

DB 266/482

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

NICOLE BUILDING CORPORATION)
)
TO)
)
INVERNESS VILLAGE)
HORIZONTAL PROPERTY REGIME I)

MASTER DEED

HORIZONTAL PROPERTY REGIME

At Hilton Head Island, County of Beaufort, State of South Carolina, on this 3rd day of July, in the year of our Lord One Thousand Nine Hundred and Seventy-Eight, Nicole Building Corporation, a South Carolina corporation, with its principal place of business on Hilton Head Island, Beaufort County, South Carolina, hereinafter referred to as "Sponsor"; does hereby declare:

FOREWORD:

Section 1. General. The purpose of this Master Deed is to establish, pursuant to the Horizontal Property Act of the State of South Carolina, a four (4) phased horizontal property regime to be known as Inverness Village Horizontal Property Regime I. The land and improvements to be submitted to the provisions of the Horizontal Property Act and to the terms of this Master Deed are described in their totality herein. Sponsor, by filing of record this Master Deed, publishes and declares that the condominium Property shall be owned, occupied, used, conveyed, encumbered, leased, and improved by phases in accordance with the provisions of the Horizontal Property Act of the State of South Carolina, and in accordance with the covenants, restrictions, encumbrances, and obligations set forth or incorporated by reference in this Master Deed, all of which shall be deemed to be covenants and obligations running with the land.

Section 2. General Description of Plan of Development. Sponsor intends to develop the property hereafter described as a four (4) phased condominium regime. The maximum number of units in Phase I shall be eleven (11) units, the maximum number of units in Phase II shall be twenty-three (23) units, the maximum number of units in Phase III shall be twenty-six (26) units, and the maximum number of units in Phase IV shall be thirty-two (32) units, all as identified and described herein. The units in Phase I have been completed and are herewith being submitted to condominium ownership by the recording of this Master Deed. Sponsor hereby reserves the right in its sole discretion whether or not to elect to develop and to submit to condominium ownership, as provided in Paragraph NINTH, any, all, or portions of Phases II, III or IV, in any order it so desires, and further reserves the right to determine in its sole discretion to develop and

Beaufort County Tax Map Reference
Map 2216 Parcels 330 Block Dist. 066

submit any other phase(s) or portion thereof to condominium ownership without regard to the development and submission of any other phase(s) or portion thereof should it, the Sponsor, so decide. A general description of the nature and proposed use of all common elements which the Grantor is constructing appears in other portions of this document and on the recorded Plat identified in Exhibit "B" of this Master Deed. Any such common elements associated with or constructed solely with Phases I, II, III, and/or IV will not substantially increase the proportionate amount of the common expenses payable by existing unit owners and are considered of a minor, incidental nature. A chart showing the percentage interest in the common elements of each original unit owner at each stage of development, if the Sponsor herein submitting the property to condominium ownership elects to proceed with any or all said phases, is attached hereto as Exhibit "G". Sponsor further reserves the sole right to itself, its successors and assigns, to change or modify the type, order, number, value, and proportionate interest of each Apartment set forth herein and in Exhibit "G", upon execution by it of amendments to this Master Deed which shall be filed for record in the Office of the Clerk of Court for Beaufort County, South Carolina.

Section 3. Rights and Obligations. Sponsor hereby acknowledges its obligation to submit the within described Phase I property to condominium ownership and hereby reserves its right to elect to proceed with any, all, or portions of Phases II, III, and IV as required and/or permitted herein. The apartment owners of Phase I and any additional Phases dedicated to the Regime by Sponsor as provided herein shall have the full legal rights and be obligated as allowed or required by South Carolina law. The Owners by purchasing and accepting a unit of the property hereby acknowledge that further phase construction and dedication by Sponsor shall diminish the percentage of ownership in the common property as described and provided herein and in other applicable portions of this Master Deed. The Sponsor shall add any, all, or portions of Phases II, III, and IV to the provisions hereof by filing of record an appropriate document signed by the Sponsor and referencing this Master Deed. Upon the proper recordation thereof, the added Phase(s) shall become an integral portion hereof as provided by the laws of this State and by this document.

FIRST:

That Sponsor is the sole owner of the land described in Exhibit "A" herein which is more particularly shown on the plat thereof, said plat being designated as Exhibit "B" and being attached hereto and made a part hereof and being recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Plat Book 27 at Page 8.

SECOND:

That Sponsor does hereby, by duly executing the Master Deed, submit the land referred to in Paragraph FIRST, together with the buildings and improvements erected thereon, and all easements, rights

and appurtenances belonging thereto (hereinafter referred to as the "Property") to the provisions of the Horizontal Property Act of South Carolina, and does hereby state that it proposes to create and does hereby create, with respect to the Property, a Horizontal Property Regime in four (4) proposed phases that shall be known as the Inverness Village Horizontal Property Regime I to be governed by and subject to the provisions of this Master Deed and the provisions of the Horizontal Property Act of South Carolina.

THIRD:

That the improvements constructed on and forming a part of the Phase I Property are constructed in accordance with the plot plan and floor plans identified as Exhibit "C" hereto and made a part hereof which plans are certified to by Lee and Architects, registered architects duly licensed to practice in the State of South Carolina, and to which plans is attached a certificate by said architects that the building constructed on the Property was constructed in accordance with said plans.

FOURTH:

That the Property includes four (4) buildings containing eleven (11) individual dwelling units (hereinafter referred to as "Apartments") all of which are to be used for residential purposes. The Apartments are capable of individual utilization on account of having their own exits to the common elements of the Property, and a particular and exclusive property right thereto, and also undivided interest in the general and limited common elements of the Property, as hereinafter listed in this Master 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.

FIFTH:

That the property has a total of 2.4 acres of which 17,231.00 square feet will constitute apartments and 87,514.00 square feet will constitute common elements.

SIXTH:

That there are three (3) basic types of Apartments in Phase I of the Inverness Village Horizontal Property Regime I, those being a one-story, two bedroom, end unit, hereinafter referred to as Type A (End), a two-story, three bedroom, end unit, hereinafter referred to as Type B (End), and a two-story, three bedroom, interior unit, hereinafter referred to as Type B (Interior), these apartment types being more particularly described in Exhibit "D", attached hereto and made a part hereof. The Apartments in Phase I of the Property are as follows:

In Building A, there will be two (2) Type A (End) apartments and two (2) Type B (Interior) apartments, numbered consecutively A-1, A-2,

A-3, and A-4, hereinafter usually referred to as Apartments A-1, A-2, A-3, and A-4.

In Building B, there will be two (2) Type A (End) apartments, numbered consecutively, B-5, and B-6, hereinafter referred to as Apartments B-5 and B-6.

In Building C, there will be two (2) Type A (End) apartments and one (1) Type B (Interior) apartment, numbered consecutively, C-7, C-8, and C-9, hereinafter usually referred to as Apartments C-7, C-8, and C-9.

In Building D, there will be two (2) Type B (End) apartments, numbered consecutively D-10 and D-11, hereinafter usually referred to as Apartments D-10 and D-11.

SEVENTH:

That the Common Elements of the Property will be as follows:

A. The General Common Elements are as follows:

(1) The Property excluding the limited common elements and the Apartments, and including, but not limited to the land on which the Apartments are constructed, the foundations, roofs, perimeter walls, load-bearing interior walls and partitions, slabs, 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 8,500 square feet, and are shown on the plot plan of the Property attached hereto and identified as Exhibit "C".

(3) All roads, walkways, paths, trees, shrubs, yards, (except such as are designated as limited common elements) gardens, pools, etc.

(4) All installations outside of the Apartments for services such as power, light, telephone and water.

(5) All sewer and drainage pipes, excluding those which are property of the utility district or company.

(6) 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 plot plan attached hereto and identified as Exhibit "C") adjacent

to each Apartment and the fences screening the service area and front yards are limited common elements and are each restricted to the use of the Apartment adjacent to such limited common elements, respectively.

(2) All terraces, decks and balconies immediately adjacent to each Apartment or to which each Apartment has direct access from the interior thereof as shown on the floor plans and plot plans identified as Exhibit "C".

EIGHTH:

The Sponsor has constructed the Property described herein and further intends to complete construction of additional apartments on property contiguous to the Property which is the subject of this Master Deed. The additional property shall be referred to as Phases II, III, and IV, and are generally shown on the plat of said property attached hereto and identified as Exhibit "B" whereon they are labeled as Phases II, III and IV. The Phases II, III and IV property will become an integral part of Inverness Village Horizontal Property Regime I when appropriate amendments to this Master Deed have been filed as hereinafter provided. The proposed Phase II shall contain seven (7) buildings, containing twenty-three (23) individual apartments, the proposed Phase III shall contain seven (7) buildings, containing twenty-six (26) individual apartments, and the proposed Phase IV shall contain eight (8) buildings, containing thirty-two (32) individual apartments, all of which may be more generally described in Exhibit "E" attached hereto and made a part hereof. Each of said buildings and apartments shall be of similar design and constructed of similar basic materials as the original eleven (11) apartments covered initially by this Master Deed.

NOTE: Also see FOREWORD and Paragraphs NINTH and TENTH concerning modifications, changes, and discretion of Sponsor.

NINTH:

Sponsor hereby reserves unto itself, its successors and assigns, the option, to be exercised at its sole discretion, to submit any, all, or portions of Phases II, III, and IV property to the provisions of this Master Deed and thereby cause any, all, or portions of said Phases II, III, and IV property to become and be a part of Inverness Village Horizontal Property Regime I. This option may be exercised by Sponsor only upon execution by it of amendments to this Master Deed which shall be filed for record in the Office of the Clerk of Court for Beaufort County, South Carolina, not later than one year from the date hereof for Phase II, not later than two years from date for Phase III, and not later than three years from date hereof for Phase IV. Any such amendments shall expressly submit the subsequent Phases property to all of the provisions of this Master Deed and the By-Laws of the Inverness Village Horizontal Property Regime I, a copy of which is attached hereto as Exhibit "F" and made a part hereof, as either or both may be amended. Upon the exercise, if any, of these options, the provisions of this Master Deed and all exhibits hereto (or as they

may be modified by Sponsor) shall then be understood and construed as embracing Phase I property (the basic "Property" herein defined) and any, all, or portions of the Phases II, III, and IV property, together with all improvements then constructed. Should these options not be exercised within the terms specified, they shall then in all respects expire and be of no further force or effect. However, nothing herein shall prevent Sponsor, and Sponsor hereby reserves the right and option to itself, its successors and assigns, from election to construct any future Phase out of order and nothing herein shall prevent Sponsor from abandoning and electing not to construct any future phase(s) or portions thereof as described herein.

NOTE: Also see FOREWORD and Paragraphs EIGHTH and TENTH concerning modifications, changes, and discretions of Sponsor.

TENTH:

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 Apartments unanimously agree to such revocation, or amendment, or removal of the Property from the Horizontal Property Regime by duly recorded instrument; provided, however, that without the consent of the Apartment Owners, or mortgagees of all the mortgages covering the Apartment, the Sponsor, or its successors and assigns in title to any, all or portions of Phases II, III, and/or IV, may at any time prior to the dates provided above, amend this Master Deed in the manner set forth herein, in the FOREWORD, and in Paragraphs EIGHTH and NINTH so as to subject any, all, or portions of Phases II, III, and/or IV property to the provisions of this Master Deed and the Horizontal Property Act of South Carolina so as to make any, all, or portions of Phases II, III, and/or IV property an integral part of the Inverness Village Horizontal Property Regime I. Any such amendments shall contain all of the particulars required by the said Horizontal Property Act of South Carolina and from and after the recording of such amendment the Inverness Village Horizontal Property Regime I shall include any, all, or portions of Phases II, III, and/or IV. The Apartments in Phases II, III, and/or IV are generally described by type, design, and construction as set forth in Exhibit "E" herein and the designation of each such Apartment by type, value, and proportionate interest in the common elements is set forth in Exhibit "F" herein, except Sponsor hereby reserves the sole right to itself, its successors and assigns, to change or modify, as it deems necessary, the design, construction, type, order, number, value, and proportionate interest of each such Apartment set forth herein, in Exhibit "E", and in Exhibit "G" upon execution by it of amendments to this Master Deed, which shall be filed for record in the Office of the Clerk of Court for Beaufort County, South Carolina.

NOTE: Also see FOREWORD and Paragraphs EIGHTH and NINTH concerning modifications, changes, and discretion of Sponsor.

ELEVENTH:

The percentage of title and interest appurtenant to each apartment and the apartment owners title and interest in the common elements (both general and limited) of the Property and their proportionate share in the profits and common monthly expenses 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 apartment to the value of the total property as set forth in Exhibit "G" attached hereto and made a part hereof. The proportionate representation for voting purposes and the percentage of the undivided interest in the common elements (both general and limited) provided in this paragraph and in Exhibit "G" shall not be altered without the acquiescence of the co-owners representing all of the Apartments expressed in an amendment to this Master Deed duly recorded, except as provided in FOREWORD and Paragraphs EIGHTH, NINTH, and TENTH herein with regard to the amendment of this Master Deed to admit any, all, or portions of the contemplated future Phases Apartments into this Regime.

TWELFTH:

That the administration of the Regime consisting as aforesaid of the Property described in Paragraphs FIRST and FIFTH of this Deed, and the administration of the Phase I property herein described if appropriate, 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 "F".

THIRTEENTH:

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 Apartments 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 Apartment co-owner having an exclusive and particular right over his respective Apartment and in addition the specified undivided interest in the common elements of the Property.

FOURTEENTH:

That so long as the Sponsor owns one or more of the Apartments, the Sponsor shall be subject to the provisions of this Deed and the Exhibits attached hereto and the Sponsor 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.

FIFTEENTH:

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

SIXTEENTH:

That the undivided interest in the common elements shall not be separated from the Apartment to which it appertains and shall be deemed conveyed or encumbered with the Apartment even though such interest is not expressly mentioned or described in the conveyance or other instrument.

SEVENTEENTH:

That each co-owner shall comply with the provisions of this Master Deed and authorized amendments thereto, the Declaration of Covenants, Restrictions, and Affirmative Obligations of Palmetto Dunes Resort, Inc., applicable to all Multi-Family Residential Areas in Palmetto Dunes, which covenants are recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 201 at Page 1522; and the Regime By-Laws, Decisions and Resolutions of Council of Co-Owners, Board of Administration or other representatives, as lawfully amended from time to time. The failure to comply with 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 Palmetto Dunes Resort, Inc., its successor or assigns, as set forth in the aforesaid Declaration. The Apartments shall also be conveyed subject to the recorded plat and plans of the Property and amendments thereto.

EIGHTEENTH:

That no co-owners of an Apartment 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 Apartment.

NINETEENTH:

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 Master Deed and any authorized amendments thereto, and that the mere acquisition or rental of any of the Apartments shall signify that the provisions of this Master Deed and any authorized amendments thereto are accepted and ratified.

TWENTIETH:

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 Horizontal Property Act of South Carolina and the By-Laws of this Regime.

TWENTY-FIRST:

That, where a mortgagee or other purchase of an Apartment obtains title by reason of foreclosure of a mortgage covering an Apartment,

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 assessments shall be subordinate to such mortgage.

TWENTY-SECOND:

In the event of any default on the part of any co-owner under any first mortgage made in good faith and for value, which entitled the owner thereof to foreclose same, any sale under such foreclosure, including delivery of a deed to the first mortgagee in lieu of such foreclosure, shall be made free and clear of the provisions of the Declarations of Covenants, Restrictions and Affirmative Obligations of Palmetto Dunes Resort, Inc., dealing with the Repurchase Option or Right of First Refusal and the exclusive brokerage rights reserved unto Palmetto Dunes Resort, Inc. The purchaser under such a foreclosure sale (or grantee under such deed in lieu of foreclosure) of such condominium unit shall be thereupon and thereafter subject to all of the provisions of said Master Deed. Provided, however, that if the purchaser at such foreclosure sale (or the grantee under deed given in lieu of foreclosure) shall be the then holder of the first mortgage, or its nominee, the said holder or nominee may thereafter sell and convey the condominium free and clear of the provisions of said Declaration dealing with the Repurchase Option or right of first refusal and the exclusive brokerage rights of Palmetto Dunes Resort, Inc., but its grantee shall thereupon and thereafter be subject to all of the provisions thereof.

TWENTY-THIRD:

That the Board of Administration of the Regime or the Management Agent, or Manager, shall obtain and continue in effect blanket property insurance as more fully set forth in the By-Laws in forms and amounts satisfactory to mortgagees holding first mortgages covering Apartments, but without prejudice to the right of the co-owners to obtain additional individual Apartment insurance at his own expense and for his own benefit.

TWENTY-FOURTH:

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 an escrow account for the Regime and used solely for the payment of the blanket property insurance premiums as such premiums become due.

TWENTY-FIFTH:

If any portion of the common elements now encroaches upon any apartment or if any apartment now encroaches upon any other apartment or upon any portion of the common elements, or if any such encroach-

ment shall occur hereafter as a result of (A) settling of the building, (B) alteration or repair to the common elements made by or with consent of the Board of Administration, (C) as a result of repair or restoration of the building or any apartment by damage by fire or other casualty, or (D) as a result of condemnation or eminent domain proceedings, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the building or buildings stand.

TWENTY-SIXTH:

Each apartment owner shall have an easement in common with the owners of all other apartments to use all pipes, wires, ducts, flues, cables, conduits, public utility lines and other common elements, if any, located in any of the other apartments and serving his apartment. Each apartment shall be subject to an easement in favor of the owners of all other apartments to use the pipes, wires, ducts, flues, cables, conduits, public utility lines and other common elements serving such other apartments and located in such apartment. The Board of Administration shall have the right of access to each apartment to inspect the same to remove violations therefrom and to maintain, repair, or replace common elements contained therein or elsewhere in the building or buildings.

TWENTY-SEVENTH:

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 the Master Deed and the By-Laws shall not affect the validity or enforceability of the remaining portions thereof. The invalidity of any provision of this Master Deed shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Master Deed and in such event, all of the other provisions of this Master Deed shall continue in full force and effect as if such invalid provision had never been included herein.

TWENTY-EIGHT:

No provision contained in this Master Deed shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

TWENTY-NINTH:

This Master Deed is set forth to comply with the requirements of the Horizontal Property Act of South Carolina. In case any of the provisions stated above conflict with the provisions of said statute, the provisions of said statute shall control.

IN WITNESS WHEREOF, Nicole Building Corporation has caused these presents to be executed in its name by Arthur Schwinholz.

its President and by Ronald Scheffer, its Assistant Secretary and its corporate seal to be affixed hereto this 3rd day of July, and in the two hundred second year of the Sovereignty and Independence of the United States of America.

Signed, Sealed and Delivered in the presence of:

[Signature]
Terri Ramon Hill

NICOLE BUILDING CORPORATION
(SEAL)

BY: [Signature]

ATTEST: [Signature]

STATE OF South Carolina)
COUNTY OF Beaufort)

PROBATE

PERSONALLY appeared before me George E. L. Palmer, who, on oath, says that he saw the within named Nicole Building Corporation, by Arthur Schickel, its President sign the within Deed, and Ronald Scheffer, its Assistant Secretary attest the same, and the said Corporation, by said officers, seal said Deed, and, as its act and deed, deliver the same and that he with Terri Ramon Hill witnessed the execution thereof.

SWORN to before me this 3rd day of July, 1978.

[Signature]

Terri Ramon Hill (SEAL)
Notary Public for OCTOBER 26, 1987
My Commission Expires:

CONSENT

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Palmetto Dunes Resort, Inc., does hereby consent and agree to abide by the provisions of Paragraph "Twenty-Second" of this Master Deed regarding the Waiver of the Repurchase Option and the Exclusive Brokerage in certain mortgage foreclosure situations as more fully set forth therein. This Consent shall apply to Phase I of the Inverness Village Horizontal Property Regime I.

IN WITNESS WHEREOF, Palmetto Dunes Resort, Inc. has caused this Consent to be executed in its name by William T. Hunter, its Vice President, and by William L. Bethea, Jr., its Assist. Secretary and its Corporate Seal to be hereto affixed this 3rd day of July, in the year of our Lord one thousand, nine hundred and seventy-eight.

Signed, sealed, and delivered in the presence of:

PALMETTO DUNES RESORT, INC. (SEAL)

Cary S. Griffin
Jo Anne Tudor

BY: William T. Hunter
BY: William L. Bethea, Jr.

STATE OF SOUTH CAROLINA }
COUNTY OF BEAUFORT }

PERSONALLY appeared before me Jo Anne Tudor who, on oath, says that she saw the within named Palmetto Dunes Resort, Inc. by William T. Hunter, its Vice President, sign the within instrument and William L. Bethea, Jr., its Assistant Secretary attest the same, and the said Corporation, by said officers, seal said instrument, and, as its act and deed, deliver the same, and that she with Cary S. Griffin witnessed the execution thereof.

Jo Anne Tudor

SWORN to before me this 3rd day of JULY, 1978.

Cary S. Griffin (SEAL)
Notary Public for South Carolina
My Commission expires: April 22, 1983
Notary Public, South Carolina State at Large
My Commission Expires April 22, 1983

INDEX OF EXHIBITS

Exhibit "A"	-	Description of Land and Easements
Exhibit "B"	-	Plat (Survey) of Land, showing Phase I Property.
Exhibit "C"	-	Plot plan and floor plan and architect's certificate
Exhibit "D"	-	Description of different types of apartments in Phase I
Exhibit "E"	-	Building and individual apartments in Phases II, III, and IV of Inverness Village Horizontal Property Regime.
Exhibit "F"	-	By-Laws of Inverness Village Horizontal Property Regime
Exhibit "G"	-	Phases I, II, III, and IV Units and the percentage of the common elements pertaining thereto.

STATE OF SOUTH CAROLINA) EXHIBIT "A"
COUNTY OF BEAUFORT) DESCRIPTION OF PROPERTY COMPRISING
PHASE I, INVERNESS VILLAGE
HORIZONTAL PROPERTY REGIME I

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ALL that certain piece, parcel or tract of land situate, lying and being in Palmetto Dunes on Hilton Head Island, Beaufort County, South Carolina as shown and described on a plat thereof entitled "Plat Showing a Subdivision of an Area Designated as 6-S, Adjacent to Carnoustie Road and Fazio Golf Course, Hilton Head Island, Beaufort County, South Carolina for Palmetto Dunes Resort, Inc." prepared by Nussey, Gay and Bell, Consulting Engineers, which plat is dated August 10, 1977, revised August 25, 1977, September 1, 1977, and February 8, 1978, and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina in Plat Book 26 at Page 169. For a more detailed description as to the metes, bounds, distances, directions, and locations of Phases I through IV, reference to said plat of record is craved.

PROVIDED, HOWEVER, that said conveyances are required to be made herein by South Carolina Law and are made for the purpose of establishing said condominium regime. Nothing should be inferred as to require the Grantor herein to dedicate future phases to the regime as provided within the Master Deed to which this description is attached as an Exhibit which said future phases will be established by amendatory declaration to this Master Deed.

It is the intention hereof that Phase I as shown on the above-referred-to plat of record be herewith dedicated to the Regime in accordance with the terms and provisions of the within Master Deed to which this Exhibit is attached.

AND ALSO, a non-exclusive easement for ingress and egress is hereby reserved upon all phases, present and future, of Inverness Village Horizontal Property Regime I. It is the intention hereof that future phases shall have the right and privileges to use all ingress and egress easements consisting of parking areas, roadways, bicycle paths, walkways, etc. and further an easement is hereby granted to all owners of Inverness Village Horizontal Property Regime I to use recreational areas and other common areas as provided herein.

Grantor (sponsor) further saves and excepts from the above described property and agrees to convey the same to the corporation or public body providing sewer and water service to the area, title to all water and sewer lines installed or located on said property, and likewise retains title to all pipes, pumps, pumping stations or other equipment or facilities related thereto, together with an easement to that portion of the above described property lying within ten (10) feet of such lines, equipment, or facilities or install additional lines, equipment or facilities thereon from time to time. Grantor (sponsor) further saves and excepts and reserves unto itself and its assigns and agrees to convey to the Palmetto Dunes Public Service District an easement over

Law Offices of
Douglas Sanders DeLoach
Noyes & Swales, P.A.
Beaufort, S. C.

EXHIBIT A-1

and across the land lying within ten (10) feet of the property lines of the above described parcel or tract of land, for the purpose of installing further water, sewer or other utility lines and related equipment and facilities.

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The above described property is subject to that certain Declaration of Rights, Restrictions, Conditions, Etc., of Palmetto Dunes Resort, Inc., which are recorded in the Office of the Clerk of Court for Beaufort County, South Carolina in Deed Book 201 at Page 1522.

The within Master Deed was prepared by George G. L. Palmer, Esquire of the law firm of Dowling, Sanders, Dukes, Nevitt & Svalina, P.A., P.O. Drawer 5706, Hilton Head Island, Beaufort County, South Carolina, 29928.

Law Offices of
Dowling, Sanders, Dukes,
Nevitt & Svalina, P.A.
Beaufort, S.C.

EXHIBIT A-2

EXHIBIT "D"

In each Apartment, whether Type A or Type B and whether End or Interior, the appliances, including refrigerator, stove, washer, dryer, ice maker, and garbage disposal are by General Electric, the heating and air conditioning are by Lennox, and the configuration and dimensions for both heated and unheated space are basically the same.

The Apartments are described herein below. The Apartments include (a) the space enclosed by the unfinished surfaces of the 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); (c) the decorated inner surfaces of such perimeter and interior walls, ceilings and floors, consisting (as the case may be) of wallpaper, paint, plaster, wall board, carpeting, tiles and all other furnishing materials and fixtures affixed or installed and for the sole and exclusive use of any Apartment (commencing at and from utility lines, pipes, or systems serving the Apartment). No pipes, wires, conduits or other public utility lines or installations constituting a part of the overall system designated for the service of any particular Apartment or building, nor any property of any kind, including fixtures and appliances within any Apartment, which are not removable without jeopardizing the soundness, safety and usefulness of the remainder of the building shall be deemed to be a part of any Apartment.

A. Each Type A Apartment is an end unit containing 1,450.00 square feet. Not included in the total square feet of the Apartment is the front entrance walk containing 71.04 square feet, the front deck containing 31.50 square feet, exterior storage area containing 21.67 square feet, a courtyard of 86.24 square feet, a service yard of 52.80 square feet, rear deck of 127.05 square feet, and exterior front steps containing 19.20 square feet.

The Type A Apartment is a one (1) floor unit with a living room, dining room, two (2) bedrooms, two (2) baths, kitchen, breakfast room, and entrance hall. Entrance to the Apartment is from the front deck into the foyer containing 31.50 square feet. Opening into the foyer is a hall containing 26.95 square feet. Adjacent to the hall is a closet containing 4.60 square feet. The hall opens into a dining area containing 187.20 square feet. Adjacent to the hall and dining area, is a kitchen containing 108.15 square feet, which is adjacent to a breakfast nook containing 55.50 square feet. There is an area containing 21.17 square feet for the washing machine, dryer, and hot water heater which opens into the breakfast nook. There is a wet bar containing 11.25 square feet in the dining area. The dining area opens into the living area containing 256.00 square feet. The living area is adjacent to the rear deck. Entrance to the bedrooms is through a hall containing 42.90 43.70 square feet, which is off the dining area. Adjacent to this hall is a master bedroom containing

234.10 square feet. The master bedroom opens up into its own bath containing 56.39 square feet and its own closet containing 35.30 square feet. Also adjacent to this hall is a second bathroom which contains 48.50 square feet and a second bedroom which contains 174.30 square feet. The second bedroom has a closet which contains 13.60 square feet. There is a linen closet containing 4.50 square feet, which opens into the hall leading to the bedrooms.

B. Each Type B Apartment contains a total of 2,010 heated square feet. Not included in the total square feet of the Apartment is the front entrance walk containing 53.80 square feet, front entrance stairs containing 20.00 square feet, front deck containing 25.00 square feet, a service yard containing 54.00 square feet, a courtyard containing 98.00 square feet, a rear deck containing 130.50 square feet, rear storage area containing 35.22 square feet, and upstairs balcony containing 32.19 square feet.

The lower floor of the Type B (Interior) Apartment contains a total of 1,104 square feet. Entrance into the lower floor is from a front deck into the foyer containing 35.40 square feet. Adjacent to the foyer is a closet containing 5.29 square feet. The foyer opens into a hall containing 62.84 square feet. Adjacent to the hall is a kitchen containing 115.50 square feet which opens into a breakfast nook containing 68.40 square feet. The hall opens into a combined living and dining area containing 362.70 square feet. The living area contains approximately 263.70 square feet and the dining area contains approximately 99.00 square feet. Adjacent to the living area is a wet bar containing 8.24 square feet. The living area looks out over the rear deck. The rear storage area opens onto the rear deck. There is another hall containing 34.94 square feet off the foyer which leads to a utility room containing 22.68 square feet, a third bathroom which contains 40.80 square feet, and the third bedroom which contains 169.03 square feet. There is a closet in the third bathroom which contains 3.78 square feet and there is a closet in the third bedroom which contains 12.54 square feet.

The upper floor of each Type B Apartment contains a total of 906.00 square feet. There is a stair access containing 34.56 square feet with a midway landing containing 26.70 square feet. The second floor contains a hall, a master bedroom, a second bedroom, two (2) baths, and a storage area. At the top of the stairs is a hall containing 60.94 square feet. Adjacent to the hall is a master bedroom which contains 224.40 square feet. The master bedroom opens onto the upstairs balcony. Adjoining the master bedroom is a hall containing 21.78 square feet. Off to the master bedroom hall is a closet containing 31.50 square feet and the master bath containing 66.99 square feet. Also off the second floor hall is a second bedroom containing 200.72 square feet, a second bathroom containing 58.00 square feet, and an upstairs storage room containing 85.08 square feet. Adjacent to the second bedroom is a closet containing 36.40 square feet. Adjacent to the second bathroom is a closet containing 5.46 square feet.

EXHIBIT "E"

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There are six (6) basic types of Apartments in the Inverness Village Horizontal Property Regime, those being Type A (End), Type A (Interior), Type B (End), Type B (Interior), Type C (End), and Type C (Interior). Each Type A, whether End or Interior, is a one-story, two bedroom unit; each Type B, whether End or Interior, is a two-story, three bedroom unit; and each Type C, whether End or Interior, is a one-story, one bedroom unit. For a more particular description of Type A (End), Type A (Interior), Type B (End), and Type B (Interior) Apartments, see Exhibit "D". Type C (End) and Type C (Interior) units shall be described in future amendments to the Master Deed should Sponsor decide to build them. Below is a proposed list of the Apartments and Buildings tentatively scheduled for Phases II, III, and IV of the Inverness Village Horizontal Property Regime:

PHASE II APARTMENTS

The Apartments in Phase II of the Inverness Village Horizontal Property Regime are as follows:

In Building F there will be two (2) Type A (End) and one (1) Type C (Interior) Apartments, numbered consecutively F-12, F-13, and F-14, hereinafter usually referred to as Apartments F-12, F-13, and F-14.

In Building G there will be two (2) Type A (End) and two (2) Type C (Interior) Apartments, numbered consecutively G-15, G-16, G-17, and G-18, hereinafter usually referred to as Apartments G-15, G-16, G-17, and G-18.

In Building H there will be two (2) Type A (End) and two (2) Type C (Interior) Apartments, numbered consecutively H-19, H-20, H-21, and H-22, hereinafter usually referred to as Apartments H-19, H-20, H-21, and H-22.

In Building I there will be two (2) Type A (End) and one (1) Type C (Interior) Apartments, numbered consecutively I-23, I-24, and I-25, hereinafter usually referred to as Apartments I-23, I-24, and I-25.

In Building J there will be one (1) Type A (Interior) and two (2) Type C (End) Apartments, numbered consecutively J-26, J-27, and J-28, hereinafter usually referred to as Apartments J-26, J-27, and J-28.

In Building K there will be two (2) Type A (End) and one (1) Type C (Interior) Apartments, numbered consecutively K-29, K-30, and K-31, hereinafter usually referred to as Apartments K-29, K-30, and K-31.

In Building L there will be two (2) Type A (End) and one (1) Type C (Interior) Apartments, numbered consecutively L-32, L-33, and L-34, hereinafter usually referred to as Apartments L-32, L-33, and L-34.

PHASE III APARTMENTS

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The Apartments in Phase III of the Inverness Village Horizontal Property Regime are as follows:

In Building E there will be two (2) Type A (End) and two (2) Type B (Interior) Apartments, numbered consecutively E-35, E-36, E-37, and E-38, hereinafter usually referred to as Apartments E-35, E-36, E-37, and E-38.

In Building M there will be two (2) Type A (End) and two (2) Type B (Interior) Apartments, numbered consecutively M-39, M-40, M-41, and M-42, hereinafter usually referred to as Apartments M-39, M-40, M-41, and M-42.

In Building N there will be two (2) Type A (End) and one (1) Type B (Interior) Apartments, numbered consecutively N-43, N-44, and N-45, hereinafter usually referred to as Apartments N-43, N-44, and N-45.

In Building O there will be two (2) Type A (End) and two (2) Type B (Interior) Apartments, numbered consecutively O-46, O-47, O-48, and O-49, hereinafter usually referred to as Apartments O-46, O-47, O-48, and O-49.

In Building P there will be two (2) Type A (End) and one (1) Type B (Interior) Apartments, numbered consecutively P-50, P-51, and P-52, hereinafter usually referred to as Apartments P-50, P-51, and P-52.

In Building Q there will be two (2) Type A (End) and two (2) Type B (Interior) Apartments, numbered consecutively Q-53, Q-54, Q-55, and Q-56, hereinafter usually referred to as Apartments Q-53, Q-54, Q-55, and Q-56.

In Building Y there will be two (2) Type A (End) and two (2) Type B (Interior) Apartments, numbered consecutively Y-57, Y-58, Y-59, and Y-60, hereinafter usually referred to as Apartments Y-57, Y-58, Y-59, and Y-60.

PHASE IV APARTMENTS

In Building R there will be two (2) Type A (End) and two (2) Type C (Interior) Apartments, numbered consecutively R-61, R-62, R-63, and R-64, hereinafter usually referred to as Apartments R-61, R-62, R-63, and R-64.

In Building S there will be two (2) Type A (End) and two (2) Type C (Interior) Apartments, numbered consecutively S-65, S-66, S-67, and S-68, hereinafter usually referred to as Apartments S-65, S-66, S-67, and S-68.

In Building T there will be two (2) Type A (End) and two (2) Type C (Interior) Apartments, numbered consecutively T-69, T-70, T-71, and T-72, hereinafter usually referred to as Apartments T-69, T-70, T-71, and T-72.

In Building U there will be two (2) Type A (End) and two (2) Type C (Interior) Apartments, numbered consecutively U-73, U-74, U-75, and U-76, hereinafter usually referred to as Apartments U-73, U-74, U-75, and U-76.

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In Building V there will be two (2) Type A (End) and two (2) Type C (Interior) Apartments, numbered consecutively V-77, V-78, V-79, and V-80, hereinafter usually referred to as Apartments V-77, V-78, V-79, and V-80.

In Building W there will be two (2) Type A (End) and two (2) Type C (Interior) Apartments, numbered consecutively W-81, W-82, W-83, and W-84, hereinafter usually referred to as Apartments W-81, W-82, W-83, and W-84.

In Building X there will be two (2) Type A (End) and two (2) Type C (Interior) Apartments, numbered consecutively X-85, X-86, X-87, and X-88, hereinafter usually referred to as Apartments X-85, X-86, X-87, and X-88.

In Building Z there will be two (2) Type A (End) and two (2) Type C (Interior) Apartments, numbered consecutively Z-89, Z-90, Z-91, and Z-92, hereinafter usually referred to as Apartments Z-89, Z-90, Z-91, and Z-92.