plans of the Property (attached hereto and identified as Exhibit B).

(b) Port Villa Type A: All two bedroom Villas measure 31.66 feet wide and between 20.66 feet and 33.0 feet deep in their maximum interior dimensions and contain a net interior area of 1182.5 square feet.

A private entry court of 94.6 square feet contains a storage closet of 29.2 square feet and provides access to a foyer of 26.6 square feet containing a coat closet of 6.6 square feet and a two (2) fixture half bath of 23.9 square feet. Past a stair of 54.8 square feet, located opposite the half bath, the foyer opens into a living room of 217 square feet.

The living room, located to the rear of the Port Villa, opens onto a balcony of 45 square feet overlooking the side common space and opposite same past the above mentioned half bath into a dining room of 161.8 square feet providing access onto a porch of 163.7 square feet overlooking the rear common space and containing direct access into the living room. Opposite the porch, the dining room opens into a kitchen of 97.9 square feet located to the front of the Port Villa.

The kitchen which is equipped with a single bowl sink with garbage disposal, a dishwasher, electric range and refrigerator-freezer contains access to a laundry alcove of 23.3 square feet equipped with a washer and electric dryer and provides access to a mechanical equipment closet of 18.6 square feet.

The stair, as referenced above, with a storage closet of 21 square feet located under the platform of same and opening into the living room leads from the first floor foyer to a second floor hall of 51.9 square feet overlooking the living room and containing an owner's closet of 6.6 square feet while providing access to two (2) bedrooms.

One bedroom of 138.6 square feet containing a closet 11.3 square feet overlooks the front common space and is provided with a three (3) fixture private bath of 36 square feet. The second bedroom of 199.5 square feet containing two (2) closets of 8.6 square feet each overlooks the rear common space from a balcony of 18.5 square feet and said bedroom is provided with a three (3) fixture private bath of 45.8 square feet containing a linen closet of 2.6 square feet.

All two bedroom Villas shall be provided with such heating, cooling and water heating equipment as shown on the Plans of the Property (attached hereto and identified as Exhibit B).

(c) Port Villa Type C: All three bedroom Villas measure 38.66 feet wide and between 34.5 feet and 37.5 feet deep in their maximum interior dimensions and contain a net interior area of 1498.5 square feet.

A recessed entry of 15.7 square feet with access to a mechanical equipment closet of 17 square feet opens into a foyer of 70.7 square feet containing a coat closet of 7.5 square feet and an owner's closet of 5.5 square feet which is located under a portion of a stair of 55.9 square feet. To one side, and adjacent to the stair, the foyer opens into a hall of 10 square feet containing a linen closet of 4 square feet and provides access to both a three (3) fixture private bath of 38.3 square feet and to a bedroom of 139 square feet located overlooking the front common space and containing a closet of 15.3 square feet.

Opposite the aforementioned stair, the foyer opens into a living room of 270.7 square feet having access to both a porch of 157.2 square feet overlooking the rear common space and a dining room of 148 square feet located adjacent to said porch. The dining room is provided with access to a kitchen of 127.2 square feet which is equipped with a single bowl sink with garbage disposal, a dishwasher, electric range and refrigerator-freezer and contains access through a laundry room of 29.1 square feet, equipped with a washer and electric dryer, to a pantry of 24 square feet located to the front of the Villa. The kitchen is also provided with direct access to the foyer.

From the first floor foyer, the aforementioned stair leads to a second floor hall of 68 square feet overlooking the living room and providing access to two (2) bedrooms. One bedroom of 107 square feet overlooks the front common space and contains both a closet of 13 square feet and access to a three (3) fixture private bath of 40 square feet. The second bedroom of 195 square feet overlooks the rear common space from a balcony of 18.5 square feet and contains both a closet of 16 square feet and access to a three (3) fixture private bath of 40 square feet.

All three bedroom Villas shall be provided with such heating, cooling and water heating equipment as shown on the Plans of the Property (attached hereto and identified as Exhibit "B").

2. 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) Parking facilities located on the Property, which parking facilities consist of approximately 2400.00 square feet, and are shown in the Plat of the Property attached hereto and identified as Exhibit "A".

(3) All roads, walkways, paths, trees, shrubs, yards, gardens, etc., located on the Property.

(4) All other elements of the Property constructed or to be constructed on the Property, rationally of common use or necessary 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 areas, and the fences screening the service areas are limited common elements, respectively.

SIXTH:

1. That the title and interest of each co-owner of a Dwelling Unit in the common elements listed in Sub-paragraph 2 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 usually referred to as "Council") of the Regime is based on the proportionate value of each Dwelling Unit to the total value of the Property as follows:

(a) Dwelling Units AL-1599, AL-1601 and AL-1605 -- 7.68 per cent each based on a value of \$67,000.00 for each of said Dwelling Units and a total value of \$871,000.00 for the Property.

(2) Dwelling Units A-1597, A-1602, A-1603 and A-1607 --
8.62 per cent based on a value of \$75,000.00 for said Dwelling Units
and a total value of \$871,000.00 for the Property.

(3) Dwelling Units C-1598, C-1600, C-1604 and C-1606 --
10.62 per cent based on a value of \$92,500.00 for said Dwelling
Units and a total value of \$871,000.00 for the Property.

2. The proportionate representation for voting purposes provided in Sub-paragraph (1) hereof shall not be altered without the acquiescence of the co-owners representing all the 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 this Deed, and the By-Laws which are made a part hereof 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 Area by the Lighthouse Beach Company dated April 1, 1970, and recorded in the Office of the Clerk of Court for Beaufort County at Book 172 of Deeds, Page 316, and any applicable recorded additions thereto, the Regime By-Laws, decisions and 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 176 of Deeds, at Page 203, 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-owners 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 Grantee's 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 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 of its general partner SEA PINES MANAGEMENT COMPANY, with the consent of THE PROSPECT COMPANY, the day and year first above written.

Signed, sealed and delivered in the presence of:

[Signature]
[Signature]

LIGHTHOUSE BEACH COMPANY
By: Sea Pines Management Company
General Partner

By: [Signature] (L.S.)
Attest: [Signature]

Signed, sealed and delivered in the presence of:

[Signature]
[Signature]
(P. H. Cassner)
(D. J. Sadlak)

THE PROSPECT COMPANY
General Partner
By: [Signature] (L.S.)
(J. Thomas Montgomery) Vice President
Attest: [Signature] (L.S.)
(R. L. Buzard) Assistant Secretary

CONNECTICUT)
STATE OF ~~SOUTH CAROLINA~~)
Hartford) PROBATE
COUNTY OF ~~DARKE~~)

PERSONALLY appeared before me P. H. Csaszar
and made oath that she saw the within named THE PROSPECT COMPANY,
a General Partner of Lighthouse Beach Company, by its ^{Vice} President
and ^{Assistant} Secretary, sign, affix the corporate seal, and as its Act and
Deed, acquiesce in the execution and delivery of the within written
instrument, and that she with D. J. Sadlak
witnessed the execution of said document.

SWORN to before me this 28th
day of November, 1972.

Timothy F. O'Connor

P. H. Csaszar

(P. H. Csaszar)

(Timothy F. O'Connor) (Seal)
Notary Public for ~~South Carolina~~ Connecticut
My commission expires March 31, 1977.

STATE OF SOUTH CAROLINA)
) P R O B A T E
COUNTY OF BEAUFORT)

PERSONALLY appeared before me Kristine L. McClain
and made oath that she saw the within named SEA PINES MANAGEMENT
COMPANY, a General Partner of Lighthouse Beach Company, by its
Vice President and Assistant Secretary, sign, affix the corporate
seal, and as its Act and Deed, acquiesce in the execution and
delivery of the within written instrument, and that she with
Rebecca Colborn witnessed the execution of said
document.

SWORN to before me this 1
day of June, 1972.

Kristine L. McClain

Rebecca E. Colborn (SEAL)
Notary Public for South Carolina
My Commission expires 7/10/82.

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

SUBSCRIPTION AND PURCHASE AGREEMENT

HORIZONTAL PROPERTY REGIME LII

APPLICATION NUMBER: _____

DWELLING UNIT NUMBER: _____

DATE: _____

WHEREAS, Lighthouse Beach Company (hereinafter called the "Company") is constructing a recreation-oriented village known as South Beach located at Sea Pines Plantation, Hilton Head Island, South Carolina, which village will be built over a period of several years;

WHEREAS, the Company has constructed as a part of the village a multi-family housing project known as South Beach Village Port Villas (hereinafter called the "Property");

WHEREAS, the Company proposes to submit the Property to a Horizontal Property Regime to be known as South Beach Village Port Villas Horizontal Property Regime LII (hereinafter called the "Regime") in accordance with the Horizontal Property Act of South Carolina;

WHEREAS, it will be necessary to establish the Regime for the operation of maintenance of the common elements of the Property;

WHEREAS, _____

_____ (herein-
after called the "Subscriber") desires to purchase the above-
mentioned Dwelling Unit in the Property together with the _____
percentage undivided interest in the common elements appertaining
thereto (hereinafter collectively called the Dwelling Unit) and to
subscribe to the Regime;

IN CONSIDERATION OF the premises, the mutual promises of
other buyers, and other good and valuable considerations, it is
agreed as follows:

1. The Subscriber hereby subscribes for participation in the
Regime and hereby agrees to purchase the Dwelling Unit subject to the
terms and conditions of this Agreement, for a purchase price of
\$ _____ payable as follows:

- \$ _____ In hand paid;
- \$ _____ Upon signing this Agreement;
- \$ _____ Within _____ days after the
date of this Agreement;
- \$ _____ Within _____ days after the
date of this Agreement;
- \$ _____ Within _____ days after the
date of this Agreement;

and the balance upon conveyance of title as provided in
Paragraph Seven (7) below. In addition, the Subscriber
shall, upon the conveyance of title, pay such closing costs

as are customarily paid by a purchaser of residential real estate in Beaufort County, South Carolina. Taxes, assessments and insurance shall be adjusted as of the date of closing.

2. The Regime will be established for the purpose of operating and maintaining the common elements of the Property. Each owner of a Dwelling Unit in the Property will be a co-owner of the Regime and will be subject to the Regime By-Laws, and regulations thereof. As set forth in the Plan of Dwelling Unit Ownership in the Regime By-Laws, the vote of each co-owner will be based on the ratio of the value of the Dwelling Unit(s) he owns in the Property to the total value of all the Dwelling Units comprising the Property. The affairs of the Regime will be conducted by a Board of Administration as provided in the Regime By-Laws.

3. It is expressly understood and agreed by the Subscriber that the Dwelling Unit shall be conveyed subject to, and the Subscriber hereby subscribes to:

(a) The general easements, equitable restrictions, limitations on use, and affirmative obligation maintenance charges, applicable to the properties of Lighthouse Beach Company, and any applicable restrictions, all as specified 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, and recorded in Deed Book 150 at Page 41 in the Office of the Clerk of Court for Beaufort County, South Carolina, (hereinafter collectively called the "Lighthouse Beach Covenants");

(b) The general easements, equitable restrictions, limitations on use, and affirmative obligations to pay maintenance charges, applicable to all Class "B" Multi-Family Residence Areas, and any applicable special restrictions, all as specified in covenants, restrictions, and affirmative obligations dated _____, 19____, declared by Lighthouse Beach Company and recorded in the Deed Book _____ at Page _____ in South Carolina, (hereinafter called the "Class 'B' Multi-Family Covenants");

(c) The general easements, equitable restrictions, limitations on use, and affirmative obligations to pay assessments, applicable to South Beach Village and to the Sea Pines South Beach Owners Association, Inc., as specified in covenants, restrictions and affirmative obligations dated _____, 19____, declared by Lighthouse Beach Company and recorded in Deed Book _____ at Page _____ in the Office of the Clerk of Court for Beaufort County, South Carolina, (hereinafter called the "Owners Association Covenants");

(d) The By-Laws of the Sea Pines South Beach Owners Association, Inc., (hereinafter referred to as the "Owners Association By-Laws");

(e) The proposed master deed creating the Regime (hereinafter called the "Master Deed"); and

(f) The proposed by-laws governing the co-owners of the Regime (hereinafter called the Regime By-Laws").

A copy of all covenants mentioned above (hereinafter collectively called the "Covenants"), the Master Deed, and the Regime By-Laws, is attached to and made a part of this Agreement, and receipt thereof is hereby acknowledged by the Subscriber. The

Subscriber hereby agrees to the Covenants both as a matter of contractual law and of real property law.

4. The specific dollar amounts of the affirmative obligations in the Covenants, the Master Deed, and the Regime By-Laws, to paymaintenance charges and assessments are as follows:

(a) \$80.00 per year per dwelling unit for general maintenance of Sea Pines Plantation and other purposes, as provided in the Class "B" Multi-Family Covenants. This payment is subject to an automatic annual percentage increase beginning January 1, 1973, equal to the percentage of yearly increase in the Consumer Price Index, or at the option of the Company, an increase of up to five (5) per cent per year;

(b) \$ _____ per year per Dwelling Unit for a blanket insurance policy covering the Property and for maintenance of the common elements of the Regime as provided in the Master Deed and the Regime By-Laws. The amount of this payment is subject to change by vote of the co-owners of the Regime at a duly held meeting thereof;

(c) \$20.00 per year per dwelling unit for a security patrol in Sea Pines Plantation, as provided in the Class "B" Multi-Family Covenants. This payment is subject to an automatic annual percentage increase beginning January 1, 1973, equal to the percentage increase in the Consumer Price Index, or at the option of the Company, an increase of up to five per cent (5%) per year.

(d) \$5.00 per lot or dwelling unit per month for the improvement, maintenance, and operation of the Common Properties of Sea Pines South Beach Owners Association, Inc., as provided in the Owners Association Covenants. This payment is subject to an annual percentage increase beginning January 1, 1973, of five per cent (5%) per year of a greater or lesser amount upon a three-fourths (3/4) vote at a duly called meeting of the members of the Sea Pines South Beach Owners Association, Inc.

5. By owning the Dwelling Unit, the Subscriber shall also be liable for the payment of periodic assessments and service charges levied by public authorities, including, but not limited to, water and sewer front-footage assessments and service charges levied by the Sea Pines Public Service District.

6. As provided in the Class "B" Multi-Family Covenants, the Dwelling Unit shall also be conveyed subject to, and the Subscriber hereby agrees to, the following:

(a) A 30-day repurchase option, exercisable by the Company in the event the Subscriber ever desires to sell the Dwelling Unit;

(b) A 60-day exclusive real estate listing agreement, providing that the Company shall be the exclusive sales agent of the Subscriber for a period of 60 days, in the event the Subscriber ever desires to sell the Dwelling Unit; and

(c) A payment to the Company for the advertising and public relations program of the Company with regard to rental of villas, of five per cent (5%) of gross rentals for the months of March, April, June, July, and August, and ten per cent (10%) of gross rentals for any other months, paid to the Subscriber by any tenant or sub-tenant of the Subscriber, in the event the Subscriber ever rents or leases the Dwelling Unit for periods of less than twelve (12) months.

7. In consideration of this subscription, the Company agrees to convey to the Subscriber good and marketable title to the Dwelling Unit and the Subscriber agrees to purchase the Dwelling Unit from the Company, subject to this Agreement, the Plat, the Covenants, the Master Deed and the Regime By-Laws, within a reasonable period not to exceed thirty (30) days after the Company has notified the Subscriber that it is prepared to tender title and possession of the Dwelling Unit to the Subscriber for an amount equal to the purchase price. It is contemplated that the balance of the purchase price will be financed with a mortgage loan made by the lender, and will be secured by an individual mortgage on the Dwelling Unit. The Subscriber may, however, pay the balance in cash or may elect to finance the balance independently.

8. In order to prevent confusion in the condominium structure, the Master Deed dedicating the Property to a horizontal property regime is not filed with the Clerk of Court until the total project is completed. Title to individual Dwelling Units is controlled by the Master Deed and cannot be executed and delivered to the purchasers until the Master Deed has been filed for record; however, if the Subscriber's Dwelling Unit is completed prior to his acquisition of title and he wishes to occupy the Dwelling Unit, he hereby agrees to pay to the Company the sum of \$15.00 per day until the date of his acquisition of title.

9. This Agreement and all rights under it are and at all times, except where the Subscriber has elected to pay cash, shall be subject and subordinate to the lien of the mortgage to his mortgagee, and to any and all modifications, extensions and renewals thereof, and to any mortgage or deed of trust made in place thereof, provided that the proceeds of such mortgage are utilized to pay the Company any sums due the Company under this Agreement.

10. In the event the Subscriber shall have died prior to his acquisition of title to the Dwelling Unit, the Company reserves the right to return to the Subscriber's estate or legal representative the sums paid by the Subscriber hereunder and thereupon all rights of the Subscriber shall cease and terminate without further liability on the part of the Company.

11. If the Subscriber shall default in any of the payments or obligations called for in this Agreement, and such default shall continue for fifteen (15) days after notice sent by registered mail by the Company to the Subscriber at the address given below, the Subscriber shall at the option of the Company lose any and all rights under this Agreement, and any amount paid toward the purchase price may be retained by the Company as liquidated damages, or may at the option of the Company be returned to the Subscriber less the Subscriber's proportionate share of expenses to be determined by the Company.

12. The Company may, at its option, release the Subscriber under this Agreement in the event the Subscriber shall first secure another subscriber who is satisfactory to the Company and to the lender.

13. This Agreement supersedes any and all understandings and agreements between the parties and constitutes the sole and entire agreement between the parties. No oral statements or representations whatsoever shall be considered a part hereof.

14. This Agreement is binding upon the heirs, personal representatives, successors and assigns of the parties.

15. This Agreement shall be executed in duplicate originals. One such executed original shall be retained by the Subscriber and the other such executed original shall be returned to the Company. The Subscriber hereby acknowledges receipt of his copy of the duplicate original.

16. Attached to this Agreement as Exhibit "A" is a listing of the various Dwelling Units in the Property, showing types, cash down payment requirements, and estimated monthly mortgage payments (including principal and interest) and which will be applicable in the event financing is provided, secured by individual mortgages to the lender.

Signed by Subscriber this _____ day of _____
19____.

IN THE PRESENCE OF:

Subscriber

Subscriber

TITLE TO BE IN THE NAME OF: ADDRESS: _____

TELEPHONE: _____

Signed by Company this _____ day of _____,
19____.

IN THE PRESENCE OF:

LIGHTHOUSE BEACH COMPANY

BY: _____
Authorized Agent

STATE OF SOUTH CAROLINA

COUNTY OF BEAUFORT

LIGHTHOUSE BEACH COMPANY

TO

SOUTH BEACH VILLAGE PORT VILLAS
HORIZONTAL PROPERTY REGIME NO. LII

MASTER DEED
HORIZONTAL PROPERTY REGIME

At Hilton Head Island, County of Beaufort, and State of South Carolina, on this _____ day of _____, 19____, Lighthouse Beach Company, a limited partnership organized and existing under the laws of the State of South Carolina, whose principal office is situated on Hilton Head Island, State of South Carolina, hereinafter referred to as Grantor, does hereby declare through Sea Pines Management Company, a duly authorized general partner of Grantor, with consent of The Prospect Company:

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 parcel or block of land in Sea Pines Plantation shown and designated as recorded on plat thereof in the Office of the Clerk of Court for Beaufort County, South Carolina, in Plat Book 20 at Page 121, and being more particularly described as follows:

COMMENCING at the intersection of grid coordinates 11,400.00 and 5800.00 South Beach Grid Coordinate System Sea Pines Plantation, thence N. 45° 51' E. a distance of 42.69 feet to the point of beginning; thence N. 42° 07' W. a distance of 52.12 feet to the point of curvature of a curve to the left, said angle of intersection being 25° 32' and radius 152.35 feet; thence along the arc of the curve a distance of 67.89 feet to the point of curvature of a curve to the right, said curve's angle of intersection being 56° 39' and a radius 34.94 feet; thence along the arc of the curve a distance of 34.55 feet to the point of tangency of said curve; thence N. 11° W. a distance of 11.82 feet to the point of curvature of a curve to the left, said curve's angle of intersection being 25° 47' and radius 87.54 feet; thence along the arc of the curve a distance of 39.39 feet to the point of tangency; thence N. 36° 47' W. a distance of 116.25 feet to the point of curvature of a curve to the right, said curve's angle of intersection being 25° 33' and radius 58.88 feet; thence along the arc of the curve a distance of 26.26 feet to the point of tangency of the curve; thence N. 46° 40' E. a distance of 110.68 feet to a point on a bulkhead; thence S. 43° 20' E. along the bulkhead a distance of 44.53 feet to a point; thence S. 24° 20' E. along the bulkhead a distance of 160.62 feet to a point; thence S. 44° 09' E. along the bulkhead a distance of 91.26 feet to a point; thence S. 73° 39' E. along the bulkhead a distance of 68.93 feet to a point; thence S. 44° 09' E. along the bulkhead a distance of 48.91 feet to a point; thence S. 45° 51' W. along a line 60.00 feet south of and parallel with grid line 5800 a distance of 80.00 feet to a point; thence N. 44° 09' W. along a line east of and parallel with grid line 11,400 a distance of 20.00 feet to a point; thence S. 45° 51' W. along a line 40.00 feet south of and parallel with grid line 5800 a distance of 57.70 feet to the point of curvature of a curve to the left, said curve's angle of intersection being 27° 50' and radius 86.65 feet; thence along the arc of the curve a distance of 42.09 feet to the point of tangency of the curve, which point is also the point of beginning.

EXHIBIT A

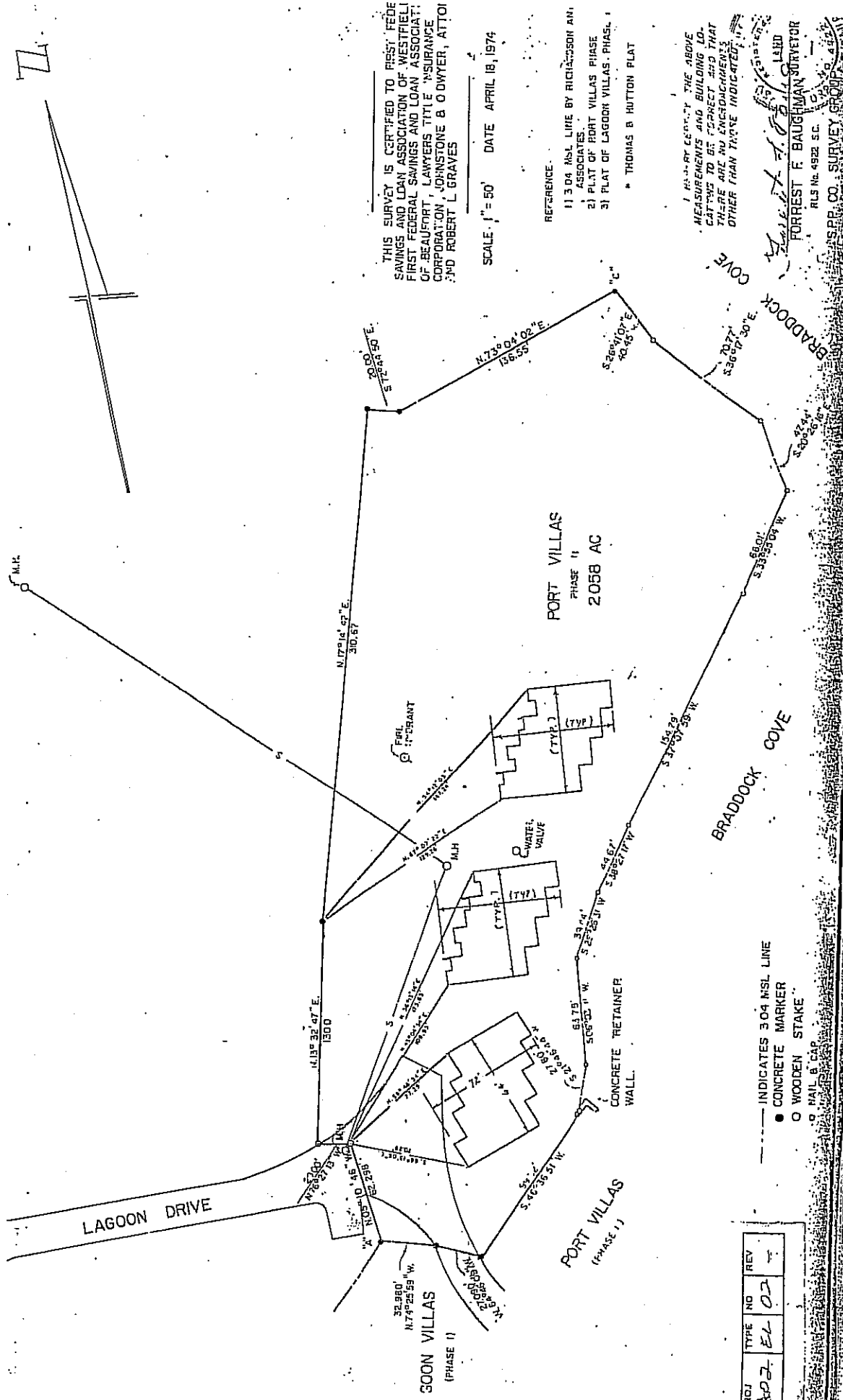
LEGAL DESCRIPTION

ALL that certain piece, parcel or tract of land situate, lying and being in Sea Pines Plantation, Hilton Head Island, Beaufort County, South Carolina, as shown on a plat entitled, "A Plat of As-Built of Port Villas (Phase II), A Section of Sea Pines Plantation", prepared by Coastal Surveying Company, Inc., and signed by Richard L. Stroman, R.L.S. #5496, said plat being dated December 19, 1974, last revised on March 31, 1975, and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Plat Book 23 at Page 150, and more fully described as follows:

COMMENCING at the point of intersection of the generally eastern right-of-way of South Sea Pines Drive and the generally southern right-of-way of Lagoon Drive' thence S85°15'54"E, a distance of 190' to a point; thence S40°52'43"E, a distance of 58.71' to a POINT OF BEGINNING of the within described property.

From the said POINT OF BEGINNING NOS 10'46"W, a distance of 62.30' to a point; thence N76°27'13" W, a distance of 20' to a point; thence N13°32'47"E, a distance of 130.00' to a point; thence N17°14'42"E, a distance of 310.67' to a point; thence S72°44'50"E, a distance of 20' to a point; thence N73°04'02"E, a distance of 136.55' to a point; thence S26°41'07"E, a distance of 40.45' to a point; thence S36°17'30"E, a distance of 70.77' to a point; thence S20°26'16"E, a distance of 47.44' to a point; thence S33°55'04"W, a distance of 68.01' to a point; thence S37°07'59"W, a distance of 154.79' to a point; thence W38°27'17"W, a distance of 44.67' to a point; thence S29°26'31"W, a distance of 39.44' to a point; thence S06°03'11"W, a distance of 63.78' to a point; thence S21°46'44"W, a distance of 27.80' to a point; thence S46°36'51"W, a distance of 99.02' to a point; thence N64°46'09"W, a distance of 27.09' to a point; thence N74°25'59"W, a distance of 32.98' to the said POINT OF BEGINNING.

Also, the fixed and floating dock as shown on and adjacent to the within described property on the said plat of record. For more detailed information, reference to said plat of record is craved.



THIS SURVEY IS CERTIFIED TO FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF WESTFIELD OF BEAUFORT, LAWYERS TITLE INSURANCE CORPORATION, JOHNSTONE & O'DWYER, ATTORNEY AND ROBERT L. GRAVES

SCALE: 1" = 50' DATE APRIL 18, 1974

REFERENCE:

- 1) 3.04 ABL LINE BY RICHARDSON AND ASSOCIATES.
- 2) PLAT OF PORT VILLAS PHASE
- 3) PLAT OF LAGOON VILLAS, PHASE I

THOMAS B. HUTTON PLAT

I HEREBY CERTIFY THE ABOVE MEASUREMENTS AND BUILDING LOCATIONS TO BE CORRECT AND THAT THERE ARE NO ENCROACHMENTS OTHER THAN THOSE INDICATED.

FORREST F. BAUGHMAN SURVEYOR
 RLS No. 4922 S.C.

BRADDOCK COVE

BRADDOCK COVE

PORT VILLAS
 PHASE II
 2058 AC

LAGOON DRIVE

SOON VILLAS
 (PHASE I)

PORT VILLAS
 (PHASE I)

- INDICATES 3.04 MSL LINE
- CONCRETE MARKER
- WOODEN STAKE
- MAIL BOX
- CAP

REV	NO	TYPE	DATE
1	02	EL	AP 27

BRADDOCK COVE

BRADDOCK COVE

BRADDOCK COVE

BRADDOCK COVE

BRADDOCK COVE

BRADDOCK COVE