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AMENDED AND RESTATED MASTER DEED

FOR

**CALHOUN STREET
HORIZONTAL PROPERTY REGIME**

BY

**CALHOUN STREET DEVELOPMENT, LLC
a South Carolina Limited Liability Company**

THE CALHOUN STREET HORIZONTAL PROPERTY REGIME

MASTER DEED

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STATE OF SOUTH CAROLINA) **AMENDED AND RESTATED MASTER DEED**
)
COUNTY OF BEAUFORT) **CALHOUN STREET HORIZONTAL**
) **PROPERTY REGIME**

WHEREAS, Calhoun Street Horizontal Property Regime (“Regime”) was established pursuant to that certain Master Deed filed in the Office of the Register of Deeds for Beaufort County (“ORD”), South Carolina in Deed Book 2629 at Page 755, and

WHEREAS, Calhoun Street Development, LLC is the Declarant under the Master Deed; and

WHEREAS, Calhoun Street HPR Owners’ Association, Inc. (the “Association”), is a South Carolina non-profit corporation organized for the purpose of administering the Regime; and

WHEREAS, the Co-owners by a duly noticed written ballot in lieu of a meeting, having established a quorum, have voted to amend and restate the Master Deed as follows:

ARTICLE I
LAND

Section 1. Land. The land described in Exhibit "A" attached hereto and made a part hereof 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 ORD, in Plat Book 121 at Page 182 is subject to the Master Deed, as amended and restated herein.

Section 2. Roadways. Hereafter, at one time or from time to time, Declarant has constructed, or may in the future construct, roadways (the "Roadways") providing ingress and egress to and from the Property. Declarant shall not be obliged to convey to the Association these Roadways as Common Elements (but may do so at Declarant’s sole discretion). However, Declarant herewith conveys to each Owner of a Unit and to every permitted occupant of that Unit, a non-exclusive, temporary easement over, upon, and across such Roadways for ingress and egress to and from the Property. These non-exclusive easements are temporary and shall automatically terminate and become null and void immediately upon merger by incorporation of any part of the Roadways into another horizontal property regime, the Master Deed of which establishes or conveys a permanent, non-exclusive, unrestricted easement for passage over that portion of the Roadways by Owners of Units created by this Master Deed. Declarant reserves the right in its sole discretion to relocate these areas, and the temporary easements over them, without notice to any Owner or occupant of a Unit. In such event, Declarant shall, and is hereby especially empowered to, prepare and record in the Office of the Register of Deeds for Beaufort County, South Carolina, an amendment to this Master Deed to show the areas and revised areas of these non-exclusive easements, without notice to or consent by Owners or occupants of Units, such amendment to be effective upon recordation of same in the Office of the Register of Deeds.

Section 3. Plan of Development.

A general description of the plan of development for the Property follows:

(a) The maximum number of Units in the development of the Property: There is one proposed stage ("phase") of development. This phase has Forty-Eight (48) Units, consisting of Twenty-Four (24) Residential Units and Twenty-Four (24) Commercial Units.

(b) Attached hereto and incorporated herein at Exhibit G is a chart showing the percentage of interest in the common elements of each original Unit Owner in the development of the Property.

Section 4. Development. The Property contains Twenty-Four (24) Residential Units and Twenty-Four (24) Commercial Units on three (3) floors in four (4) buildings (collectively, "Buildings"), all as more fully described in Exhibit E attached hereto and made a part hereof. These four (4) Buildings contain in total up to 67,630 square feet of heated area. These Buildings may also contain, among other things, areas set aside for vending, housekeeping, common hallways, storage, telephone rooms, electrical rooms, fire sprinkler rooms, trash collection rooms and facilities, maintenance areas, and elevators; and the Property contains aboveground and underground utilities and drainage structures, equipment, and apparatus. The horizontal and vertical locations of the buildings and other improvements on the Property are shown on Exhibit C. A plot plan of the construction and the floor plans of the Buildings which show the dimensions, area, and location of the Common Elements affording access to each Unit are shown on Exhibit C.

ARTICLE II PROPERTY; REGIME; ASSOCIATION

Declarant submitted the land referred to in ARTICLE I, together with the buildings and improvements erected thereon, and rights and appurtenances belonging thereto (hereinafter referred to as the "Property") to the provisions of the Horizontal Property Act of South Carolina, and created, with respect to the Property, a Horizontal Property Regime that shall be known as Calhoun Street Horizontal Property Regime (hereinafter sometimes referred to as the "Regime") governed by and subject to the provisions of this Master Deed and the provisions of the Horizontal Property Act of South Carolina. Declarant further caused to be incorporated under the laws of the State of South Carolina an association known as Calhoun Street HPR Owners' Association which, pursuant to the provisions of Section 27-31-90 of the Horizontal Property Act, constitutes the incorporated Council of Co-owners of the Regime and is governed by this Master Deed and the By- Laws attached hereto.

ARTICLE III IMPROVEMENTS

The improvements constructed on and forming a part of the Property are constructed in accordance with the as built survey attached as Exhibit "B" hereto and the floor plans identified as Exhibit "C" hereto and made a part hereof, which survey was prepared by T-Square Group, Inc., registered land surveyors and which floor plans were prepared by Hansen Architects, P.C., architects duly licensed to practice in the State of South Carolina under Registration Certificate: Number 1769. Attached to this Master Deed as Exhibit "D" is a certificate by said architect that the condominium Units constructed on the Property were constructed substantially in compliance with said plans.

ARTICLE IV DEFINITIONS

The terms used in this Master Deed and in the Exhibits thereto shall have the meanings stated in the Horizontal Property Act and as follows, unless the context otherwise requires:

(a) Act means the Horizontal Property Act as currently set forth in Title 27, Chapter 31 of the Code of Laws of South Carolina, 1976, as amended.

(b) Assessment means a Co-owner's pro rata share of the common expenses which from time to time is assessed against a Co-owner by the Association, in the manner provided herein and other costs and expenses, which from time to time are assessed against a Co-owner in accordance with the terms of the Master Deed, together with such fines, attorneys' fees, costs, or other charges authorized to be assessed against a Co-owner pursuant to this Master Deed, the By-Laws or any Rules and Regulations adopted by the Board of Directors.

(c) Association means the Council of Co-owners as defined by the Act, and also means Calhoun Street HPR Owners' Association Inc., the corporate form by which the Council of Co-owners shall operate the Regime.

(d) Board of Directors or Board means the group of persons selected, authorized, and directed to manage and operate the Association as provided by the Act, this Master Deed and the By-Laws.

(e) Building means a structure or structures comprising a part of the Property.

(f) Common Elements means the General and Limited Common Elements, as defined herein in ARTICLE IX and in the Act.

(g) Common Expenses means the expenses for which the Co-owners are liable to the Association and include:

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

(2) Expenses declared Common Expenses by provisions of this Master Deed.

(h) Common Surplus means the excess of all receipts of the Association, including but not limited to Assessments over the amount of Common Expenses.

(i) Co-owner or Owner means a person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, who owns a Unit within the building.

(j) Condominium means a Unit in the Calhoun Street Horizontal Property Regime.

(k) Condominium Ownership means the individual ownership of a particular Unit in a building and the common right to a share, with other Co-owners, in the General and Limited Common Elements of the property.

(l) Council of Co-owners means all the Co-owners as defined herein and it shall also refer to the Association as herein defined.

(m) Declarant means Calhoun Street Development, LLC, a South Carolina Limited Liability Company with its principal place of business located in Bluffton, County of Beaufort, South Carolina and its successors and assigns.

(n) Majority of Co-owners means the Co-owners owning fifty-one (51%) percent, or more of the

statutory value of the Property as a whole as shown on Exhibit "G".

(o) Master Deed means this amended and restated deed or declaration establishing and recording the property of the horizontal property regime and all exhibits thereto, as may be amended from time to time.

(p) Person means an individual, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof.

(q) Property means and includes the land, the buildings, all improvements, and structures thereon, as shown and defined on Exhibits A, B, and C and all easements, rights and appurtenances belonging thereto.

(r) Regime means Calhoun Street Horizontal Property Regime (hereinafter "Calhoun Street HPR" or "Regime") created by the Master Deed, and all references to the Association, as, herein defined, shall likewise include reference to the Regime and vice versa.

(s) Rules and Regulations. Rules and Regulations shall mean such rules and/or regulations governing the use and general operating procedures of the Property as may be adopted by the Board of Directors from time. Any such Rules and Regulations shall be recorded in the Office of the Register of Deeds for Beaufort County.

(t) Residential Unit as used herein has the same connotation as the term "Apartment" as used in the Act and means a part of the property intended for any independent residential use including one or more rooms or enclosed spaces located on one or more floors (or parts thereof) in a building, and with a direct exit to a public street or highway, or to a common area or areas leading to such street or highway. The terms "Unit" or "Residential Unit" when used herein shall refer to a residential unit as the context so indicates.

(u) Commercial Unit when used herein shall refer, as the context so indicates, to a unit to be utilized for a business or commercial establishment of the type permitted as hereinafter provided in ARTICLE V.

(v) Utility Services means and shall include, but shall not be limited to, electric power, hot and cold water, heating, refrigeration, air conditioning, garbage and sewage disposal.

**ARTICLE V
DESCRIPTION OF UNITS; USE; REPAIRS**

Section 1. GENERAL DESCRIPTION OF UNITS AND USE.

That the Property includes four (4) Buildings, each of which has two (2) residential stories over a ground floor commercial area, collectively containing twenty-four (24) individual Residential Units and twenty-four (24) Commercial Units, all of which are collectively referred to as "Units." The Units 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 an 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.

Section 2. INDIVIDUAL UNITS.

(a) Residential Unit Types:

Each Residential Unit is a two-bedroom Unit which will occupy the first and second floors, above the ground floor, of the building.

The Residential Units in Calhoun Street HPR, with the corresponding Unit type as shown and described on the floor plans attached as Exhibit "C", are as follows:

Building 3 (a.k.a. 14 Promenade): Units 1 (Type A), 2 (Type B Reverse), 3 (Type B), 4 (Type C Reverse), 5 (Type C), 6 (Type B Reverse), 7 (Type B) & 8 (Type A Reverse).

Building 10 (a.k.a. 6 Promenade): Units 1 (Type A), 2 (Type B Reverse), 3 (Type B), 4 (Type C Reverse), 5 (Type C), 6 (Type B Reverse), 7 (Type B) & 8 (Type A Reverse)

Building 12 (a.k.a. 9 Promenade): Units 1 (Type A), 2 (Type B), 3 (Type B Reverse) & 4 (Type A Reverse)

Building 13 (a.k.a. 5 Promenade): Units 1 (Type A), 2 (Type B), 3 (Type B Reverse) & 4 (Type A Reverse)

Note: The Residential Unit Types for Buildings 12 & 13 (i.e. Type A, Type B, Type A Reverse and Type B Reverse) are different from the Residential Unit Types for Buildings 3 & 10 as is shown and described on the floor plans attached as Exhibit "C".

(b) Commercial Unit Types:

That there is no one basic type of commercial unit, but various enclosures of space, shapes and configurations which are more fully shown on the Exhibit "C" plans containing various square footages as hereinafter delineated. The commercial units in Calhoun Street HPR are located on the ground floor and are numbered as follows:

Building 3 (a.k.a. 14 Promenade): Units A (Type A), B (Type B Reverse), C (Type B), D (Type C Reverse), E (Type C), F (Type B Reverse), G (Type B) & H (Type A Reverse).

Building 10 (a.k.a. 6 Promenade): Units A (Type A), B (Type B Reverse), C (Type B), D (Type C Reverse), E (Type C), F (Type B Reverse), G (Type B) & H (Type A Reverse)

Building 12 (a.k.a. 9 Promenade): Units A (Type A), B (Type B), C (Type B Reverse) & E (Type A Reverse)

Building 13 (a.k.a. 5 Promenade): Units A (Type A), B (Type B), C (Type B Reverse) & D (Type A Reverse)

Note: The Commercial Unit Types for Buildings 12 & 13 (i.e., Type A, Type B, Type A Reverse and Type B Reverse) are different from the Commercial Unit Types for Buildings 3 & 10 as is shown and described on the floor plans attached as Exhibit "C".

All of the above described Residential and Commercial Units are more particularly designated and described in the Architect's Walk-through Description attached hereto and incorporated herein as Exhibit "E".

All of the aforementioned Units are more particularly shown on the plans thereof attached hereto as Exhibit "C" which plans are incorporated herein in the same manner as if expressly set forth in this Section 2 and said plans, together with the Unit numbers and square footage of area in each Unit, and likewise together with the description of Unit boundaries as hereinafter set forth in Section 3, shall constitute a complete description of the Units within the Regime.

Section 3. BOUNDARIES; GENERAL RULE.

(a) The upper and lower boundaries of each Unit are the interior unfinished surfaces of the floors and ceilings of each Unit. In the event that a drop ceiling is not installed in any of the First Floor Commercial Units, the upper boundary of such Unit shall be at a point nine (9) feet above the unfinished floor of said Unit. The parametric boundaries of each Unit, extended to an intersection with the upper and lower boundaries are as follows:

(1) As to all Unit exterior walls which physically divide the Unit from Common Elements of the building, it shall be the vertical plane of the interior surface of the exterior sheathing subject to such encroachments as now exist or may be caused created by the construction, settlement, or movement of the building or by permissible repairs, construction, or alterations. All insulated glass windows and all doors directly accessing the Unit are part of the Unit.

(2) As to all Unit exterior walls which physically divide one Unit from another Unit, it shall be the vertical plane of the centerline of said partition walls.

(3) All vertical planes of each Unit shall extend to intersections with each other.

(b) All lath wallboard, tiles, paint, finished flooring, carpet, and any other materials constituting any part of the finished surfaces of the walls, floors, and ceilings which are the boundaries of a Unit, together with all telephones, and all built-in light fixtures, wires, service outlets, vent outlets, heating and cooling units and duct work, electrical switches, thermostats, toilet and other bathroom fixtures and any and all other similar mechanical or physical fixtures which are within the parametric walls or ceilings and serving a single Unit or within the space above the ceiling and below the floor of the Unit or, in the case of the heating, air conditioning and ventilation system, on the roof above, are a part of the Unit, unless designated as Common Elements or Limited Common Elements under ARTICLE IX hereof.

(c) Any chute, flue, duct, chase, conduit, bearing wall, bearing column and all other similar mechanical or physical fixtures except those designated in paragraph (b) above, whether or not it lies partially within and partially outside the designated boundaries of a Unit, is a Common Element, unless designated as a Limited Common Element under ARTICLE IX hereof.

(d) Subject to the provisions of paragraph (c), all spaces, interior non-bearing partitions, and other fixtures and improvements within the boundaries of a Unit installed with the parametric walls or ceilings whether, as a part of the original construction or as a part of subsequent construction, are a part of the Unit, unless designated as Common Elements or Limited Common Elements under ARTICLE IX hereof.

Section 4. OWNER'S RESPONSIBILITIES FOR MAINTENANCE AND REPAIR

(a) Commercial Units: While an Owner is generally responsible for the maintenance and repair of the area described above in Section 3 as being included in a Unit, notwithstanding the generality of the foregoing description of Unit boundaries, each Commercial Unit Owner shall also be responsible for maintenance and repair of the following, whether it shall be defined as within a Unit or not:

- (1) the doorways, windows, vents, and other structural elements in the walls, floors, and ceilings of the Unit which are regarded as enclosures of space.
- (2) the doors opening into the Unit and into any mechanical area integral to the Unit, including the frames, casings, hinges, handles, and other fixtures which are part of the doors.
- (3) the window glasses, screens, frames, wells, and casings which are part of the windows opening from the Unit.
- (4) the metal flue and the plumbing and mechanical vents which exclusively serve the Unit.
- (5) the appliances, air conditioning and heat pump units and condensers, hot water heaters, lavatories, bathtubs, toilets, carpeting, floor covering, flooring, trim, ceilings, walls, insulation, and other fixtures, furnishings, and building materials which are part of the Unit at the time of initial closing from Declarant to the Unit Owner, and any subsequent replacements thereof.
- (6) all pipes, wires, ducts, and other plumbing, mechanical, and electrical appurtenances which are integral and exclusive to the Unit, including lamps attached to the exterior of the Unit, together with any storefront or awning.
- (7) any damage to the Unit itself or to a contiguous Unit caused by a negligent action or inaction within the Unit Owner's Unit, which directly or indirectly causes damage to the contiguous Unit or to the Unit itself.

(b) Residential Units: Notwithstanding any other provision in this Master Deed to the contrary, Owners of Residential Units shall generally share, as common expense, all maintenance and repair expenses, not only of general Common Elements, but also of all Limited Common Elements as described in ARTICLE IX hereof and as provided in the By-Laws attached hereto as Exhibit "F". Notwithstanding any provisions contained herein, scheduled service and inspection and routine maintenance of the elevators, elevator shafts and elevator equipment shall be made by the Board or the Management Agent and shall be charged to all the Residential Unit Owners as a Common Expense. Any repairs, replacement or extraordinary maintenance to the elevators, elevator shafts and elevator equipment shall be made by the Board or the Management Agent and shall be charged to the Owner of the Residential Unit directly served and accessed by such elevator.

(c) Association's Right to Cure. In the event that the Association determines that any Unit Owner has failed or refused to discharge properly his obligations with respect to the maintenance, cleaning, repair, or replacement of items for which he is responsible under this Master Deed, then, in that event, the Association, except in the event of an emergency situation, shall give such Unit Owner written notice of the Association's intent to provide such necessary maintenance, cleaning, repair, or replacement at such Unit Owner's sole cost and expense, and setting forth with reasonable particularity the maintenance, cleaning, repair, or replacement deemed necessary. Except in the event of emergency situations, such Unit Owner shall have fifteen (15) days in which to complete said maintenance, cleaning, repair, or replacement in a good and workmanlike manner, or in the event that such maintenance, cleaning repair, or replacement is not capable of completion within said fifteen (15) day period, to commence said maintenance, cleaning, repair, or replacement and diligently proceed to complete said maintenance, cleaning, repair, or replacement in a good and workman-like manner. In the event of emergency situations or the failure of any Unit Owner to comply with the provisions hereof after such notice, the Association may provide any such maintenance, cleaning, repair, or replacement

at such Unit Owner's sole cost and expense and said cost shall be added to and become a part of the assessment to which such Unit Owner and his Unit are subject and shall become a lien against such Unit as provided herein. Nothing contained herein shall preclude the Association from undertaking repair or replacement of windows or doors on behalf of the Unit Owners without demand when such work is performed in conjunction with the maintenance, cleaning, repair, or replacement of the Common Elements and in the discretion of the Board is reasonably necessary to the proper conduct of same. In such event, the costs associated with such repair or replacement shall be assessed back to the Unit Owner as an individual expense.

Section 5. USES OF UNITS.

(a) Each Residential Unit is restricted as to use by the Owner or Owners thereof, their lessees and invitees, it being the intent of the Declarant that the Residential Units be used for residential purposes only. Residential purposes shall include short-term vacation rentals.

(b) Each first floor Commercial Unit is restricted as to use for retail and office establishments such as gift shops, toy store, men's, women's or children's clothing and/or shoe stores, jewelry store, bookstore, art gallery, restaurants, ice cream parlor, wine and liquor store, florist or flower shops, hairdressers, gift and specialty food store. Unless a commercial use is clearly and unambiguously allowed under the specific categories of use set forth above and is permissible under the Declaration of Covenants, Conditions & Restrictions for Calhoun Street Promenade, such use shall not be allowed without the express, written consent of the Board of Directors. The Board of Directors maintains the sole discretion over the appropriateness of such use and shall only approve similar tasteful retail or office establishments which will complement the style and ambiance of Calhoun Street Promenade

(c) No Unit Owner shall do, suffer, or permit to be done, anything in his Unit which would impair the soundness or safety of the Regime, or which would be noxious or offensive or an interference with the peaceful possession and proper use of other Units, or which would require any alteration of or addition to any of the Common Elements to be in compliance with any applicable law or regulation, or which would otherwise be in violation of law.

(d) In case of any emergency originating in or threatening any Unit, regardless of whether the Owner or his tenant, if any, is present at the time of such emergency, the Association's Board of Directors and all managerial personnel shall have the right to enter such Unit for the purpose of remedying or abating the cause of such emergency, and such right of entry shall be immediate. To facilitate entry in the event of any such emergency, the Owner of each Unit, if required by the Association, shall deposit under the control of the Association a key to such Unit.

(e) The Association hereby declares and affirms that the use restrictions described herein shall be deemed restrictive covenants running with the land and are imposed as a limitation and burden upon each Unit and upon the Declarant and upon all future owners of Units.

(f) Any disturbance or noise shall be referred to the Association and/or local government for enforcement.

Section 6. DEEDS TO UNITS

On the transfer of a Unit, a deed effecting that transfer conveys all the seller's interests in that Unit to the purchaser, including the seller's interest in the real and personal property of the Association, any reserve accounts applicable to that Unit, and in any cause of action or chose in action either of the Association

or arising out of his ownership of that Unit, whether or not those interests are expressly described in the deed.

Section 7. ASSESSMENTS FOR COMMON EXPENSES; RESPONSIBILITIES FOR MAINTENANCE.

The obligations of all Unit owners with regard to Assessments and the maintenance and repair of the individual Units shall be as provided for in this Master Deed and in the By-Laws of the Association which are attached hereto as Exhibit "G".

**ARTICLE VI
SUBDIVISION OF UNITS AND RELOCATION OF
BOUNDARIES BETWEEN COMMERCIAL UNITS**

Section 1. REALLOCATION OF BOUNDARIES- COMMERCIAL UNITS.

Declarant intends to provide a flexible and certain method consistent with the Act and the best interests of the Association and all its members, by which the boundaries of or between Commercial Units may be adjusted to meet the needs of individual Commercial Unit owners. To this end, Commercial Unit owners, subject to the conditions and procedures hereto are entitled to:

(a) relocate the boundaries between adjoining, Commercial Units and reallocate the assigned appurtenant interests of those Commercial Units; accordingly, or

(b) Subdivide any of their Commercial Units into two (2) or more Commercial Units and reallocate the assigned appurtenant interests of the Commercial Unit being subdivided among all the Commercial Unit resulting from the subdivision.

Section 2. IRREVOCABLE PROXY.

IN ORDER TO PROVIDE THE FLEXIBILITY AND CERTAINTY DESCRIBED IN SECTION 1(a) ABOVE, EACH UNIT OWNER SHALL BE DEEMED, BY ACCEPTANCE OF A DEED TO A UNIT IN THE CONDOMINIUM, TO HAVE THEREBY DELIVERED AN IRREVOCABLE LIMITED PROXY, ON BEHALF OF THAT UNIT OWNER AND HIS HEIRS, PERSONAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS, VESTED IN WHOMEVER SHALL HOLD THE OFFICE OF SECRETARY OF THE ASSOCIATION FROM TIME TO TIME. AT THE TIME OF TAKING TITLE TO THE UNIT, EACH UNIT OWNER SHALL ALSO BE DEEMED TO HAVE EXECUTED AN IRREVOCABLE LIMITED POWER OF ATTORNEY, COUPLED WITH AN INTEREST, IN FAVOR OF WHOEVER SHALL HOLD THE OFFICE OF SECRETARY OF THE ASSOCIATION FROM TIME TO TIME. THE IRREVOCABLE, LIMITED PROXY, AND THE IRREVOCABLE LIMITED POWER OF ATTORNEY COUPLED WITH AN INTEREST, SHALL AUTHORIZE AND REQUIRE THE SECRETARY TO CAST ALL VOTES IN THE ASSOCIATION APPERTAINING TO EACH OWNER'S UNIT IN FAVOR OF ANY PROPOSED AMENDMENT TO THE MASTER DEED OR BY-LAWS WHICH CONFORMS TO THE REQUIREMENTS OF THIS ARTICLE, SO LONG AS THE AMENDMENT DOES NOT AFFECT THE BOUNDARIES OR ASSIGNED APPURTENANT INTERESTS OF THE UNITS WHOSE VOTES ARE BEING SO CAST. THE SECRETARY SHALL HAVE THE RESPONSIBILITY TO VOTE IN FAVOR OF ANY SUCH AMENDMENT.

EVERY MORTGAGEE SHALL BE DEEMED, BY ACCEPTANCE OF A MORTGAGE TO A UNIT IN THE CONDOMINIUM, TO HAVE THEREBY CONSENTED TO AN AMENDMENT TO THE MASTER DEED WHICH CONFORMS TO THE REQUIREMENTS OF SECTION (c) AND (f) OF

THIS ARTICLE, SO LONG AS THE AMENDMENT DOES NOT AFFECT THE BOUNDARIES OR ASSIGNED APPURTENANT INTERESTS OF THE UNIT WHICH IS SUBJECT TO THAT MORTGAGE. EVERY MORTGAGE OF A UNIT IN THE CONDOMINIUM MUST CONTAIN A PROVISION THAT THE MORTGAGEE CONSENTS TO ANY FUTURE AMENDMENT TO THE DECLARATION CHANGING THE BOUNDARIES AND ASSIGNED APPURTENANT, INTERESTS OF A UNIT OTHER THAN THE COMMERCIAL UNIT SUBJECT TO THAT MORTGAGE, AND SUCH PROVISION IS HEREBY DEEMED TO BE INCLUDED; IN EVERY SUCH MORTGAGE, WHETHER OR NOT IT SO APPEARS. ANY PROVISION OF ANY MORTGAGE INCONSISTENT WITH THIS SECTION IS VOID.

Section 3. PROCEDURE FOR REALLOCATION OF BOUNDARY.

(a) A Commercial Unit Owner may, at any time, deliver a letter to the Association or the management agent of the Association stating his intention to subdivide his Commercial Unit into two (2) or more Commercial Units, together with a plan of the Commercial Unit which conforms with Sections 27-31-100, 27-31-110 and 27-31-120 of the Act showing the proposed boundaries of all Commercial Units to be created by the subdivision. In addition, the owners of adjoining Commercial Units may, at any time, deliver a letter to the Association stating their intentions to relocate the boundaries between their Commercial Units, together with a plan of their Commercial Units, in conformity with the above recited sections of the Act showing the proposed relocated boundaries of those Commercial Units. In either case, with respect to every proposed Commercial Unit which will result from the proposed subdivision or relocation:

1. Every Commercial Unit to be created pursuant to the provisions of this ARTICLE VI must contain at least 600 square feet of Commercial Unit space as herein defined.
2. At least one boundary of each Commercial Unit to be created must be coterminous with an exterior wall, extending in one plane for at least six (6) feet, which divides the Commercial Unit from a pedestrian area constituting a Common Element in the building; and
3. Adequate provision must be made for any required fire and emergency exits, heating, air conditioning and utilities.

(b) Within sixty (60) days after receipt of a letter from a Commercial Unit owner pursuant to Section (a) hereof, the Association shall:

1. cause an amendment to the Master Deed to be prepared which conforms to this Master Deed and the Act, together with a certified amendment to the plans which conforms to the requirements of the Act. The amendment to the Master Deed shall reallocate the assigned appurtenant interests among all the Commercial Units resulting from the relocation of boundaries in proportion to the relative sizes of those Commercial Units but shall not affect in any manner the percentage of interest appertaining to the other Commercial Units not otherwise redefined; and
2. give written notice of the proposed amendment to all Unit Owners and mortgagees and call a meeting of the Unit Owners in the manner described in ARTICLE III of the By- Laws. At the meeting of Unit Owners, the proxies held by the Secretary pursuant to the provisions of Section 2 above shall constitute a quorum, whether or not any other Unit Owners are present.

(c) If, prior to the meeting, the Owners of the Units affected by the proposed amendment provide to the Secretary written consents to the amendment in recordable form signed by the mortgagees of their

Units, and so long as the Board of Directors determines that the amendment and plans conform to this ARTICLE VI, the Secretary shall cast all the votes for which he holds proxies and a power of attorney in favor of the amendment. Following the vote, and upon payment by the affected Unit owners of all permits, recording, legal, architectural, and other fees incurred by the Association, the Secretary shall execute the amendment to the Master Deed, and vote thereon:

1. a statement of the number of votes required to approve the amendment;
2. the number of votes cast by him on behalf of Unit owners in favor of the amendment;
3. a statement of the number of consents by mortgagees required approve the amendment;
and
4. the number of consents by mortgagees received byhim.

(d) The amendments to the Master Deed and plans to reallocate Commercial Units are only effective when executed in the manner required by this ARTICLE VI and recorded. The consents to the amendment by the mortgagees of the affected Commercial Units shall also be recorded.

(e) The Owner of any Commercial Unit subdivided pursuant to this ARTICLE VI is the Owner of all resulting Commercial Units created by such subdivision and shall be able to sell, lease and in all other respects treat such resulting Units as separate Commercial Units.

ARTICLE VII ALTERATIONS IN UNITS, COMMERCIAL OR RESIDENTIAL

(a) Except as limited herein, a Unit Owner may make any improvements or alterations to his Unit that do not impair the structural integrity or mechanical systems, or lessen the support of, any portion of the building.

(b) Except as permitted in Paragraph (c) below, no person may change the appearance of the Common Elements, or the exterior appearance of a Unit, without written permission of the Association and the Declarant.

(c) In the situation where a Commercial Unit Owner owns adjoining Commercial Units, after giving notice to the Declarant, a Commercial Unit owner may alter a partition wall between such adjoining Commercial Units owned by him to create an opening in that wall, Such an alteration does not constitute a relocation of boundaries between Commercial Units as defined in ARTICLE VI.

(d) No alteration of a Unit, including an alteration of a Commercial Unit boundary pursuant to ARTICLE VI, which either affects the structural integrity or mechanical systems of the building or results in changes visible from outside the Unit, may be undertaken without the prior written approval of the Board of Directors. However, the Board of Directors shall approve any proposed alteration unless the Board of Directors determines in its discretion, reasonably applied, that the proposed alteration would adversely affect the exterior appearance of the building or any Common Elements therein, or the health, safety, or quiet enjoyment of other Unit Owners. Any Unit Owner altering a Unit Pursuant to this ARTICLE or ARTICLE VI shall:

- (1) provide for waivers of all mechanics lien rights which may arise as a result of the alteration;

(2) provide certificates of insurance insuring against all losses commonly insured against arising out of the work naming the Association as an additional insured;

(3) indemnify and hold the Association and other Unit Owners harmless from the effect of the work; and

(4) minimize the disturbance of other Unit Owners and their business activities or enjoyment of their Residential Unit during the work. Any such work shall be performed by a licensed, bonded and insured contractor authorized to perform such alterations.

(e) When any alterations approved by the Board of Directors are completed, the affected Unit Owners shall deliver to the Association a copy of the as built plans and specifications certified to by an engineer or architect licensed to practice in South Carolina.

ARTICLE VIII AREA COMPRISING PROPERTY

The Property as originally constructed has a total of 0.58 acres, more or less, on which is situate four (4) buildings occupying approximately 23,068 square feet of commercial and 44,562 square feet of residential.

ARTICLE IX COMMON ELEMENTS

The Common Elements of the Property are as follows:

Section 1. The General Common Elements are as follows:

(a) The Property, excluding the Limited Common Elements and the Units, and including, but not limited to the land on which the Units are constructed, the foundations, stairways, exterior portions of perimeter walls, common walls separating, Units, load-bearing columns or walls, slabs, public utility lines and pipes, wires or conduits located within slabs or elsewhere in the buildings other than as described in ARTICLE V, Section 3. In each instance there shall also be included the space actually occupied by the above.

(b) All installations, and area occupying same, outside of the Units for services such as power, light, telephone, television, mailboxes, water and other similar utilities, except such as are designated as Limited Common Elements.

(c) All sewer, drainage, and irrigation pipes, excluding those which are the property of the utility district.

(d) Such easements through the Units for pipes, ducts, plumbing, wiring and other facilities for the furnishing of utility services to Units, general Common Elements and Limited Common Elements and easements for access, maintenance, repair, reconstruction or replacement of structural members, equipment, installations and appurtenances, and for all other services necessary or convenient to the existence, maintenance, safety and use of the Property, whether or not such easements are erected during construction of the condominium property or during reconstruction of all or any part thereof, except such easements as may be defined as "Limited Common Elements".

(e) All areas not designated as a Limited Common Element and not described as lying within the boundary of a Unit as described in ARTICLE V, Section 3 hereof and 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.

Section 2. The Limited Common Elements are as follows:

(a) Commercial Unit Limited Common Elements:

(1) The space lying between the upper boundaries of each Unit as described in ARTICLE V and the floor or roof above such Unit, subject to easements for utilizing service as previously described.

(2) The ground level storefronts of the building shall be Limited Common Elements appurtenant to Commercial Units located on the ground level.

(3) Any other areas depicted as Limited Common Elements to the Commercial Units on the floor plans attached hereto as Exhibit "C".

(b) Residential Unit Limited Common Elements.

(1) All balconies, decks, and storage closets thereon, immediately adjacent to each Unit or to which each Unit has direct access from the interior thereof as may be shown on the floor plans identified as Exhibit "C" and on the plat identified as, Exhibit "B" hereto.

(2) The space lying between the upper boundaries of each Unit as described in ARTICLE V and the floor or roof above such Unit, subject to easements for utilizing service as previously described.

(3) All interior fixtures, lighting, non-load bearing partitions, and utility installations such as heating and air conditioning compressor units and ducts which are located in or exclusively serve Residential Units shall be considered Limited Common Elements to the Residential Units. Subject to easements, for utilizing service as previously described, access and use of such elements which are located within a particular Unit or which are designed and located to serve a particular Unit shall be restricted to the Owner(s) of such Unit.

(4) All hallways, walkways, elevators, elevator shafts, elevator equipment, stairwells and other access located within the residential floors of the Property or designed to serve the Residential Units only, including the portion of the elevators, elevator shafts, elevator equipment and stairwells located on the ground floor, as depicted on the floor plans identified as Exhibit "C" hereto.

(5) Any other areas depicted as Limited Common Elements to the Units on the floor plans attached as Exhibit "C".

ARTICLE X REVOCATION AND AMENDMENT

The Master Deed may be amended from time to time by the Owners by resolution adopted by the affirmative vote of the Owners holding Sixty-Seven percent of the total value of the Property at a meeting duly called for such purpose or by written ballot in lieu of a meeting, subject to the following conditions: that no amendment by the Owners shall alter the dimensions of a Unit or the percentage of interest in the Common Elements set forth on Exhibit "G"; that no amendment by the Owners shall be effective without the consent

of the Declarant so long as Declarant owns any Unit; and that no amendment to this Master Deed shall be effective unless and until recorded.

**ARTICLE XI
DECLARANT CONTROL PERIOD**

The Declarant control period has expired. Notwithstanding the foregoing, the Declarant retains certain rights of approval reserved unto it in this Master Deed which expressly survive the expiration of the control period.

**ARTICLE XII
PERCENTAGE OF INTEREST OF UNITS**

The percentage of title and interest appurtenant to each Unit and the Unit Owners title and interest in the Common Elements (both general and limited) of the Property as well as the proportionate representation for voting purposes in the meeting of the Association is based on the proportionate value of each Unit 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 purpose 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 Units expressed in an amendment to this Master Deed duly recorded as required by ARTICLE X hereof.

**ARTICLE XIII
ADMINISTRATION AND BY-LAWS**

Section 1. ASSOCIATION; BY-LAWS

As noted in ARTICLE II hereof, Declarant has caused to be incorporated under the laws of the State of South Carolina as corporation known as Calhoun Street HPR Owners' Association, Inc. which shall be an incorporated Council of Co-owners to serve as the body by which the Unit owners will manage the affairs of the Regime. Each Unit Owner shall have voting rights in said Association in the same percentage as the percentage of interest his Unit has in the Common Elements as set forth on Exhibit "G". The administration of the Regime, and consequently of the Association, consisting as aforesaid of the Property described in ARTICLES I, II and III, shall be in accordance with the provisions of the By-Laws which are incorporated herein, made a part hereof and are attached hereto as Exhibit "F".

Section 2. AUTOMATIC MEMBERSHIP IN ASSOCIATION

Each Unit owner shall automatically be a member of the Association so long as he continues to be a Unit owner and shall exercise such percentage of vote in all matters as shown upon Exhibit "G". Reference is hereby made to the By-Laws of the Association, which are attached hereto as Exhibit "F", for more specific revisions regarding membership and voting rights within the Association.

**ARTICLE XIV
HORIZONTAL PROPERTY REGIME CONSTITUTED**

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 Units may be conveyed and recorded as individual properties capable of in-dependent use and each having its own exit to the Common, Elements of the Property, and each Unit Co-owner having an exclusive and particular right over his respective Unit and in addition the specified undivided interest in the Common Elements of the Property.

**ARTICLE XV
DECLARANT SUBJECT TO MASTER DEED; DECLARANT USE**

So long as the Declarant owns one or more of the Units, the Declarant shall be subject to the provisions of this Master Deed and the Exhibits attached hereto and the Declarant 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; provided, however, that Declarant as in the case with any other Unit Owner, shall have the absolute right and privilege of leasing any or all of the Units owned by it on a short or long term basis for the uses permitted by this Master Deed, and that Declarant's lessees, invitees, guests, etc., shall be entitled to all of the privileges and rights, and be subject to the requirements hereunder, of a Co-owner with respect to the use of the Property excluding voting rights which shall remain with the Declarant; and provided further, that Declarant, and its successors and assigns, shall be entitled to use one or more of the Units as models for purposes of a sales model and/or office until the entire project as well as the contiguous property to be developed by Declarant, currently known and planned as Calhoun Street HPR, has been sold, it being the intent of Declarant that said reserved rights do not conflict with the residential use restriction described hereinabove.

**ARTICLE XVI
COMMON ELEMENTS NOT PARTITIONED**

Except as provided, the Common Elements shall remain undivided, and no Co-owner shall bring any action for partition and/or division.

**ARTICLE XVII
COMMON ELEMENTS NOT SEVERABLE FROM UNITS**

The undivided interest in the Common Elements shall not be separated from the Unit to which it appertains and shall be deemed conveyed or encumbered with the Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

**ARTICLE XVIII
ACKNOWLEDGMENT BY RESIDENTIAL UNIT OWNERS**

Residential Unit Owners, by virtue of being subject to this Declaration, acknowledge that the Calhoun Street Promenade is a mixed-use property and that some commercial activity (as described in Article V, Section 5 hereinabove) may involve evening activity including but not limited to indoor entertainment and the coming and going of patrons of the Commercial Units. Residential Unit Owners hereby acknowledge such use and agree that they shall not seek relief of any kind, whether legal or equitable from the Declarant or the Association based on such commercial activity. Nothing herein shall prohibit one Owner from bringing an arbitration, legal or equitable action against another Owner for violations of this Master Deed or any applicable Laws.

**ARTICLE XIX
NONUSE NOT EXEMPTION OF LIABILITY FOR COMMON EXPENSES**

No Co-owner of a 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 Unit.

**ARTICLE XX
ALL USERS OF PROPERTY SUBJECT TO MASTER DEED,
BY-LAWS AND RULES AND REGULATIONS**

All present or future Co-owners, tenants, future tenants, or any other person that might use the facilities of the Property in any manner, including those who may lease from the Declarant, are subject to the provisions of this Master Deed, the By-Laws, and all Rules and Regulations, and any authorized amendments to said documents, and that the mere acquisition or rental of any of the Units shall signify that the provisions of this Master Deed and any authorized amendment thereto are accepted and ratified.

**ARTICLE XXI
ASSESSMENTS SUBORDINATE TO MORTGAGEE TAKING TITLE**

Where a mortgagee or other purchaser of a Unit obtains title by reason of foreclosure or deed in lieu of foreclosure of a mortgage covering a Unit, such acquirer of title, his or its heirs, successors, assigns or grantees, shall not be liable for assessments by the Association 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 Association from filing and claiming liens for such assessments and enforcing same as provided by law, and that such assessment shall be subordinate to such mortgage.

**ARTICLE XXII
INSURANCE**

The Board of Directors of the Association shall be required to obtain and maintain those types and forms of insurance as are required by ARTICLE VIII of the By-Laws.

**ARTICLE XXIII
RECONSTRUCTION AND REPAIR**

In the event of casualty loss or damage to the Property the provisions of ARTICLE IX of the By-Laws shall govern all matters pertaining to reconstruction and repair.

**ARTICLE XXIV
CONDEMNATION**

In the event of a condemnation of a portion of the Property, which is subject to this Master Deed, no reallocation of interests in the common areas resulting from a partial condemnation of such a Project may be effected without the prior approval of the Unit Owners and the eligible holders holding mortgages on all remaining Units, whether existing in whole or in part, and which have at least seventy-five (75%) percent of the votes of such remaining Units subject to eligible holder mortgages.

The Association shall represent the Unit Owners in any condemnation proceedings or in negotiations, settlements, and agreements with the condemning authority for acquisition of the common areas, or part thereof. Each Unit Owner appoints the Association as attorney-in-fact for such purposes. In the event of a taking or acquisition of part or all of the Common Elements by a condemning authority, the award or proceeds of settlement shall be payable to the Association, or the Insurance Trustee, for the use and benefit of the Unit Owners and their mortgagees as their interests may appear.

**ARTICLE XXV
EASEMENT FOR ENCROACHMENT**

If any portion of the Common Elements now encroaches upon any Unit or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or if any such encroachment shall occur hereafter as a result of: (a) settling of the building or; (b) alteration or repair to the Common Elements made by or with consent of the Board or; (c) as a result of repair or restoration of the building or any Unit 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.

**ARTICLE XXVI
OTHER REGIME EASEMENTS**

Section 1. Common Elements Easement.

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

Section 2. Pedestrian and Other Easements.

Declarant hereby reserves the right to convey or relocate, from time to time, perpetual, non-exclusive, and unrestrictive easement(s) for pedestrian passage over, upon, and across portions of the Property comprising Common Elements of the Property, for the benefit of Owners, lessees, occupants, invitees, guests, and employees of adjacent or nearby properties, which include but not limited to Calhoun Street Promenade, or as the Board of Directors may from time to time deem necessary or appropriate.

Section 3. Cross-Parking Easements.

The Property is within a mixed-use development designated as the Calhoun Street Promenade. Under the requirements of the Town of Bluffton, all properties within the development have cross-parking rights and easements over their own and each other's individual sites, in parking places approved by the Town of Bluffton. Calhoun Street Promenade also has a Cross-Parking Easement with the First Baptist Church of Bluffton for parking as described in that certain Easement Agreement dated December 15, 2005, and recorded December 19, 2005, in the Office of the Register of Deeds for Beaufort County in Record Book 2288 at Page 950.

Section 4. Easement for Public Utilities.

The rights of Owners to use and possess the Common Elements as set forth in Section 1 above shall be subject to a blanket easement over the Common Elements in favor of the Declarant which shall authorize the Declarant to grant public utilities serving the Property the right to lay, construct, renew, operate, and maintain conduits, cables, pipes, electrical wiring, transformers, switching apparatus, and other equipment including housings for such equipment, into, over, under, along, and through the Common Elements for the purpose of providing utility services to the Property or any other property, together with reasonable rights of ingress to and egress from the Property for such a purpose, and the right to install, lay, operate, maintain, repair, and replace any pipes, electrical wiring, ducts, conduits, cables, public utility lines, or structural components running through the

walls of a Unit, whether or not such walls lie in whole or in part within the Unit. The Declarant may hereafter grant other or additional easements for utility purposes for the benefit of the Property, or any other property, over, under, along, and on any portion of said Common Elements, and such Owner hereby grants the Declarant an irrevocable power of attorney coupled with an interest to execute, acknowledge, and record in the name of such Owner, such instruments as may be necessary or appropriate to effectuate the foregoing.

Section 5. Utility Easements.

There shall be appurtenant to each Unit a non-exclusive easement for the use of all pipes, wires, cables, conduits, utility lines, flues, and ducts serving such Unit and situated in any other Unit. Each Unit shall be subject to an easement in favor of other Units for the use of all pipes, wires, cables, conduits, utility lines, flues, and ducts situated in such Unit and serving the other Units.

Section 6. Easements over the Property.

The rights of the Owners to use and possess the Common Elements set forth in the subparagraph above shall be subject to a perpetual blanket easement on, over, under, and across the Common Elements in favor of the Association and the Declarant and their representatives, agents, associates, successors, heirs, personal representatives and assigns, and all persons leasing or owning Units located in the Property, for the benefit of Declarant, the Association and all Owners or lessees of Units in the Property, and all their respective agents, employees and invitees for the purpose of access, and ingress to, egress from, use, benefit, and enjoyment of all areas of the Property.

Section 7. Right to Ingress, Egress, and Support.

Declarant and their respective successors, assigns, personal representatives, and heirs, and each Owner's guests, licensees, tenants, and invitees shall have the right to ingress and egress over, upon, and across the common Elements as necessary for access to such Owner's Residential Unit and to the Commercial Units, and shall have the right to horizontal, vertical, and lateral support of each such Unit and such rights shall be appurtenant to and pass with title to each Unit.

Section 8. Telecommunication Facilities.

Declarant hereby explicitly reserves the right to install and maintain anywhere on the Property telecommunication facilities including but not limited to antennas, poles, tower, and wires, or any future communication devices which may not have been developed yet, and Declarant shall further be entitled to any income, franchise fee, rents or other profit derived from such grants.

**ARTICLE XXVII
SEVERABILITY**

The provisions thereof 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 or any authorized amendment thereto shall not impair or affect in any manner the validity or enforceability of the remaining portions thereof 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 therein.

**ARTICLE XXVIII
NON-WAIVER**

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.

**ARTICLE XXIX
GENDER AND NUMBER**

The use of the masculine gender in this Master Deed shall be deemed to refer to the feminine and neuter gender, and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

**ARTICLE XXX
APPLICABLE LAW**

This Master Deed is set forth to comply with the requirements of the Horizontal Property Act of South Carolina as presently constituted or as hereafter amended. In case any of the provisions stated above conflict with the provisions of the Act, the Act shall govern. Should any provision or portion thereof shall be held or made invalid by a court decision, statute, rule or otherwise, the remainder of this Master Deed shall remain in full force and effect and shall not be affected by any such invalidity.

**ARTICLE XXXI
WARRANTIES**

The following Section is taken from the Purchase Agreement form by and between Declarant and all initial purchasers for Residential Units within the Regime. The purpose of reproducing said Section relating to warranties herein in this Master Deed is to provide actual notice to successors-in-title to original purchasers:

"At closing, Seller shall transfer to Purchaser all of Seller's rights, title and interest in and to any manufacturer's warranty furnished to Seller covering any equipment or appliance installed in the Property, and Seller makes no warranty or agreement of any kind with respect to any such equipment or appliance. If written notice is given to Seller by Purchaser within thirty (30) days of discovery of any defects not caused by Purchaser, his agents, guests, or invitees, then Seller will, at no cost to the Purchaser for a period of one (1) year from the date of closing, repair or replace the defective portion of the Property. This limited warranty shall not apply to fixtures and appliances covered by a warranty of a manufacturer or dealer, for which defects the Purchaser shall have such rights as are defined in the applicable warranty documents. Seller shall not be responsible for any incidental or consequential damage arising from any defect. This warranty is personal to Purchaser and shall automatically terminate and be of no further force or effect upon Purchaser's sale, transfer or conveyance of the Property. THE PROPERTY IS BEING SOLD "AS IS". SELLER MAKES NO WARRANTY OR REPRESENTATION, EXPRESSED OR IMPLIED AS TO THE FITNESS, DESIGN OR CONDITION OF ITEMS OF TANGIBLE PERSONAL PROPERTY OR FIXTURES, THEIR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE."

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned have executed this document as of the day and year first above written.

Nancy Zabala
Witness

Shaquenta Corbett
Witness/Notary

CALHOUN STREET HPR OWNERS'
ASSOCIATION, INC

By:

President

[Signature]

Print Name:

Lisa G. Ashcraft
6/2/23

[CORPORATE SEAL]

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

ACKNOWLEDGEMENT

I, Shaquenta Corbett do hereby certify that Nancy Zabala and Lisa Ashcraft, President of CALHOUN STREET HPR OWNERS' ASSOCIATION, INC., appeared before me this 2 day of ~~May~~ June, 2023, and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 2 day of ~~May~~ June, 2023.

Shaquenta Corbett
Notary Public of South Carolina
Print Name: Shaquenta Corbett
My Commission Expires: 2/22/2031

EXHIBIT "A"

CALHOUN STREET PROMENADE HORIZONTAL PROPERTY REGIME DESCRIPTION OF LAND

Reference is hereby made to that certain Exhibit "A" attached to the original Master Deed for Calhoun Street Horizontal Property Regime ("Regime") filed in the Office of the Register of Deeds for Beaufort County ("ORD"), South Carolina in Deed Book 2629 at Page 755 which Exhibit "A" is hereby incorporated herein as if fully recited.

EXHIBIT “B”

PLAT “AS-BUILT SURVEY OF PROPERTY

Reference is hereby made to that certain Exhibit “B” attached to the original Master Deed for Calhoun Street Horizontal Property Regime (“Regime”) filed in the Office of the Register of Deeds for Beaufort County (“ORD”), South Carolina in Deed Book 2629 at Page 755 which Exhibit “B” is hereby incorporated herein as if fully recited.

EXHIBIT "C"

CALHOUN STREET HORIZONTAL PROPERTY REGIME ARCHITECTURAL DRAWINGS OF FLOOR PLANS

THE ARCHITECTURAL DRAWINGS OF FLOOR PLANS AS ORIGINALLY RECORDED WITH THE MASTER DEED IN THE OFFICE OF THE REGISTER OF DEEDS FOR BEAUFORT COUNTY ON 9/21/2007 IN DEED BOOK 2829 AT PAGES 786 THROUGH AND INCLUDING PAGE 802 ARE INCORPORATED HEREIN BY REFERENCE AND MADE A PART OF THIS AMENDED AND RESTATED MASTER DEED.

NOTE:

Building 3 is now known as 14 Promenade

Building 10 is now known as 6 Promenade

Building 12 is now known as 9 Promenade

Building 13 is now known as 5 Promenade

EXHIBIT “D”

CALHOUN STREET HORIZONTAL PROPERTY REGIME ARCHITECT’S CERTIFICATE

THE ARCHITECT’S CERTIFICATE AS ORIGINALLY RECORDED WITH THE MASTER DEED IN THE OFFICE OF THE REGISTER OF DEEDS FOR BEAUFORT COUNTY ON 9/21/2007 IN DEED BOOK 2829 AT PAGE 803 IS INCORPORATED HEREIN BY REFERENCE AND MADE A PART OF THIS AMENDED AND RESTATED MASTER DEED.

NOTE:

Building 3 is now known as 14 Promenade

Building 10 is now known as 6 Promenade

Building 12 is now known as 9 Promenade

Building 13 is now known as 5 Promenade

EXHIBIT "E"

CALHOUN STREET HORIZONTAL PROPERTY REGIME WALK THROUGH DESCRIPTION OF UNITS

THE WALK THROUGH DESCRIPTION OF UNITS AS ORIGINALLY RECORDED WITH THE MASTER DEED IN THE OFFICE OF THE REGISTER OF DEEDS FOR BEAUFORT COUNTY ON 9/21/2007 IN DEED BOOK 2829 AT PAGES 804 THROUGH AND INCLUDING PAGE 809 IS INCORPORATED HEREIN BY REFERENCE AND MADE A PART OF THIS AMENDED AND RESTATED MASTER DEED.

NOTE:

Building 3 is now known as 14 Promenade

Building 10 is now known as 6 Promenade

Building 12 is now known as 9 Promenade

Building 13 is now known as 5 Promenade

EXHIBIT "F"

**AMENDED AND RESTATED BY-LAWS
OF
CALHOUN STREET HORIZONTAL PROPERTY REGIME
AND
CALHOUN STREET HPR OWNERS' ASSOCIATION, INC.**

STATE OF SOUTH CAROLINA) AMENDED AND RESTATED BY-LAWS OF
) CALHOUN STREET HORIZONTAL
COUNTY OF BEAUFORT) PROPERTY REGIME AND CALHOUN
) STREET HPR OWNERS' ASSOCIATION, INC.

These Amended and Restated By-Laws of Calhoun Street Horizontal Property Regime and Calhoun Street HPR Owners' Association, Inc. ("By-Laws") are duly adopted and made effective this 3rd day of April, 2023.

WHEREAS, the By-Laws were originally filed as Exhibit B to the Master Deed for Calhoun Street Horizontal Property Regime, which Master Deed was recorded in the Office of the Register of Deeds for Beaufort County on September 21, 2007, in Deed Book 2629, at Page 755;

WHEREAS, by written ballot duly noticed in accordance with the S.C. Nonprofit Corporation Act and as provided for in the By-Laws, the Owners did, as evidenced by the Certificate of the Secretary attached hereto as Exhibit "A", agree to amend and restate the By-Laws as set forth hereinbelow;

NOW THEREFORE, the By-Laws shall read as follows:

ARTICLE I
PLAN OF UNIT OWNERSHIP

Section 1. HORIZONTAL PROPERTY REGIME. The Property (the term "Property" as used herein means and includes the land, the buildings, all improvements including the furniture, furnishings, etc. pursuant to the Declaration, and structures thereon in the Town of Bluffton in Beaufort County, South Carolina, known as the Calhoun Street HORIZONTAL PROPERTY REGIME has been, by Master Deed, submitted to the provisions of the Horizontal Property Act of South Carolina, which said Property shall henceforth be known as the Calhoun Street HORIZONTAL PROPERTY REGIME (hereinafter referred to as "Regime").

Section 2. ASSOCIATION. In conjunction with the creation of the above-described Regime there also has been incorporated under the laws of the State of South Carolina an Association known as Calhoun Street HPR Owners' Association, Inc. (hereinafter referred to as "Association") which shall, pursuant to the provisions of the aforementioned Master Deed, constitute the incorporated Calhoun Street HPR Owners' Association, Inc.

Section 3. BY-LAWS APPLICABILITY. The provisions of these By-Laws are applicable to the Property and the Regime.

Section 4. PERSONAL APPLICATION. All present or future Co-Owners, tenants, future tenants, or their employees, or any other person who might use the facilities of the Property in any manner, are subject to the regulations set forth in these By-Laws and in the Master Deed establishing said Regime as they may be amended from time to time. The mere acquisition or rental of any of the Residential or Commercial Units (hereinafter usually referred to as "Units") as defined in the Master Deed of the Property or the mere act of occupancy of any of said Units will signify that these By-Laws, the Master Deed, Rules and Regulations, and any authorized recorded amendments to the foregoing documents will be complied with.

Section 5. INTERPRETATION/CONSTRUCTION. Capitalized terms used herein shall have the same meaning ascribed to them in the Master Deed unless otherwise defined herein.

ARTICLE II
VOTING, MAJORITY OF CO-OWNERS QUORUM,
PROXIES

Section 1. ELIGIBILITY. Any person who acquires title to a Unit in the Regime shall be a member of the Association. There shall be one membership for each Unit owned. In general, there are twenty-four (24) Residential Units and twenty-four (24) Commercial Units. Accordingly, there may be twenty-four (24) Residential memberships and twenty-four (24) Commercial memberships. Transfer of a Unit ownership, either voluntary or by operation of law, shall terminate membership in the Association, and said membership is to become vested in the transferee. If Unit ownership is vested in more than one person, then all of the persons so owning such Unit shall agree upon the designation of one of the Co-Owners of such Unit to act as a member of the Association. If Unit ownership is vested in a corporation or limited liability company or other legal entity, said entity shall designate an individual officer or employee of the entity to act as a member of the Association. A person so designated shall be deemed to be the member for all intents and purposes under these By-Laws, the Master Deed, or at law. The Association may adopt a form for the designation of such member and if such form is completed and delivered to the Board of Directors or its designated Management Agent, such designation shall be conclusive as to the member's authority to act on behalf of the Owner(s) until revoked in writing and a new designation is provided as stated herein.

Section 2. VOTING. Whenever a vote of the Co-Owners is required by law, the Master Deed, or these By-Laws, it shall be on a percentage basis and the percentage of the vote to which the Co-Owner is entitled is the percentage assigned to the Unit or Units in the Master Deed. With respect to any matter affecting the Regime as a whole or General Common Elements of the Regime requiring a vote of the Co-Owners, all members of the Association shall be entitled to vote. With regard to any matters which affect only the Residential Units or only the Commercial Units, or only the Limited Common Elements of either (hereinafter, a "Limited Vote"), the affected class of Owner (Residential or Commercial) shall be the only members entitled to vote on such issues. In all cases, voting shall be according to the percentage interest of each Owner, expressed as a percentage of the whole Regime in the case of matters affecting the whole Regime or its General Common Elements, and expressed as a percentage of the affected class (Residential or Commercial) in the case of matters affecting only such limited class of Owners. The Board of Directors, or its designated Management Agent, shall have exclusive authority to determine whether a given matter shall be subject to a full or Limited Vote of the Regime membership.

Section 3. MAJORITY OF CO-OWNERS. As used in these By-Laws, the term "majority of Co-Owners" shall mean those Co-Owners owning fifty-one (51%) percent or more of the statutory value of the Property as a whole as shown on Exhibit "G" to the Master Deed, except in the case of a special meeting called for the purpose of a Limited Vote, in which case the "majority of Co-Owners" shall mean a simple majority of the Co-Owners of the affected class (e.g. Residential or Commercial).

Section 4. QUORUM. Unless otherwise provided elsewhere in these By-Laws, the presence in person or by proxy of a majority of Co-Owners as defined in Section 3 of this Article, shall constitute a quorum.

Section 5. PROXIES. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary or the Management Agent by the time set forth in the Notice of the meeting, or if no time is specified, then before the appointed time of each meeting.

Section 6. MAJORITY VOTE. The vote of a majority of the Co-Owners as provided for in Section 3 of this Article (or the affected class of Residential or Commercial Owners in the case of a Limited Vote) present at a meeting at which a quorum shall be present shall be binding upon all Co-Owners for all purposes except where in the Master Deed or in these By-Laws, or by law, a higher percentage vote is required.

ARTICLE III
CALHOUN STREET PROMENADE
OWNERS' ASSOCIATION, INC.

Section 1. ASSOCIATION RESPONSIBILITIES. The Co-Owners of the Units will constitute the members of the Calhoun Street HPR Owners' Association, Inc., (hereinafter

usually referred to as "Association"). The membership shall be responsible for electing the Board of Directors which shall manage the affairs of the Association, and which may contract with a Management Agent for the management of the Property pursuant to an agreement containing provisions relating to the duties, obligations, removal and compensation of the management agent. Except when a vote of the Co-Owners is expressly required by the Master Deed, these By-Laws, or by law, all decisions and resolutions of the Association shall be made by the Board of Directors in accordance with these By-Laws, the Master Deed, and by law.

Section 2. PLACE OF MEETINGS. Meetings of the Association shall be at such place, convenient to the Co-Owners, as may be designated by the Association. Meetings may be held via the use of such technologies as the Board of Directors may designate, provided that all Members attending the meeting must be able to hear and be heard by each other simultaneously and further provided that the notice of such meeting must provide sufficient information to allow the Members to access the meeting through the use of such technology and further provide an alternative form of contact in the event they are unable to access same for any reason. Voting at any meeting held via the use of such technologies may be conducted electronically, provided that a record of the vote, to include the identity of the Member casting such vote, must be maintained for a period of at least three (3) months following the meeting.

Section 3. ANNUAL MEETINGS. The annual meetings of the Association shall be held at the call of the President once a year during the second or third week of the month of September or at such other time as a majority of the Co-Owners may agree upon. At such meetings there shall be elected by ballot of the Co-Owners a Board of Directors in accordance with the requirements of Section 5 of Article IV of these By-Laws. The Co-Owners may also transact such other business of the Association as may properly come before them.

Section 4. SPECIAL MEETINGS. It shall be the duty of the Secretary to call a special meeting of the Co-Owners as directed by resolution of the Board of Directors, at the request by a majority of the Directors, or upon a petition signed by Co-Owners in accordance with the S.C. Nonprofit Corporation Act. A notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No other business shall be transacted at a special meeting other than as stated in the notice except by consent of a majority of Co-Owners, either in person or by proxy. In no event shall a Special Meeting called for the purpose of a Limited Vote be expanded to address additional matters pertaining to the entire Regime. If additional matters requiring a vote of the total percentage ownership of the Regime are to be addressed, the Special Meeting must be adjourned and a new notice of meeting which satisfies the notice requirements of these By-Laws must be sent to the Co-Owners setting forth the purpose of the meeting and the time and place thereof,

Section 5. FIRST MEETING. The first meeting of the Association shall be held in September, 2008, unless a Special Meeting is called for an earlier time.

Section 6. NOTICE OF MEETINGS. It shall be the duty of the Secretary to send notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Co-Owner of record, at least fifteen (15), but not more than forty-five (45) days prior to such meeting. The delivery of a notice in the manner provided in Article VI shall be considered notice served. Unless a different date is established by the Board of Directors, the record date for determining the Owners entitled to receive notice of any meeting shall be the third (3rd) business day prior to the sending of such notice.

Section 7. ADJOURNED MEETING. If any meeting of the Association cannot be organized because a quorum has not attended, the Co-Owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called. Upon the reconvening of said meeting a quorum shall be constituted if Co-Owners holding at least thirty percent (30%) of the total value of the property in accordance with the percentages assigned in the Master Deed are present in person or by proxy at said reconvened meeting.

Section 8. ORDER OF BUSINESS. The order of business at all Annual Meetings of the Association shall include the following:

- (a) Roll Call.
- (b) Proof of Notice of Meeting or Waiver of Notice.
- (c) Reading of Minutes of Preceding Meeting.
- (d) Reports of Officers.
- (e) Reports of Committees.
- (f) Election of Inspectors of Election.
- (g) Election of Directors.
- (h) Unfinished Business.
- (i) New Business.

The order of business at a Special Meeting of the Association shall include items (a) through (i) above, and thereafter, the agenda shall consist of the items specified in the notice of meeting.

ARTICLE IV **BOARD OF DIRECTORS**

Section 1. NUMBER AND QUALIFICATION. The affairs of the Association shall be governed by a Board of Directors (hereinafter referred to as the "Board") comprised of at least three (3) but no more than five (5) persons. Board Members shall be Unit Owners.

Section 2. GENERAL POWERS AND DUTIES. The Board shall have the powers and duties necessary for the administration of the affairs of the Association and may exercise all powers granted to the Board and its Officers as set forth in the South Carolina Non-profit

Corporation Act, §33-31-101 et seq. and may do all such acts and things as are not by law, the Master Deed, or by these By-Laws, expressly required to be put to a vote of the Co-Owners.

Section 3. SPECIFIC POWERS AND DUTIES. In addition to the general powers and duties referenced above, duties imposed by these By-Laws, or by resolutions of the Association, the Board shall be responsible for the following:

(a) Compliance with all of the terms and conditions of the Master Deed and any amendments thereto and enforcement of same.

(b) Care and upkeep of the Property and the Common Elements and the Residential Unit Limited Common Elements.

(c) Establishment of the annual budget. The budget shall be distributed by the Board to all members of the Association at least thirty (30) days in advance of the Association's Annual Meeting which shall be held during the second (2nd) or third (3rd) week of September. Notwithstanding the responsibilities and authority of the Board, the budget (and any special assessment which the Board may establish) may be modified by the Association at the Annual Meeting or a Special Meeting of the Association by a two-thirds (2/3) vote of the Co-Owners present at such meeting, in person or by proxy.

(d) As a part of the annual budget described in (c) above, establishment and maintenance on behalf of the Association of an adequate reserve fund for periodic maintenance, repair, and replacement of improvements to the Common Elements and the Limited Common Elements.

(e) Employment, dismissal, and control of the personnel necessary for the maintenance and operation of the Common Elements.

(f) Collection of all assessments and fees and other charges imposed in accordance with these By-Laws, the Master Deed or any Rules and Regulations, all as may be amended, including, all assessments duly charged to the Association by Calhoun Street Promenade Owners Association, Inc. .

(g) Performing repairs caused by any natural disaster or man-made damage from the reserve account and any special assessment or causing the same to be done.

(h) Obtaining of insurance for the Property, pursuant to the provisions hereof and the provisions of the Master Deed or causing the same to be done as set forth in ARTICLE VIII hereof.

(i) Grant or relocate easements which are not inconsistent with the Owners' full use and enjoyment of the common properties.

(j) Curtailing or relocating any space devoted to storage or service purposes in the building.

(k) Making of repairs, additions and improvements to, or alterations of, the Property and repairs to and restoration of the Property in accordance with the other provisions of these By-

Laws: provided, however, that the Board of Directors shall not undertake any repair covered by the warranty without the consent of a majority of the Unit Owners.

(l) To make available, for inspection, upon request during normal working hours or under other reasonable circumstances, to Unit Owners, the holders, insurers, or guarantors of any first mortgage on any Unit, current copies of the Master Deed, By-Laws, other Rules or Regulations pertaining to the Association, and the books, records and financial statements of the Association.

(m) The borrowing of money and pledging of the assessments as collateral therefore when, in the discretion of the Board of Directors, such financing is reasonably necessary or in the best of interest of the Owners, for the purpose of funding capital improvement to or replacement of the Common Elements.

(n) To promulgate such reasonable rules and regulations as may be necessary to secure the quiet enjoyment of the Property and the preservation of the Common Elements.

(o) To direct the President of the Board to vote on behalf of the Regime and the Association as the Designated Representative thereof, in any matter requiring a vote of the members of the Calhoun Street Promenade Owners' Association, Inc.

(p) The Manager or Board of Directors shall keep detailed records of the receipts and expenditures affecting the General and Limited Common Elements and any other expenses incurred. Records and vouchers authorizing the payments involved shall be available for examination by the Owner by scheduled appointment and during reasonable business hours. The Association may charge a reasonable copying charge for any reproduction of records, not to exceed the prevailing rate charged by the Beaufort County Clerk of Court for the making of copies. The Manager or Board of Directors shall also maintain the Minutes of all meetings of the Board and meetings of the Owners in accordance with the S.C. Nonprofit Corporation Act.

Section 4. MANAGEMENT AGENT. The Board may employ a management agent at the compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section 3 of this Article. Any such management contracts shall be for a reasonable term and shall contain reasonable provisions regarding the right of the Association to terminate said contracts.

Section 5. FIRST BOARD OF DIRECTORS. The first Board of Directors consisting of five (5) members shall be designated by the Declarant. These appointments will be temporary and will continue only until the first annual meeting of the Unit Owners held pursuant to the provisions of these By-Laws. At the first Annual Meeting of the Association, the initial term of office for two (2) members of the Board shall be fixed at three (3) years. The term of office of two (2) members of the Board shall be fixed at two (2) years, and the term of office of one (1) member of the Board shall be fixed at one (1) year. At the expiration of the initial term of office of each member of the Board, his successor shall be elected to serve a term of three (3) years. The members of the Board shall hold office until their

successors have been elected and hold their first meeting. Any and all of said Board Members shall be subject to replacement, in the event of resignation or death, in the manner set forth in Section 6 of this Article.

Section 6. VACANCIES. Vacancies in the Board of Directors caused by reason other than the removal of a member of the Board by a vote of the Association shall be filled by vote of the majority of the remaining members, even though they constitute less than a quorum; and each person so elected shall be a member of the Board until a successor is elected at the next meeting of the Association.

Section 7. REMOVAL OF MEMBERS OF THE BOARD. At any annual or special meetings of the Association duly called, any one or more of the members of the Board may be removed with or without cause by a majority of Co-Owners and a successor may then and there by elected to fill the vacancy thus created. Any member of the Board whose removal has been proposed to the Association shall be given an opportunity to be heard at the meeting. No Board member shall continue to serve on the Board if during the term of office, he shall cease to be a Unit owner (except as provided in Section 5 regarding Declarant's appointee). Any member of the Board may be removed by the remaining Board members for (a) failure to timely remit payment for charges due the Association; or (b) upon three (3) unexcused absences from meetings of the Board for which proper notice was given.

Section 8. ORGANIZATIONAL MEETING. The first meeting of a newly elected Board shall be held within ten (10) days of election at such place as shall be fixed by the Board at the meeting at which such Board members were elected by the Association, and no notice shall be necessary to the newly elected Board members in order to legally constitute such a meeting, providing a majority of the Board shall be present.

Section 9. REGULAR MEETINGS. Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Board, but at least one (1) such meeting shall be held each fiscal year. Notice of regular meetings of the Board shall be given by the Secretary-Treasurer or other designated person, to each Board member, personally or by mail, email, or telephone, at least ten (10) days prior to the day named for such meeting.

Section 10. SPECIAL MEETINGS. Special meetings of the Board may be called by the President on three (3) days' notice to each Board Member, given personally or by email, mail, or telephone, which notice shall state the time, place (as herein-above provided), and the purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary Treasurer in like manner on like notice on the written request of at least two (2) Board members.

Section 11. WAIVER OF NOTICE. Before or at any meeting of the Board, any member of the Board may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Board Member at any meeting of the Board shall be a waiver of notice by him of the time, place, and purpose thereof. If all members are present at any meeting of the Board, no notice shall be required, and any business may be transacted at such meeting.

Section 12. BOARD QUORUM. At all meetings of the Board, a majority of the Board members shall constitute a quorum for the transaction of business and acts of the majority of the members present at a meeting at which a quorum is present shall be the acts of the Board. If, at any meeting of the Board, there is less than a quorum present, the majority of the Board members present may adjourn the meeting from time to time. At any such adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 13. FIDELITY BONDS. The Board may require that any and all officers and employees of the Regime handling or responsible for Regime funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Regime.

Section 14. COMPENSATION. No member of the Board of Administrators shall receive any compensation from the Regime for acting as such.

Section 15. LIABILITY OF THE BOARD OF DIRECTORS. The members of the Board of Directors shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of them members of the Board of Directors against all contractual liability to others arising out of contracts made by the Board of Directors on behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Master Deed or of these By-Laws. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association. It is understood and permissible for the original Board of Directors, who are members of, or employed by, or have business relationships with Declarant, to contract with Declarant and affiliated corporations without fear of being charged with self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Directors or out of the aforesaid indemnity in favor of the members of the Board of Directors, shall be limited to such proportions of the total liability thereunder as his interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements. Every agreement made by the Board of-Directors or by the managing agent or by the manager on behalf of the Association shall provide that the members of the Board of Directors, or the managing agent, or the manager, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owners' liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements.

Section 16. ATTENDANCE BY ELECTRONIC MEANS. Any meeting of the Board of Directors may be held virtually via such technology as the President shall designate, provided that all members of the Board of Directors may hear and be heard simultaneously. Any Board member attending virtually shall be deemed present for all purposes. The Board may take action in lieu of a meeting through the use of email provided that (a) all Board members cast a vote unanimously endorsing the action to be taken, and (b) that the action so taken is entered into the Minutes of the Association.

ARTICLE V **OFFICERS**

Section 1. DESIGNATION. The principal officers of the Association shall be a President, a Vice President, and a Secretary-Treasurer all of whom shall be elected by and from the Board. The Board may appoint an Assistant Treasurer and Assistant Secretary, and such other officers as, in their judgment, may be necessary.

Section 2. ELECTION OF OFFICERS. The officers of the Association shall be elected annually by the Board at the organizational meeting of each new Board and shall hold office at the pleasure of the Board.

Section 3. REMOVAL OF OFFICERS. Upon an affirmative vote of a majority of the members of the Board, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose. No officer shall continue to serve as such if, during his term of office, he shall cease to be a Unit Owner.

Section 4. PRESIDENT. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board. He shall have all of the general powers and duties which are usually vested in the office of President of a Regime or incorporated Association, including but not limited to the power to appoint committees from among the Co-Owners from time to time as he may, in his discretion, feel appropriate to assist in the conduct of the affairs of the Association.

Section 5. VICE PRESIDENT. The Vice President shall take the place of the President and perform his duties when the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board.

Section 6. SECRETARY-TREASURER. The Secretary-Treasurer shall keep the minutes of all meetings of the Board and the minutes of all meetings of the Association; he shall have charge of such books and papers as the Board may direct; and he shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association.

He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board. He shall, in general, perform all the duties incident to the office of the Secretary and Treasurer.

ARTICLE VI
NOTICES

Section 1. DEFINITION.

(a) NOTICE TO BOARD/MANAGER. Whenever under the provisions of the Master Deed or of these By-Laws notice is required to be given to the Board of Directors or any manager, it shall not be construed to mean personal notice; but such notice shall be given in writing, by mail, by depositing the same in a post office or letter box, in a postpaid sealed wrapper, or by courier service such as Federal Express addressed to the Board of Directors and to such manager at such address as appears on the books of the Association. A copy of such notice shall also be emailed to the Board President and to any manager at such email address as they may make available for such purpose.

(b) NOTICE TO OWNERS. Whenever under the provisions of the Master Deed or of these By-Laws notice is required to be given to a Unit Owners, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box, in a postpaid sealed wrapper, or by courier service such as Federal Express addressed to the Owner. If a Unit Owner has provided an email address to the Association or its Property Manager, notice to such Unit Owner may be provided via such email address in lieu of mailed notice. If no mailing or email address is provided to the Association by a Unit Owner, then mailing of notice shall be to the address shown on in the public tax records with respect to the Unit.

(c) RECEIPT OF NOTICE. Notice shall be deemed given as of the date on which it is emailed or, if sent via regular mail only, then on the fifth (5th) day following its posting with the U.S. Postal Service or other mail carrier.

Section 2. SERVICE OF NOTICE-WAIVER. Whenever any notice is required to be given under the provisions of the Master Deed, or law, or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VII
OBLIGATIONS OF THE CO-OWNERS

Section 1. ASSESSMENTS FOR COMMON EXPENSES. All Co-Owners shall be obligated to pay the periodic assessments imposed by the Association, as levied by the Board, to meet all Association Common Expenses, which shall include, among other things, liability insurance policy premiums and an insurance policy premium to cover repair and

reconstruction work in case of hurricane, fire, earthquake and other hazards. The Common Expenses may also include such amounts as the Board may deem proper for the operation and maintenance of the Property and any authorized additions thereto. Such may include without limitation, any amount for general working capital, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the Common Expenses for any prior year. No less than thirty (30) days prior to the Annual Meeting, the Board shall furnish all Unit Owners with a copy of the budget for the next fiscal year and shall likewise advise them of the amount of the common charges payable by each of them, respectively, as determined by the Board as aforesaid. Declarant will be liable for the amount of any Common Expense assessment against completed Units within the Association which have not been sold and Declarant shall have all voting rights attendant to the ownership of said Unit until said Units are sold. Payment of the assessment shall be in periodic (as determined by the Board) installments or in such other reasonable manner as the Board shall designate.

The transfer of ownership of an individual Unit within the Association shall carry with it the proportionate equity of that Unit's ownership in the association Common Expense escrow or reserve account set aside to provide a contingency fund for the maintenance and repair of the Association Property.

Special assessments applicable to Limited Common Elements may be imposed by the Association against those Owners affected including, but not limited to, assessments to Residential Unit Owners for any repairs, replacement or extraordinary maintenance to the elevators, elevator shafts and elevator equipment as provided for in Section 5 of this Article.

Section 2. ASSESSMENTS TO REMAIN IN EFFECT UNTIL NEW ASSESSMENTS MADE. The omission by the Board of Directors before the expiration of any year, to fix the assessments for Common Expenses hereunder for that or the next year, shall not be deemed a waiver or modification in any respect of the provisions of the Master Deed and By-Laws or a release of any Owner from the obligation to pay the assessments, or an installment thereof for that or any subsequent year, but the assessment fixed for the preceding year shall continue until a new assessment is fixed. Amendments to this paragraph shall be effective upon unanimous written consent of the Owners and their mortgagees. No Owner may exempt himself from liability for his contribution towards the Common Expenses by waiver of the use or enjoyment of any of the General or Limited Common Elements or by abandonment of his Unit.

Section 3. DEFAULT IN PAYMENT. The Board shall take prompt action to collect all sums due from any Unit Owner which remain unpaid for more than thirty (30) days from the due date for payment thereof. In the event of default by any Unit Owner in paying to the Board such charges as may be due, such Unit Owner shall be obligated to pay a late charge of one and one-half (1 1/2%) percent of the delinquent amount per month from the due date thereof, together with all expenses, including attorney's fees, incurred by the Board with respect to the collection thereof. The Board shall have the right and duty to attempt to recover such charges, together with interest thereon, and the expenses of collection thereof, including late fees and attorney's fees and costs, in an action to recover the same brought

against such Unit Owner, or by foreclosure of the lien on such Unit granted by Section 27-31-210, Code of Laws of South Carolina, 1976. With regard to the subordinate nature of such liens as it relates to mortgages recorded prior to the recording of any evidence of such lien, the provisions of Section 27-31-210, Code of Laws of South Carolina, 1976, as amended, shall be controlling.

Section 4. STATEMENT OF COMMON CHARGES. The Board shall, for a fee, promptly provide any purchaser, Unit Owner, encumbrancer or prospective encumbrancer of a Unit so requesting the same in writing, with a written statement of all unpaid common charges due from the Owner of that Unit and the purchaser's liability therefore shall be limited to the amount as set forth in the statement. Any encumbrancer holding a lien on a Unit may pay any unpaid common charges payable with respect to such Unit and upon such payment such encumbrancer shall have a lien on such Unit for the amounts paid of the same rank as the lien of his encumbrance. Any encumbrancer holding mortgages on more than five (5) Units within the Association shall be entitled, upon request, to receive a statement of account for the Units securing all of said Mortgages once each calendar year without any fee or charge.

Section 5. MAINTENANCE AND REPAIR. All the repairs of the Units and of those items described in Section 4 of Article V of the Master Deed, and of all other accessories and Limited Common Elements appertaining or belonging to the Unit shall be at the expense of the Co-Owner as to any Commercial Unit or Residential Unit. All maintenance, repair and replacement to the Common Elements as defined in the Master Deed, unless otherwise provided in the Master Deed, shall be made by the Board or the Management Agent and shall be charged to all the Unit Owners as a Common Expense, excepting to the extent that the same may be necessitated by the negligence, misuse or neglect of the Unit Owner, in which such case the expense shall be charged to such Unit Owner. Notwithstanding any provisions contained herein, scheduled service and inspection and routine maintenance of the elevators, elevator shafts and elevator equipment shall be made by the Board or the Management Agent and shall be charged to all the Residential Unit Owners as a Common Expense. Any repairs, replacement or extraordinary maintenance to the elevators, elevator shafts and elevator equipment shall be made by the Board or the Management Agent and shall be charged to the Owner of the Residential Unit directly served and accessed by such elevator.

Section 6. WATER CHARGES AND SEWER RENTS. Water shall be supplied, and sewer services shall be supplied to all Units and the Common Elements through one or more meters by the area public service provider and each Owner shall be required to pay for his separately metered or pro rata share of all charges for water consumed and sewer services in his Unit and to the Common Elements, promptly after the bills for the same have been rendered.

Section 7. ELECTRICITY. Electricity shall be supplied by the public utility company serving the area directly to each Commercial Unit and Residential Unit through a separate meter and each Commercial Unit Owner and Residential Unit Owner shall be required to pay the bills for electricity consumed or used in his respective Unit. The electricity

serving the Common Elements shall be separately metered, and the Board shall pay all bills for electricity consumed in such portions of the Common Elements, as a Common Expense.

Section 8. USE OF UNITS - INTERNAL OR EXTERNAL CHANGES.

(a) A Co-Owner of a Residential Unit shall not make internal structural modifications or alterations in his Unit or installations located therein.

(b) A Co-Owner of a Residential Unit shall make no changes or additions whatsoever to the exterior of the Unit, any stairs, elevators or decks, appurtenant thereto, or to any of the Limited Common Elements.

(c) Notwithstanding the foregoing, a Co-Owner of a Commercial Unit, since it is contemplated that the Commercial Units will be susceptible to modification, subdivision, alteration, etc., may make internal structural modifications or alterations or installations and may make changes or additions to the exterior of the Unit appurtenant thereto or to any of the Limited Common Elements appurtenant to the Commercial Unit in question with previous notification to the Association, through the Management Agent, said notification to be in writing and to specifically describe the proposed alterations or additions. The Association shall have the obligation to answer within fifteen (15) days of the actual receipt of notice and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.

Section 9. USE OF COMMON ELEMENTS. Except as authorized by Section 8(c) hereinabove, a Co-Owner shall not place or cause to be placed in the passages, parking areas, roads, or other common areas any furniture, packages, or obstructions of any kind. Such areas shall be held in common for the enjoyment of the Co-Owners and shall be used for no other purpose than for normal transit through or use of them and for normal vehicular parking.

Section 10. RIGHT OF ENTRY.

(a) A Co-Owner shall grant the right of entry to the management agent or to any person authorized by the Board in case of any emergency originating in or threatening his Unit, whether the Co-Owner is present at the time or not.

(b) A Co-Owner shall permit other Co-Owners, or their representatives, when so required, to enter his Unit for the purpose of performing installations, alterations, or repairs to the mechanical or electrical services, provided that such requests for entry are made in advance and that such entry is at a time convenient to the Co-Owner. In case of emergency, the right of entry shall be immediate.

Section 11. RULES OF CONDUCT. In order to assure the peaceful and orderly use and enjoyment of the Units and Common Elements of the Association, the Board of Directors may from time to time adopt, modify, and revoke in whole or in part such reasonable rules and regulations, to be called Rules of Conduct, governing the conduct of persons on said property of

the Association as it may deem necessary. Such Rules of Conduct, upon adoption, and every amendment, modification, and revocation thereof, shall be delivered promptly to each owner by email to such address as the Co-Owner may supply to the Association for such notices, by posting same on the Association's website, or by posting same with postage prepaid addressed to the owner at the last registered address of the owner. Such notice shall be binding upon all Unit Owners and the occupants of Units in the Regime.

Section 12. ABATEMENT AND ENJOINMENT OF VIOLATIONS BY UNIT OWNERS. The violation of any Rules or Regulations adopted by the Board or the breach of any By-Laws contained herein, or the breach of any provisions of the Master Deed, shall give the Board the right, in addition to any other rights set forth in these By-Laws: (a) impose fines for the violation subject to the due process provisions set forth in Article XI of these Bylaws; (b) to enter the Unit in which or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition, that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board shall not thereby be deemed guilty in any manner of trespass; or (c) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach and to recover any fines imposed for the violation, if any, together with the cost of such enforcement, including attorney's fees, and until such expense is recovered it shall be a lien upon said Unit which lien shall be inferior to the lien of all prior Mortgages.

ARTICLE VIII INSURANCE

The Board of Directors shall be required to obtain and maintain, as set forth below, in forms and amounts as hereinafter prescribed and which are also satisfactory to any mortgagee holding mortgages on five or more Units, the following insurance, without prejudice of the right of the Co-Owner to obtain additional individual insurance at his own expense:

Section 1. HAZARD INSURANCE. The Board of Directors shall insure the Property, as it may be constituted from time to time, against loss or damage due to fire, windstorm, lightning, and flood, with extended coverage, in an amount not less than the maximum insurable replacement value of the Property as determined by the Board upon recommendation made by the Regime's insurer, it being understood that the Board, at its discretion, may have an appraisal made of the Property for this purpose, or in the amount reasonably obtainable as it relates to the flood coverage. The Board of Directors shall have the authority also to insure against other hazards and risks as it may deem desirable for protection of the Property. All hazard insurance shall cover the entire Property, exclusive only of the contents and furnishings of the individual Units.

(a) All hazard insurance policies obtained by the Board of Directors shall designate the Board of Directors as the named insured as Insurance Trustee for the benefit of all the Owners and their mortgagees collectively, as their respective interests may appear. In the event of loss or damage, all insurance proceed, shall be paid jointly to the Board of Directors as Insurance Trustee under the provisions of this Master Deed and to any mortgagee holding

mortgages on five or more Units, it being understood and acknowledged that the distribution of such proceeds shall be controlled by the Horizontal Property Act and the provisions of this Master Deed.

(b) All hazard insurance policies obtained by the Board of Directors shall provide for the issuance of Certificates of insurance to each Unit Owner. Each Certificate shall evidence the issuance of the Master Policy and shall indicate the amount of Insurance covering the building within which the respective Unit is located. If a Unit is mortgaged, a Certificate of Insurance shall be issued to the mortgagee bearing a standard mortgagee endorsement, if requested.

(c) If obtainable, all hazard insurance policies upon the Property shall include provisions waiving (i) any rights of the insurer to subrogation against the Association, its agents and employees, and against the individual Owners and their servants, agents, and guests; and (ii) any rights of the insurer to contribution from hazard insurance purchased by the Unit Owner upon the contents and furnishings of their Units.

(d) Each Mortgagee of which the Board has notice as herein provided shall be entitled to receive upon request a statement of the replacement value as determined in paragraph I above. If any such Mortgagee disagrees with the values assigned to the Property by such determination and presents an appraisal prepared at such Mortgagee's expense showing higher values which has been performed by a qualified appraiser, then the Board shall either adopt the higher value or shall cause a reappraisal to be made by a qualified appraiser approved by the Board and by the appraisers who conducted the prior appraisals and the findings of the third appraiser shall be conclusive to determine such value for insurance purposes.

(e) Each hazard insurance policy shall contain a loss payee provision designating the interest of the various mortgagees as to the various Units within the Regime which are covered by the Master Policy. Such policies shall also provide that they shall not be cancelled without giving thirty (30) days prior written notice to all such mortgagees about which the insurer has been given written notice.

Section 2. PUBLIC LIABILITY INSURANCE. The Board of Directors shall obtain comprehensive public liability insurance with limits and provisions as it deems desirable and as may be obtainable. All such policies shall contain severability of interest clauses or endorsements extending coverage to liabilities of the Association to an individual Unit Owner and to liabilities of one Unit Owner to another Unit Owner.

Section 3. ADJUSTMENT. Each Unit Owner shall be deemed to have delegated to the Board of Directors his right to adjust with insurance companies all losses under policies purchased by the Association, subject to the rights of mortgagees of such Unit Owners.

Section 4. INSURANCE BY UNIT OWNERS. Each Unit Owner shall be responsible for obtaining, at his sole expense, insurance covering the personal property, wall coverings, decorations, and furnishings within his own Unit and the additions and improvements made by him to the Unit. Each Unit Owner shall also be responsible for obtaining, at his own expense, insurance covering his liability for the safety of the premises within his Unit. All such insurance policies shall include, however, provisions waiving (i) any right of the insurer to subrogation claims against the Association and against individual Unit Owners, as well as their agents, servants, employees, and guests; and (ii) any right of the insurer to contribution or pro-rata because of the master hazard policy.

As set forth in Section 4 of Article V of the Master Deed, the Co-Owner is responsible for any damage to his Unit, or another Unit caused by his negligent action or inaction. If a claim is made against the Association's policy as a result of such negligence by a Co-Owner, then the Board may make a determination to assess any non-reimbursable expenses, such as the deductible, attorney's fees, and the like, against the negligent Co-Owner, and such assessment shall be collectible just as any other assessment described in Article VII, Section 1 of these Bylaws.

Section 5. SUBSTITUTION OF INSURANCE TRUSTEE. The Board of Directors, in its discretion, may decline to serve as Insurance Trustee and may appoint in its place any financial institution which is qualified and willing to act as Trustee and which also has offices in Beaufort County, South Carolina. Any substitute Insurance Trustee appointed by the Board of Directors shall succeed to all of the powers and responsibilities vested in the Board as Insurance Trustee under the terms of this Master Deed.

ARTICLE IX

RECONSTRUCTION AND REPAIR

In the event of casualty loss or damage to the Property, any reconstruction or repairs shall be handled in accordance with §27-31-250 of the Act.

ARTICLE X
INSURANCE TRUST

In the event of casualty loss to the Property, all insurance proceeds indemnifying the loss or damage shall be paid jointly to the Board of Directors as Insurance Trustee and to any mortgagee holding mortgages on five or more Units. The Board of Directors, acting as Insurance Trustee, shall receive and hold all insurance proceeds in trust for the purposes stated in this ARTICLE X, and for the benefit of the Association, the Unit Owners, and their respective mortgagees in the following share:

(1) Insurance proceeds paid on account of loss or damage to the Common Elements only shall be held in the same proportion as the undivided interests in the Common Elements which are appurtenant to each of the Units.

(2) Insurance proceeds paid on account of loss or damage to less than all of the Units, when the damage is to be restored, shall be held for the benefit of Unit Owners of the damaged Units and their respective Mortgagees in proportion to the costs of repairing each damaged Unit.

(3) Insurance proceeds paid when the Property is not to be restored shall be held for the benefit of all Unit Owners, and their respective Mortgagees the share of each being equal to the undivided share or interest in Common Elements appurtenant to the applicable Unit.

(4) In the event a Certificate of Insurance has been issued to a Unit Owner bearing a mortgagee endorsement, the share of the Unit Owner shall be held in trust for the mortgagee and the Unit Owner as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except for insurance proceeds required by the loan documents to be paid jointly to the Unit Owners and their respective mortgagees pursuant to the provisions of this Master Deed.

ARTICLE XI

IMPOSITION OF FINES/DUE PROCESS

Section 1. FINES. In addition to any other rights the Association may have, the Association may fine a Co-Owner for any violation of the Master Deed, Bylaws, or any Rules and Regulations. The Board shall adopt a fine schedule for such purposes and shall provide it to the Co-Owners in the same manner as the Rules and Regulations.

Section 2. FINING PROCEDURE. The Association shall not impose a fine, suspend voting rights, or infringe upon or suspend any other rights for violations of the Master Deed, the By-Laws, or any Rules and Regulations of the Association, unless and until the following procedure is followed:

(a) Written notice to cease and desist from an alleged violation shall be sent to the Co-Owner, and in the case of a Long-Term Lease to the tenant, specifying the alleged violation and:

- i. If the violation is one that requires remediation, stipulating a time period of not less than five (5) days during which the violation may be abated without further sanction; or
- ii. If the violation is not on-going or capable of remediation, a statement that any recurrence of such violation may result in the imposition of a fine.

(b) Unless the person responsible contests the violation and requests a hearing by sending a written notice to the Board, within five (5) days of the date of the written notice specified above, the violation shall be deemed admitted and any fines may be applied and, at the Board's discretion, the Association may seek such other remedy as may be permitted by these Rules, the Master Deed and Bylaws.

(c) If a timely written request for a hearing is received, the hearing shall be held in executive session of the Board of Directors following reasonable notice to the Co-Owner. The notice requirement shall be deemed satisfied if proof of the notice is placed in the minutes, or the Co-Owner appears at the meeting. The Board of Directors shall provide a written statement of the results of the hearing and the sanction imposed, if any. No recording of the proceedings of the meeting shall be permitted unless otherwise approved by the Board of Directors.

(d) Notwithstanding the foregoing, no written demand or hearing shall be required for the charging of interest, late fees, or any other costs associated with the collection of Assessments.

Section 3. REMEDIES IN THE EVENT OF VIOLATION. In the event of a violation of the Master Deed, Bylaws or the Rules and Regulations by an Co-Owner, the Co-Owner's tenants and/or guests, the Association shall have the right, but not the obligation, to proceed at law or in equity to compel a compliance with the terms hereof or to prevent the violation or breach in any event, and the Association shall have the right to recover all costs and expenses of suit in such action, including reasonable attorneys' fees. In addition to the foregoing, the Association, its successors, and assigns, shall have the right, but not the obligation, to abate such violation or condition as provided for in the Master Deed, Bylaws or these Rules. All rights, remedies and privileges granted to the Association, pursuant to any terms, provisions, covenants or conditions of the Master Deed, By-Laws, or these Rules shall be deemed to be cumulative and the exercise of any one (1) or more shall not be deemed to constitute an election of remedies, nor shall it preclude the Association from exercising such other and additional rights, remedies, or privileges as may be granted at law or in equity.

ARTICLE XII
RESTRICTIONS UPON LEASES OF UNITS

Section 1. LEASES. No Unit Owner may lease his Unit or any interest therein except by complying with the provisions of Section 2 of this Article.

Section 2. PROVISIONS IN LEASE. Any lease of any Unit within the Association shall be for a use consistent with the use provisions of these By-Laws and shall provide that the terms and conditions of the Master Deed and all exhibits shall be complied with by the tenant and that the Association shall have the power to terminate such lease and bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of default by the tenant in the performance of said lease, or failure by the tenant to perform an obligation in the Master Deed, By-Laws or Rules and Regulations.

ARTICLE XIII
AMENDMENTS

Section 1. REQUIREMENTS FOR AMENDMENTS. Except where a greater percentage is expressly required, either herein, in the Master Deed or by the Horizontal Property Act, these By-Laws may be amended only with the consent of the Owners of Units holding at least sixty-seven percent (67%) of the total value of the Property in accordance with Exhibit G the votes in the Association are allocated and the approval of eligible holders about which the Association has received written notice holding mortgages on Units which have at least fifty- one percent (51%) of the votes of Units subject to eligible holder mortgages, as it relates to modification of any material provisions of the said By-Laws and Master Deed, etc., which establish, provide for, govern or regulate any of the following:

- (a) Voting.
- (b) Assessments, assessment liens or subordination of such liens.
- (c) Reserves for maintenance, repair and replacement of the Common Elements.
- (d) Insurance or Fidelity Bonds.
- (e) Rights to use of the Common Elements.
- (f) Responsibility for maintenance and repair of the several portions of the Property.
- (g) Expansion or contraction of the Project or the addition, annexation or withdrawal of property to or from the Project except as expressly provided in the Master Deed.
- (h) Boundaries of any Unit.

- (i) The interests in the general or Limited Common Elements.
- (j) Convertibility of Units into common areas or of common areas into Units.
- (k) Leasing of Units.
- (l) Imposition of any additional or further right of first refusal or similar restriction on the right of a Unit Owner to sell, transfer, or otherwise convey his or her Unit.
- (m) Any provisions which are for the express benefit of mortgage holders, eligible mortgage holders or eligible insurers or guarantors of first mortgages on Units.

Notwithstanding the foregoing, so long as the Declarant remains the Owner of more than one Unit in this Regime, these By-Laws shall not be amended so as to adversely affect the Declarant without the Declarant's consent.

Section 2. MATERIALITY OF AMENDMENTS; MORTGAGEE APPROVAL PROCEDURE. An addition or amendment to the by-Laws or Master Deed shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. An eligible mortgage holder who receives a written request to approve additions or amendments who does not deliver or post to the requesting party a negative response within thirty (30) days shall be deemed to have approved such request and proof of mailing such request in affidavit form, together with an affidavit of non-receipt, shall be sufficient evidence of such approval.

ARTICLE XIV MISCELLANEOUS MATTERS

Section 1. GENDER; NUMBER. The use of the masculine gender in these By-Laws includes the feminine gender, and when the context requires, the use of the singular includes the plural.

Section 2. DEFINITIONS. The definitions contained in ARTICLE IV and elsewhere in the Master Deed also apply to these By-Laws.

Section 3. EXECUTION OF DOCUMENTS. The President or Vice President and Secretary or Assistant Secretary are responsible for preparing, executing, filing, and recording amendments to the Master Deed and By-Laws, and shall be authorized to execute any other document which the Association may from time to time be required to execute.

Section 4. NOTICES. All notices required by these By-Laws shall be hand delivered or sent by mail to the Association at the address of the President; to Unit Owners at the address of the Unit or at such other address as may have been designated by such Unit owner from time to time in writing to the Association. All notices from or to the

Association shall be deemed to have been given when mailed or delivered, except notice of changes of address which shall be deemed to have been given when received.

Section 5. CAPTIONS. The captions contained in these By-Laws are inserted as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these By-Laws or the intent of any provision of the By-Laws.

Section 6. INVALIDITY. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these By- Laws.

Section 7. CONFLICT. These By-Laws are set forth to comply with the requirements of the Horizontal Property Act of South Carolina, as amended. In the event of any conflict between the Act and these By-Laws, or between these By-Laws and the Master Deed, then the Act and/or the Master Deed shall govern. Should any provision or portion thereof shall be held or made invalid by a court decision, statute, rule or otherwise, the remainder of this Master Deed shall remain in full force and effect and shall not be affected by any such invalidity.

Section 8. WAIVER. No restriction, condition, obligation, or covenant contained in these By-Laws shall be deemed to have been abrogated or waived by reason of failure to enforce the same. irrespective of the violations or breaches thereof which may occur.

[SIGNATURE PAGE FOLLOWS]

CALHOUN STREET HPR
OWNERS' ASSOCIATION, INC.

Catherine Pilatic
Witness

By: [Signature]
President

Shaquanta Corbett
Witness/Notary

Print Name: Lisa G. Ashcraft

[CORPORATE SEAL]

STATE OF SOUTH CAROLINA)
) ACKNOWLEDGMENT
COUNTY OF BEAUFORT)

I, the undersigned Notary Public, do hereby certify that Lisa Ashcraft,
President of CALHOUN STREET HPR OWNERS' ASSOCIATION, INC., appeared before me
this 5 day of May, 2023, and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 5th day of May, 2023.

Shaquanta Corbett
Notary Public of South Carolina
Print Name: Shaquanta Corbett
My Commission Expires: 2/22/2031

EXHIBIT "A"

CERTIFICATE OF THE SECRETARY
REGARDING VOTE BY WRITTEN BALLOT

WHEREAS, a vote of the Membership of the Calhoun Street HPR Owners' Association, Inc. ("Association") was conducted by written ballot in lieu of a meeting in accordance with the S.C. Nonprofit Corporation Act;

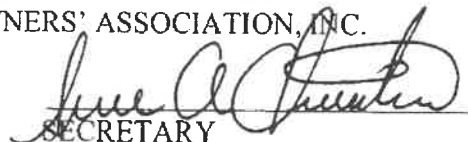
WHEREAS, ballots were returned by Co-Owners representing 73.21% of the total value of the Regime were returned by the due date set forth in the Notice of Written Ballot, which percentage met the quorum requirements of the ; and

WHEREAS, Co-Owners representing 73.21% of the total value of the Regime cast their votes in favor of the Amended and Restated Bylaws to which this Certificate is made an Exhibit;

It is therefore affirmed that Amended and Restated Bylaws were duly approved by the Membership and made effective as of April 3, 2023.

CALHOUN STREET HPR
OWNERS' ASSOCIATION, INC.

By:


SECRETARY

Print Name: SUE A. QUINTERO

EXHIBIT "G"

CALHOUN STREET HORIZONTAL PROPERTY REGIME PERCENTAGE OF UNDIVIDED INTEREST IN THE COMMON ELEMENTS AND VALUE FOR SOUTH CAROLINA STATUTORY PURPOSES

THE PERCENTAGE OF UNDIVIDED INTEREST IN THE COMMON ELEMENTS AND VALUE FOR SOUTH CAROLINA STATUTORY PURPOSES AS ORIGINALLY RECORDED WITH THE MASTER DEED IN THE OFFICE OF THE REGISTER OF DEEDS FOR BEAUFORT COUNTY ON 9/21/2007 IN DEED BOOK 2829 AT PAGES 833 THROUGH AND INCLUDING PAGE 834 IS INCORPORATED HEREIN BY REFERENCE AND MADE A PART OF THIS AMENDED AND RESTATED MASTER DEED.

NOTE:

Building 3 is now known as 14 Promenade

Building 10 is now known as 6 Promenade

Building 12 is now known as 9 Promenade

Building 13 is now known as 5 Promenade
capi

CURRENT HPR BLDG. UNIT #		% TOTAL VALUE	FORMER ADDRESS
5 / UNIT 1321	R	2.9762%	Bldg. 13 - Res. Unit 1
5 / UNIT 1322	R	2.9762%	Bldg. 13 - Res. 2
5 / UNIT 1323	R	2.9762%	Bldg. 13 - Res. 3
5 / UNIT 1324	R	2.9762%	Bldg. 13 - Res. 4
5 / UNIT 1301	C	1.1905%	Bldg. 13 - Comm. A
5 / UNIT 1302	C	1.1905%	Bldg. 13 - Comm. B
5 / UNIT 1303	C	1.1905%	Bldg. 13 - Comm. C
5 / UNIT 1304	C	1.1905%	Bldg. 13 - Comm. D
6 / UNIT 1021	R	2.9762%	Bldg. 10 - Res. 1
6 / UNIT 1022	R	2.9762%	Bldg. 10 - Res. 2
6 / UNIT 1023	R	2.9762%	Bldg. 10 - Res. 3
6 / UNIT 1024	R	2.9762%	Bldg. 10 - Res. 4
6 / UNIT 1025	R	2.9762%	Bldg. 10 - Res. 5
6 / UNIT 1026	R	2.9762%	Bldg. 10 - Res. 6
6 / UNIT 1027	R	2.9762%	Bldg. 10 - Res. 7
6 / UNIT 1028	R	2.9762%	Bldg. 10 - Res. 8
6 / UNIT 1001	C	1.1905%	Bldg. 10 - Comm. A
6 / UNIT 1002	C	1.1905%	Bldg. 10 - Comm. B
6 / UNIT 1003	C	1.1905%	Bldg. 10 - Comm. C
6 / UNIT 1004	C	1.1905%	Bldg. 10 - Comm. D
6 / UNIT 1005	C	1.1905%	Bldg. 10 - Comm. E
6 / UNIT 1006	C	1.1905%	Bldg. 10 - Comm. F
6 / UNIT 1007	C	1.1905%	Bldg. 10 - Comm. G
6 / UNIT 1008	C	1.1905%	Bldg. 10 - Comm. H
9 / UNIT 1221	R	2.9762%	Bldg. 12 - Res. 1
9 / UNIT 1222	R	2.9762%	Bldg. 12 - Res. 2
9 / UNIT 1223	R	2.9762%	Bldg. 12 - Res. 3
9 / UNIT 1224	R	2.9762%	Bldg. 12 - Res. 4
9 / UNIT 1201	C	1.1905%	Bldg. 12 - Comm. A
9 / UNIT 1202	C	1.1905%	Bldg. 12 - Comm. B
9 / UNIT 1203	C	1.1905%	Bldg. 12 - Comm. C
9 / UNIT 1204	C	1.1905%	Bldg. 12 - Comm. D
14 / UNIT 321	R	2.9762%	Bldg. 3 - Res. 1
14 / UNIT 322	R	2.9762%	Bldg. 3 - Res. 2
14 / UNIT 323	R	2.9762%	Bldg. 3 - Res. 3
14 / UNIT 324	R	2.9762%	Bldg. 3 - Res. 4
14 / UNIT 325	R	2.9762%	Bldg. 3 - Res. 5
14 / UNIT 326	R	2.9762%	Bldg. 3 - Res. 6
14 / UNIT 327	R	2.9762%	Bldg. 3 - Res. 7
14 / UNIT 328	R	2.9762%	Bldg. 3 - Res. 8
14 / UNIT 1301	C	1.1905%	Bldg. 3 - Comm. A
14 / UNIT 1302	C	1.1905%	Bldg. 3 - Comm. B
14 / UNIT 1303	C	1.1905%	Bldg. 3 - Comm. C
14 / UNIT 1304	C	1.1905%	Bldg. 3 - Comm. D
14 / UNIT 1305	C	1.1905%	Bldg. 3 - Comm. E
14 / UNIT 1306	C	1.1905%	Bldg. 3 - Comm. F
14 / UNIT 1307	C	1.1905%	Bldg. 3 - Comm. G
14 / UNIT 1308	C	1.1905%	Bldg. 3 - Comm. H
Total	R (Residential) C (Commercial)	100.00%	