

JP 26/ 1791

DECLARATION OF COVENANTS AND RESTRICTIONS FOR
OCEAN COURSE VILLAS, HILTON HEAD ISLAND, SOUTH CAROLINA AND
PROVISIONS FOR
OCEAN COURSE VILLAS OWNERS' ASSOCIATION, INC.

THIS DECLARATION, made the 14th day of March, 1978,
by Woodbine Development Corporation, a South Carolina corporation with
its principal place of business at Hilton Head Island, South Carolina,
hereinafter called Company.

WITNESSETH:

WHEREAS, Company is the owner of the real property described
in Article II of this declaration and desires to create thereon a
planned neighborhood known as Ocean Course Villas with open spaces,
common forests, certain roadways, bike trails and Common Properties
for the benefit of the said neighborhood; and

WHEREAS, Company desires to provide for the preservations of
the values and amenities in said neighborhood and for the maintenance of
open spaces, common forests, certain roadways, bike trails, and Common
Properties; and, to this end desires to subject the real property
described in Article II, together with such additions as may hereafter
be made, as provided in Article II to the covenants, restrictions,
easements, affirmative obligations, charges and liens hereinafter set
forth, each and all of which is and are hereby declared to be for the
benefit of said property and each and every owners of any and all parts
thereof; and

WHEREAS, Company has deemed it desirable, for the efficient
preservations of the values and amenities in said neighborhood, to create
an agency to which shall be delegated and assigned the power and
authority of maintaining and administering and enforcing the covenants
and restrictions governing the same and collecting and disbursing all
assessments and charges necessary for such maintenance, administration
and enforcement, as hereinafter created; and

WHEREAS, Company has caused to be incorporated under the laws
of the State of South Carolina, as a non-profit corporation, OCEAN
COURSE VILLAS OWNERS' ASSOCIATION, INC., for the purpose of exercising the
functions aforesaid, and which are hereinafter more fully set forth.

NOW, THEREFORE, the Company declares that the real property
described in Article II, and such additions thereto as may hereafter be
made pursuant to Article II hereof, is and shall be held, transferred,
sold, conveyed, leased, occupied, and used subject to the covenants,
restrictions, conditions, easements, charges, assessments, affirmative
obligations, and liens (sometimes referred to as "the covenants"), herein-
after set forth.

CERTIFIED A TRUE COPY

Jennifer Harriott, RMC Clerk
FLOYD H. DALTON
Deputy of Mesne Conveyance

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ARTICLE I

DEFINITIONS

Section 1. The following words and terms, when used in this Declaration, or any Supplemental Declaration (unless the context clearly shall indicate otherwise) shall have the following meanings:

(a) "Association" shall mean and refer to the Ocean Course Villas Owners' Association, Inc., a South Carolina non-profit corporation.

(b) The "Properties" shall mean and refer to the Existing Property described in Article II hereof, and additions thereto, as the provisions of Article II hereof.

(c) "Common Properties" shall mean and refer to those areas of land with any improvements thereon which are deeded to the Association and designated in said deed as "Common Properties". The term "Common Properties" shall include any personal property acquired by the Association if said property is designated as "Common Property". All Common Properties are to be devoted to and intended for the common use and enjoyment of the owners of the Properties, (subject to any fee schedules and operating rules adopted by the Association).

(d) "Lot" shall mean and refer to any improved or unimproved parcel of land intended for the construction of a attached single-family dwelling shown upon any recorded final subdivision map of any part of the Properties with the exception of Common Properties as heretofore defined.

(e) "Dwelling Unit" shall mean and refer to any building situated upon the Properties intended for use and occupancy by a single family.

(f) "Owner" shall mean and refer to the record owner, whether one or more persons, firms, associations, corporations or other legal entities, of the fee simple title to any lot of Dwelling Unit situated upon the Properties but, notwithstanding any applicable theory of a mortgagee, shall not mean or refer to the mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure proceedings or any proceeding in lieu of foreclosure; nor shall the term "owner" mean or refer to any lessee or tenant of an Owner.

(g) "Member" shall mean and refer to all those Owners who are Members of the Association as provided in Section 1 of Article III hereof.

(h) "Company" shall mean the Woodbine Development Corporation and its successors and assigns.

ARTICLE II

Section 1. Existing Property. The real property which is and shall be held, transferred, sold, conveyed, leased and occupied, subject to these covenants, is located on Hilton Head Island, Beaufort County, South Carolina, and is more particularly described in Exhibit A hereto attached and by reference incorporated herein. All of the real property hereinabove described shall hereinafter be referred to as "Existing Property". The Company intends to develop the Existing Property in accordance with its Master Plan dated _____. However, the Company reserved the right to review and modify the Master Plan from time to time based on its continuing research and design program.

Unless otherwise stated therein, the Master Plan shall not bind the Company, its successors and assigns to adhere to the Master Plan in the development of the land shown thereon. Subject to its right to modify the Master Plan as stated herein the Company will convey the common Properties shown on the Master Plan to the Association as provided in Article IV, Section 2. It also shall be understood that the Company shall be free to develop such portions or sections of the lands depicted in the Master Plan, as in the reasonable exercise of its discretion, it deems in the best interest on the entire development without regard to the relative location of such portions or sections within the overall plan, that it shall not be required to follow any predetermined sequence or order of improvements and development; and that it may bring within the plan of these covenants additional lands, and develop the same before completing the development of the existing property.

Section 2. Additions to Existing Property. Additional lands may become subject to this Declaration in the following manner:

(a) Additions. The Company, its successors, and assigns shall have the right without consent of the Association, to bring within the plan and operation of this Declaration, additional properties in future stages of the development. The additions authorized under this and the succeeding sub-section shall be made by filing of record a Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the operation and effect of the covenants and restrictions of the Declaration to such additional property.

The Supplementary Declaration may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary or convenient, in the judgment of the Company, to reflect the different character, if any, of the added properties and as are not inconsistent with the Plan of this Declaration.

(b) Other Additions. Upon approval in writing of the Association pursuant to three-fourths of the vote at a duly called meeting, the owner of any property other than the Company who desires to add it to the plan of these covenants and to subject it to the jurisdiction of the Association, may file of record a Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the operation and effect of the covenants and restrictions of the Declaration to such additional property.

The Supplementary Declaration may contain such complementary additional and modifications of the covenants and restrictions contained in this Declaration as may be necessary or convenient, in the judgment of the Company, to reflect the different character, if any, of the added properties and as are not inconsistent with the Plan of this Declaration.

(c) Mergers. Upon a merger or consolidation of the Association with another association as provided for in the By-Laws of The Association, its properties, rights, and obligations may, by operation of law, be transferred to another surviving or consolidated association, or, in the alternative, the properties, rights and obligations of another association may, by operation of law, be added to the properties of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the Existing Property, as herein provided.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS IN
THE ASSOCIATION

Section 1. Membership. The Company and every person or entity who is a record owner of a fee simple or undivided fee simple interest in any Lot or Dwelling Unit which is subject by the Covenants to assessment by the Association shall be a member of the Association, provided that any such person or entity who holds such title or interest merely as a security for the performance of an obligation shall not be a member of the Association.

Section 2. Voting Rights. The Association shall have two (2) classes of voting membership.

CLASS "A". Class "A" Members shall be all those owners as defined in Section One (1) with the exception of the Company. Class "A" Members shall be entitled to one vote for each Lot or Dwelling Unit in which they hold the interest required for membership by Section One (1). When more than one person holds such interest or interests in any Lot or Dwelling Unit all such persons shall be members, and the vote for such Lot or Dwelling Unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot or Dwelling Unit. A Member casting a vote representing a Dwelling Unit owned by such Member shall not be entitled to cast an additional vote for the Lot upon which said Dwelling Unit is situated. In the event a single Dwelling Unit is sold in fee with a Lot, the vote with respect thereto shall thereafter be cast on the basis of the Dwelling Unit only. When one or more co-owners sign a proxy or purports to vote for his or her co-owners, such vote shall be counted unless one or more of the other co-owners is present and objects to such vote, or if not present, submits a proxy or objects in a writing delivered to the Secretary of the Association before the vote is counted. If co-owners disagree as to the vote, the vote shall be split equally among the co-owners.

CLASS "B". The Class "B" Member shall be the Company. The Class "B" Member shall be entitled to one vote plus one vote for each held by a Class "A" Member. One vote of the Class "A" Membership shall be equivalent to one vote of Class "B" Membership. The total vote of the Association shall consist of the sum of the votes of Class "A" Members and of the votes of Class "B" Members. The Class "B" Membership shall cease to exist upon completion of the dwelling units and the improvements to the Common Properties.

ARTICLE IV

PROPERTY RIGHTS IN THE COMMON PROPERTIES

Section 1. Member's Easements of Enjoyment. Subject to the provisions of these covenants and the rules and regulations of the Association, every Member shall have a right and easement of enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with title of every Lot or Dwelling Unit.

Section 2. Title to Common Properties. The Company may retain the legal title to the Common Properties until such time as it has completed improvements thereon and until such time as, in the opinion of the Company, the Association is able to maintain the same, but notwithstanding any provision herein, the Company hereby covenants, for itself, its successors and assigns that it shall convey the Common Properties to the Association within one hundred and eighty (180) days of the time they are completed, but in no event shall such conveyance be later than Jan. 1, 1978. Said Common Properties may be conveyed subject to all restrictive covenants of record.

Section 3. Extent of Member's Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Company and of the Association, in accordance with its By-Laws, to borrow money for the purpose of improving the Common Properties and in aid thereof to mortgage said properties.

(b) The right of the Association to take such steps as are reasonably necessary to protect the above described properties against foreclosures; and

(c) The right of the Association, as provided in its By-Laws, to suspend the enjoyment of rights of any member of any period during which any assessment remains unpaid, and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations, it being understood that any suspension for either non-payment of any assessment or a breach of the rules and regulations of the Association shall not constitute a waiver or discharge of the Member's obligation to pay the assessment, and

(d) The right of the Company to dedicate or transfer to any public or private utility, utility easements on any part of the Common Properties.

(e) The right of the Association to give or sell all or any part of the Common Properties including leasehold interest to any public agency, authority, or utility or private concern for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such gift or sale or determination as to the purposes or as to the conditions thereof shall be effective unless such dedications, transfer and determination as to purpose and conditions shall be authorized by the vote of three-fourth (3/4) of the vote at a duly called meeting and unless written notice of the proposed agreement and action thereunder is sent to every Member at least thirty (30) days in advance of any action taken. A true copy of such resolution together with a certificate of the result of the vote taken thereon shall be made and acknowledged by the President or Vice-President and Secretary or Assistant Secretary of the Association and such certificate shall be annexed to any instrument of dedication or transfer affecting the Common Properties, prior to the recording thereof. Such certificate shall be conclusive evidence of authorization by the membership.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Company for each Dwelling Unit owned by it within the Properties hereby covenants and each Owner of any Lot or Dwelling Unit shall by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, be deemed to covenant and agree to all the terms and provisions of these covenants and to pay to the Association: (1) Annual Assessments or charges: (2) Special Assessments for the purposes set forth in Section 4 of this Article, such assessments to be fixed, established and collected from time to time as hereinafter provided. The Annual and Special Assessments together with such interest thereon and costs of collection therefore as hereinafter provided, shall be a charge and continuing lien on the land and all the improvements thereon against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. In the case of co-ownership of a Lot or Dwelling Unit, all of such co-owners of the Lot or Dwelling Unit shall be jointly and severally liable for the entire amount of the assessment.

Section 2. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the improvement, maintenance, and operation of lagoons and roads not dedicated to Sea Pines Association, Common forest, Common parking areas and other Common Properties, including but not limited to, the payment of taxes and insurance thereon and repair, replacement and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof.

The Special Assessments shall be used for the purposes set forth in Section 4 of this Article.

Section 3. Basis and Maximum of Annual Assessments. The annual assessment will be determined and approved by three-fourths (3/4) of the vote at the first Association meeting, at which time the Company will propose a budget for Association's improvements, maintenance and operation of lagoons, roads, Common forest, Common parking and other Common properties. The annual assessment may be increased each year by five percent (5%) of the maximum authorized assessment for the preceding year unless three-fourths (3/4) of the vote at the annual meeting votes against said increase or votes to increase said annual assessment by a greater amount or to decrease the annual assessment.

The Board of Directors of the Association may, after consideration of current maintenance costs and future needs of the Association, fix the annual assessment for any year at a lesser amount, but such action shall not constitute a Waiver by the Association of its right to revert to the full assessment for the remaining year of years of the then current period fixed as provided in the preceding paragraph.

Section 4. Special Assessments for Improvements and Additions. In addition to the annual assessments authorized by Section 3 hereof, the Association may levy special assessments for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Properties, including the necessary fixtures and personal property related thereto or addition to the Common Properties, provided that any such assessment shall have the assent of three-fourths (3/4) of the vote at a duly called meeting of Members, written notice of which shall be sent to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 5. Change in Basis and Maximum of Annual Assessments Upon Merger or Consolidation. The Limitations of Section 3 hereof shall not apply to any changes in the Maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under Article 2, hereof, and under the By-Laws of the Association.

Section 6. Quorum for any Action Authorized. The presence at the meeting of Members, or of proxies, entitled to cast sixty percent (60%) of the total vote of the membership shall constitute a quorum. If the required quorum is not forthcoming at a meeting, another meeting may be called subject to the notice requirement set forth in Section 4.

Section 7. Date of Commencement of Annual Assessments. Due Dates. The annual assessments provided for herein shall commence on the date (which shall be the first day of a month) fixed by the Board of Directors of the Association to be the date of commencement.

The first annual assessments shall be made for the balance of the calendar year and shall become due and payable on the day fixed for commencement. The Assessments for any year, after the first year, shall become due and payable the first day of January of said year.

The amount of the annual assessment which may be levied for the balance remaining in the first year of assessment shall be an amount which bears the same relationship to the annual assessment provided for in Section 3 hereof, as the remaining number of months in that year bear to twelve. The same reduction in the amount of the assessment shall apply to the first assessment levied against any property which is hereafter added to the properties now subject to assessment at a time other than the beginning of any assessment period.

The due date of any special assessment under section 4 hereof shall be fixed in the resolution authorizing such assessment.

Section 8. Duties of the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against such Lot or Dwelling Unit for each assessment period and shall, at that time prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner.

Written notice of the assessment shall thereupon be sent to every Owner subject thereto.

The Association shall upon demand at any time furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 9. Effect of Non-Payment of Assessment: The personal obligation of the Owner: The Lien Remedies of Association. If the assessments are not paid on the date when due (being the dates specified in Section 7 hereof), then such assessment shall become delinquent and shall (together with interest thereon at the rate of eight percent (8%) per annum from the due date and cost of collection as hereinafter provided) become a charge and continuing lien on the land and all improvements thereon, against which each such assessment is made. The personal obligation of the Owner at the time of the assessment to pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass as a personal obligation to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the due date, the Association may bring an action at law against the Owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and reasonable attorney's fee to be fixed by the court together with the costs of the action.

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Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

Section 11. Exempt Property. The following property, individuals, partnerships or corporations, subject to this Declaration, shall be exempted from the assessment, charge and lien created herein:

(a) The grantee in conveyances made for the purpose of granting utility easements;

(b) All properties to the extent of any easement therein other than a utility easement dedicated and accepted by the local public authority and devoted to public use which does not adversely affect the owner's use of the property;

(c) All Common Properties as defined in Article I, Section 2, hereof;

(d) All properties exempted from taxation by the laws of the State of South Carolina, upon the terms and to the extent of such legal exemptions;

(e) Properties owned by the Company used for recreation facilities; home maintenance and service facilities; and meeting room and conference facilities. Only land within the Existing Property which has been subdivided into Lots, and the plats thereof filed for public record in the Beaufort County Court House and upon which has been constructed a Dwelling Unit shall constitute a Lot for purposes of these assessments. Projected locations for future platted lots shown on the Master Plan will not be subject to assessment.

(f) All properties owned by mortgagee as a result of foreclosure or a proceeding in lieu of foreclosure.

WILDLIFE PRESERVE AND OTHER COMMON PROPERTIES

Section I. Common Woods Surrounding Ocean Course Villas.
That portion of the Properties surrounding or adjacent to each Ocean Course Villa Owner's personal lot which is not platted as a separate residential lot (herein referred to as the Common Forest) shall be maintained as a woodland preserve and common forest subject to the covenants and conditions set out below.

(a) The Common Forest or any portion of it shall never be subdivided by plat or deed.

(b) No trees or other vegetation in the Common Forest shall be cut or pruned. The Common Forest shall be left in its wild state for the benefit of deer, racoons, squirrels, birdlife and other wildlife and for the enjoyment of human beings under these conditions and restrictions.

(c) Members of the Owners Association and their guests shall have the right to walk or stroll freely through the Common Forest.

Section II. Special Restrictions Affecting Golf Fairway Residential Areas

(a) There is reserved to the Sea Pines Plantation Company, its agents, successors or assigns, a "Golf Course Maintenance Easement Area" on property adjacent to the fairways or greens of any golf course. This reserved easement shall permit the Sea Pines Plantation Company, its agents, successors and assigns, at its election, to go on to any fairway lot at any reasonable hour and maintain or landscape the Golf Course Maintenance Easement Area. Such maintenance and landscaping shall include regular removal of underbrush, trees less than six (6) inches in diameter, stumps, trash or debris, planting of grass, watering, application of fertilizer, and mowing the Easement Area. This Golf Course Maintenance Easement Area shall be limited to the portion of the property shown as an easement reserved adjacent to the fairway.

(b) The landscaping plan for the area of any lot or block of future lots reserved as easements adjacent to golf fairway property shall be in general conformity with the overall landscaping pattern for the golf course fairway area established by the golf course architect, and all individual lot or block landscaping plans must be approved by the Sea Pines Plantation Company, its agents, successors and assigns before implementation.

(c) Until such time as a residence is constructed on a lot, the Sea Pines Plantation Company, its agents, successors or assigns, reserves an easement to permit and authorize registered golf course players and their caddies to enter on to a lot to recover a ball or play a ball, subject to the official rules of the course, without such entering or playing being deemed a trespass. After a residence is

constructed, such easement shall be limited to that portion of the lot included in the Golf Course Maintenance Easement Area, and recovery of the balls only, not play, shall be permitted in such easement area. Registered players, or their caddies shall not be entitled to enter on any such lot with a golf cart or other vehicle, nor spend unreasonable time on such lot or in any way commit a nuisance while on such lot. After construction of a residence on a lot adjacent and contiguous to a Golf Course Maintenance Easement Area, "Out of Bounds" markers shall be placed on the said lot at the expense of the Sea Pines Plantation Company.

(d) Owners of lots adjacent and contiguous to a Golf Course Maintenance Easement Area shall be obligated to refrain from any actions which would detract from the playing qualities of the golf course or the development of an attractive overall landscaping plan for the entire golf course area. Such prohibited actions shall include, but are not limited to, such activities as burning of trash on a lot when smoke would cross onto the fairway, and the maintenance of unfenced dogs or other pets on a lot under conditions interfering with play due to their loud barking, running on the fairways, picking up balls or other like interference with play.

Section III. Roads, Parking Spaces and Pathways.

(a) All roads, parking spaces and pathways of Ocean Course Villas shall be maintained in a manner which will promote blending with the Common Forest and will not unnecessarily distract from the natural beauty of the area.

(b) No loud vehicles shall be allowed on the roads of Ocean Course Villas and motor bikes having a horsepower in excess of one horsepower shall be prohibited.

(c) No exterior high intensity lighting will be allowed in Ocean Course Villas and the roads shall be lighted by low intensity lighting only.

Section IV. Individual Lots and Dwelling Units.

(a) In order that the Residential Lots of Ocean Course Villas be preserved and maintained as nearly as possible in their natural state, no large trees measuring four inches or more in diameter at ground level may be removed without the written permission of the Company.

(b) The Ocean Course Villas have been designed to blend pleasingly with the wooded area surrounding each unit. No changes to the exterior design or color of any unit may be made until the proposed changes shall have been approved in writing by Sea Pines Plantation Company, its successors or assigns. Refusal of approval of plans, location or specifications may be based by the Sea Pines Plantation Company upon any grounds, including purely aesthetic conditions, which in the sole and uncontrolled discretion of the Sea Pines Plantation Company shall seem sufficient.

ARTICLE VII

GENERAL PROVISIONS

Section 1. Duration and Amendments. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, the Company or the Owner of any land subject to this Declaration, their respective legal representative, heirs, successors, and assigns, for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless three-fourths (3/4) of the vote at the annual meeting approves a change in the covenants and restrictions. The covenants may be amended at any time if three-fourths (3/4) of the vote at a duly called meeting of the Association approves the change. Provided, however, that no such agreement to change shall be effective unless made and recorded sixty (60) days in advance of the effective date of such change, and unless written notice of the proposed agreement is sent to every Owner of a Lot and the Company at least thirty (30) days in advance of any action taken. During the period ending one year from the date these covenants are recorded the Company may amend or add to these covenants, without the consent of the membership, to clarify or make provision for any items which the Company in its sole discretion considers necessary or desirable. The Company shall not, by reason of the power herein reserved, have the right to alter the amount, or method of making, annual or special assessments.

Section 2. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have properly sent, and notice thereby given, when mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing. Notice to one of two or more co-owners of a Lot shall constitute notice to all co-owners. It shall be the obligation of every Member to immediately notify the Secretary of the Association in writing of any change of address.

Section 3. Enforcement. Enforcement of these covenants and restriction shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate or circumvent any covenants or restriction, either to restrain violation or to recover damage, and against the land to enforce any lien created by these covenants; and failure by the Association or any Owner or the Company to enforce any covenant or restriction herein contained for any period of time shall in no event be deemed a waiver or estoppel of the right to enforce same thereafter.

Section 4. Severability. Should any covenant or restriction herein contained, or any Article, Section, Sub-section, sentence, clause, phrase or term of this Declaration be declared to be void invalid, illegal, or unenforceable, for any reason, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof which are hereby declared to be severable, and which shall remain in full force and effect.

ARTICLE XV

Amendments.

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by three-fourths (3/4) of the vote at a duly called meeting and provided that any matter stated herein to be or which is in fact governed by the Covenants may not be amended except as provided in the Covenants.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Covenants applicable to The Properties referred to in Section 1, and these By-Laws, the Covenants shall control.

IN WITNESS WHEREOF, we being all of the Directors of OCEAN COURSE VILLAS OWNERS' ASSOCIATION, INC. have hereunto set our hands and seals this 14th day of March, 1978.

WITNESSES:

OCEAN COURSE VILLAS OWNERS' ASSOCIATION, INC.

Elizabeth P. [Signature]
[Signature]

By: [Signature]
Joseph A. Webster, III, Director

Linda N. Foener

By: [Signature]
Weston C. Wilhelm, Director

By: [Signature]
David W. Ames, Director

1804

STATE OF SOUTH CAROLINA
COUNTY OF BEAUFORT

PROBATE

PERSONALLY appeared before me ELIZABETH Y. PUTHOFF, who, on oath, says that she saw the within OCEAN COURSE VILLAS OWNERS' ASSOCIATION, INC. by JOSEPH A. WEBSTER, III, WESTON C. WILHELM, and DAVID W. AMES, its Directors, sign the within instrument, and the said corporation, by said Directors, seal said instrument, and as its act and deed, deliver the same, and that she with LINDA H. TOOMER witnessed the execution thereof.

Elizabeth Y. Puthoff

SWORN to before me this 14th
day of March, 1978.

Linda H. Toomer (SEAL)
Notary Public for South Carolina
My Commission Expires: 8-22-84

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FILED	BEAUFORT	RECORDED
AT	COUNTY	IN
3:30	S. C.	BOOK
O. L. C.	APR 3 1978	261
P. M.		PAGE
		1791
<u>Marian H. Frazier</u> CLERK OF COURT OF COMMON PLEAS		

DB 26/1 1805

BY-LAWS OF:

OCEAN COURSE VILLAS OWNERS' ASSOCIATION, INC.

ARTICLE I

Definitions.

Section 1. Declaration of Covenants and Restrictions. In the course of these By-Laws, reference is made to the Declaration of Covenants and Restrictions recorded by the Woodbine Development Corporation in the Office of the Clerk of Court of Beaufort County, South Carolina, in Book 261 at Page 1791. A copy of these covenants is attached to these By-Laws and is incorporated herein by reference each and every time said covenants are referred to by these By-Laws. Said Declaration of Covenants and Restrictions are sometimes referred to herein as "Covenants" or "the Covenants."

Section 2. Association. "Association" shall mean and refer to the OCEAN COURSE VILLAS OWNERS' ASSOCIATION, INC. a non-profit corporation organized and existing under the laws of the State of South Carolina.

Section 3. The Properties. "The Properties" shall mean and refer to property described in Exhibit A to the Covenants and such additions thereto as may hereafter be brought within the jurisdiction of the Association by annexation as provided in Article VI, Section 2, herein.

Section 4. Common Properties. "Common Properties" shall mean and refer to those areas of land with any improvements thereon which are deeded to the Association and designated in said deed as "Common Properties." The term "Common Properties" shall include any personal property acquired by the Association if said property is designated as "Common Property." All Common Properties are to be devoted to and intended for the common use and enjoyment of the owners of the Properties.

CERTIFIED A TRUE COPY

Jennifer Harriott, Inc Clerk

FLORE H. DANTON

Register of Maps

1806

ARTICLE II

Location.

Section 1. The principal office of the Association shall be located at Hilton Head Island, Beaufort County, South Carolina.

ARTICLE III

Membership.

Section 1. Membership in the Association shall be as set forth in Article III, Section 1, of the Covenants.

Section 2. The rights of membership are subject to the payment of annual and special assessments levied by the Association, the obligation of which assessments is imposed against each owner of the becomes a lien upon the property against which such assessments are made as provided by Article V of the Covenants.

Section 3. The membership rights of any person whose interest in The Properties is subject to assessments under Article III, Section hereinabove, whether or not he be personally obligated to pay such assessment, may be suspended by action of the Directors during the period when the assessments remain unpaid; but, upon payment of such assessments, his rights and privileges shall be automatically restored. If the Directors have adopted and published rules and regulations governing the use of the common properties and facilities, and the personal conduct of any person thereon, as provided in Article IX, Section 1, they may, in their discretion suspend the rights of any such person for violation of such rules and regulations for a period not to exceed thirty (30) days.

ARTICLE IV

Voting Rights.

Section 1. Voting rights in the Association shall be as set forth in Article 3, Section of the Covenants.

1807

ARTICLE V

Property Rights and Rights of Enjoyment of Common Property.

Section 1. Each member shall be entitled to the use and enjoyment of the Common Properties as provided by Article IV of the Covenants applicable to The Properties.

Section 2. Any member may delegate his rights of enjoyment in the Common Properties and Facilities to the members of his family who reside upon The Properties or to any of his tenants or renters who lease or rent a Dwelling Unit within the properties from him. The rights and privileges of such person or persons are subject to suspension under Article III, to the same extent as those of the member.

ARTICLE VI

Association Purposes and Powers.

Section 1. The Association has been organized for the following purposes:

- (a) to own, acquire, build, operate, and maintain permanent wildlife open spaces, bike trails, including buildings, structures, and personal properties incident thereto, hereinafter referred to as Common Properties;
- (b) fix assessments (or charges) to be levied against the property in the subdivision;
- (c) enforce any and all covenants, restrictions and agreements applicable to the Properties;
- (d) pay taxes, if any, on the Common Properties and facilities;

Section 2. Additions to Properties and Membership. Additions to The Properties described in Exhibit A attached to the Covenants, may be made as provided in the Covenants and three-fourths (3/4) of the total vote of a quorum must approve the addition. Such additions, when properly made under the applicable covenants, shall extend the jurisdiction, functions, duties, and membership of this corporation to such properties.

Section 3. Mergers and Consolidations. Subject to the provisions of the recorded covenants and restrictions applicable to The Properties, and to the extent permitted by law, the corporation may participate in mergers and consolidations with other non-profit corporations organized for the same purposes, provided that any such merger or consolidation shall have the assent of three-fourths (3/4) of the vote at a duly called meeting of the Association, written notice of which shall be mailed to all member at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 4. Mortgages, Other Indebtedness: The corporation shall have the power to mortgage its properties upon the approval of three-fourths (3/4) of the vote at a meeting duly called for this purpose, written notice of which shall be mailed to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 5. Quorum for any Action Governed by Sections 3 and 4 of this Article. The Quorum required for any action governed by these By-Laws shall be as follows, unless otherwise provided: At the first meeting duly called as provided therein, the presence of members, or of proxies, entitled to cast sixty (60) percent of the total vote of the Association shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirements set forth hereinabove.

Section 6. Dedication of Properties or Transfer of Function to Public Agency or Utility. The corporation shall have the power to dispose of its real properties only as authorized under the covenants.

ARTICLE VII

Board of Directors.

Section 1. Board of Directors: Selection: Terms of Office. The affairs of the corporation shall be managed by a Board of Directors. The Initial Board of Directors shall consist of five (5) directors who shall hold office until the election of their successors for the terms stated in this selection. Beginning with the first annual meeting to be held the 1st Saturday in January, the members at each annual meeting shall elect five (5) directors each for a term of one (1) year.

Section 2. Vacancies in the Board of Directors. Vacancies in the Board of Directors shall be filled by the majority of the remaining directors and any such appointed directors to hold office until his successor is elected by the Members, who may make such election at the next annual meeting of the Members or at any special meeting duly called for that purpose.

ARTICLE VIII

Election of Directors.

Section 1. Election to the Board of Directors shall be by written ballot as hereinafter provided. At such election, the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the recorded covenants applicable to The Properties. The names receiving the largest number of votes shall be elected.

ARTICLE IX

Powers and Duties of the Board of Directors.

Section 1. The Board of Directors shall have power:

(a) to call special meetings of the members whenever it deems necessary, and it shall call a meeting at any time upon request as provided in Article XII, Section 2;

(b) to appoint and remove at pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these By-Laws shall be construed to prohibit the employment of any Member, Officer, or Director of the Association in any capacity whatsoever;

(c) to establish, levy and assess, and collect the assessments or charges referred to in Article III, Section 2;

(d) to adopt and publish rules and regulations governing the use of the common properties and facilities and the personal conduct of the members and their guests thereon;

(e) to exercise for the Association all powers, duties and authority vested in or delegated to this Association, except those, reserved to the members in the Charter of the Corporation, these By-Laws, or the Covenants;

1810

(f) in the event that any member of the Board of Directors of this Association shall be absent from three (3) consecutive regular meetings of the Board of Directors without excuse, the Board may, by action taken at the meeting during which said third absence occurs, declare the office of said absent Director to be vacant.

(g) to appoint an executive committee of three (3) Directors and delegate all or any portion of the powers of the Board of Directors to this executive committee.

Section 2. It shall be the duty of the Board of Directors:

(a) to cause to be kept a complete record of all its acts and corporate affairs;

(b) to supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in Article V of the Covenants applicable to The Properties;

1. to fix the amount of the assessment against each Lot or Dwelling Unit for each assessment period at least thirty (30) days in advance of such date or period and, at the same time;
2. to prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any member;
3. to send written notice of each assessment to every owner subject thereto;

(d) to issue upon demand by any person a certificate setting forth whether any assessment has been paid. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid.

1811

ARTICLE X

Director's Meetings.

Section 1. The annual meeting of the Board of Directors shall be held on the 1st Saturday in January in each year, provided that the Board of Directors may, by resolution, change the day of holding such regular meeting.

Section 2. Ten (10) days written notice of such annual meeting shall be given each Director.

Section 3. Special meetings of the Board of Directors shall be held when called by any officer of the Association or by any two (2) Directors after not less than three (3) days' notice to each Director.

Section 4. The transaction of any business at any meeting of the Board of Directors, however called and noticed, or whenever held, shall be as valid as though made at a meeting duly held after regular call and notice if a quorum is present, and if either before or after the meeting each of the directors not present signs a written waiver of notice, or a consent to the holding of such a meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made part of the minutes of the meeting.

Section 5. The majority of the Board of Directors shall constitute a quorum thereof.

ARTICLE XI

Officers.

Section 1. The officers shall be president, a vice-president, a secretary, and a treasurer. Any or all officers may be but shall not be required to be members of the Board of Directors.

Section 2. The officers shall be chosen by a majority of the Directors.

Section 3. All officers shall hold office during the pleasure of the Board of Directors.

1812

Section 4. The president shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board of Directors are carried out and sign all notes, checks, leases, mortgages, deeds and all other written instruments.

Section 5. The vice-president shall perform all the duties in the absence of the president.

Section 6. The secretary shall be ex officio the secretary of the Board of Directors, shall record the votes and keep the minutes of all proceedings in a book to be kept for this purpose. He shall sign all certificates of membership. He shall keep the record of the Association. He shall record in a book kept for that purpose the names of all members of the Association together with their addresses as registered by such members.

Section 7. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors, provided however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business. The treasurer shall sign all checks and notes of the Association, provided that such checks and notes shall also be signed by the president or vice-president.

Section 8. The treasurer shall keep proper books of account and cause an annual audit of the Association books to be made at the completion of each fiscal year.

ARTICLE XII

Meetings of Members.

Section 1. The regular annual meeting of the members shall be held on the 1st Saturday in January in each year. If the day for the annual meeting of the members shall fall upon a holiday, the meeting will be held on the first day following which is not a holiday.

Section 2. Special meetings of the members for any purpose may be called at any time by the President, the Vice President, the Secretary or Treasurer or by any two (2) or more members of the Board of Directors, or upon written request of one-fourth (1/4) of the total vote of the Association.

1813

Section 3. Notice of any meetings shall be given to the members by the Secretary. Notice may be given to the member either personally or by sending a copy of the notice through the mail, postage thereon fully prepaid to his address appearing on the books of the Association. Each member shall register his address with the Secretary and notices of meetings regular or special, shall be mailed at least six (6) days in advance of the meeting and shall set forth in general the nature of the business to be transacted, provided however, that if the business of any meeting shall involve and be governed by the Articles of Incorporation or by the Covenants applicable to the Properties, or any action for which other provision is made in these by-laws, notice of such meeting shall be given or sent as therein or herein provided.

Section 4. The presence at the meeting of the members entitled to cast, or of proxies entitled to cast sixty (60) percent of the total votes of the Association shall constitute a quorum for any action governed by these By-Laws. Any action governed by the Articles of Incorporation or by the Covenants applicable to The Properties shall require a quorum as therein provided.

ARTICLE XIII

Proxies.

Section 1. At all corporate meetings of members, each member may vote in person or by proxy.

Section 2. All proxies shall be in writing and filed with the Secretary. No proxy shall extend beyond a period of eleven (11) months, and every proxy shall automatically cease upon sale by the member of his interest in The Properties.

ARTICLE XIV

Corporate Seal.

Section 1. The Association shall have a seal in circular form having within its circumference the words: OCEAN COURSE VILLAS OWNERS' ASSOCIATION, INC.

IN WITNESS WHEREOF the Company has caused this instrument to be executed the day and year first above written, by its president and attested by its secretary, and the corporate seal affixed.

WITNESSES

WOODBINE DEVELOPMENT CORPORATION

Joseph A. Nebeker
Elizabeth B. Pottoff

By: Hector C. Hallock
Attest David W. Ames

The foregoing Declaration of Covenants and Restrictions is hereby approved and accepted as binding upon the Ocean Course Villas Owners' Association, Inc., its successors and assigns.

IN WITNESS WHEREOF, the Ocean Course Villas Owners' Association, Inc., has caused this instrument to be executed this 14th day of March 1978, by its president and attested by its secretary, and its corporate seal to be hereto affixed.

WITNESSES

OCEAN COURSE VILLAS OWNERS' ASSOCIATION, INC.

Joseph A. Nebeker
Elizabeth B. Pottoff

By Hector C. Hallock
As its President
Attest David W. Ames
As its Secretary

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THE STATE OF SOUTH CAROLINA }
COUNTY OF BEAUFORT }

PROBATE

PERSONALLY appeared before me Joseph A. Webster, III
who, on oath, says that s/he saw the within named WOODBINE DEVELOPMENT CORPORATION
by Weston C. Wilhelm its _____ sign
the within instrument, and David W. Ames its _____
_____ attest the same, and the said Corporation, by said officers, seal
said instrument, and, as its act and deed, deliver the same, and the s/he with
Betsy Puthoff witnessed the execution thereof.

Joseph A. Webster, III
(Witness)

SWORN to before me, this 14th day of March A.D. 1978.

[Signature] (SEAL)
Notary Public of South Carolina
My Commission Expires: Notary Public, South Carolina State at Large
My Commission Expires Aug. 25, 1987

FILED AT <u>3:50</u> O. C. CLK	BEAUFORT COUNTY S. C. APR 3 1978 P. M. PROBATE	RECORDED IN BOOK <u>261</u> PAGE <u>1805</u> <u>Marian H. Fender, Dep.</u> CLERK OF COURT OF COMMON PLEAS
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THE STATE OF SOUTH CAROLINA }
COUNTY OF BEAUFORT }

PERSONALLY appeared before me Betsy Puthoff
who, on oath, says that s/he saw the within OCEAN COURSE VILLAS OWNERS' ASSOCIATION,
INC. by Joseph A. Webster, III, Weston C. Wilhelm, and David W. Ames, its Directors,
sign the within instrument, and _____ its _____
_____ attest the same, and the said Corporation, by said officers, seal
said instrument, and as its act and deed, deliver the same, and the s/he with
Linda H. Toomer witnessed the execution thereof.

Elizabeth G. Puthoff

SWORN to before me, this 14th day of March A.D. 1978.

Linda H. Toomer (SEAL)
Notary Public of South Carolina
My Commission Expires: Notary Public, South Carolina State at Large
My Commission Expires 8-22-84

DB 351/ 1170

STATE OF SOUTH CAROLINA)
COUNTY OF BEAUFORT)

AMENDMENT TO THE DECLARATION
OF COVENANTS AND RESTRICTIONS
FOR OCEAN COURSE VILLAS, HILTON
HEAD ISLAND, SOUTH CAROLINA,
AND PROVISIONS FOR THE SEA PINES,
OCEAN COURSE VILLAS OWNERS
ASSOCIATION, INC.

WHEREAS, the Declaration of Covenants and Restrictions for Ocean Course Villas, Hilton Head Island, South Carolina, and provisions for the Sea Pines, Ocean Course Villas Owners Association, Inc., are recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 261 at Page 1791; and

WHEREAS, the Owners Association at the last duly constituted meeting held for such purpose, which was held on Jan. 2, 1982, did approve submitting this Amendment to all Owners; and

WHEREAS, subsequent approval of this Amendment, with the requisite approval of the Owners representing at least three-fourths of the Owners was obtained;

NOW, THEREFORE the Declaration of Covenants and Restrictions are hereby amended by the addition of the following article:

The use or establishment of time sharing, time interval ownership or time-sharing lease agreements, as described in definitions 9 and 10 of Section 27-32-10 of the Code of Laws of South Carolina (1976), as amended shall be prohibited within any of the units of this Association.

The Association has caused these Presents to be executed in its name by its duly authorized managing agent on this day of July 23, 1982.

IN WITNESS WHEREOF, Sea Pines Regime Management has set its hand and seal as the duly constituted managing agent of the Association on the date above mentioned.

WITNESSES:

Carol Hampton
A.R. Grant Morehouse

SEA PINES REGIME MANAGEMENT
James A. Warren
James A. Warren, Vice President

STATE OF SOUTH CAROLINA)
COUNTY OF BEAUFORT)

PROBATE

PERSONALLY appeared before me Carol Hampton and made oath that (s)he saw the within James A. Warren, Vice President of Sea Pines Regime Management, sign, seal and as his free act and deed, deliver the within written instrument, and that (s)he with A.R. GRANT MOREHOUSE witnessed the execution thereof.

SWORN TO before me this 23 day of July, 1982.

A.R. Grant Morehouse
Notary Public for South Carolina
My Commission expires: 4/3/88

Carol Hampton

CERTIFIED A TRUE COPY

Jennifer Harvitt, KMC Clerk
TLOVE H. DALTON
Clerk of Beaufort County

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

AFFIDAVIT

1171

PERSONALLY appeared before me, James A. Warren, Vice President, Sea Pines Regime Management, who being duly sworn, deposes and says:

That he is the duly constituted manager of Sea Pines, Ocean Course Villas Owners Association;

That on Jan. 2, 1982, he was requested by the Association Officers, following the Owners Association annual meeting, to solicit a response of all Owners indicating their approval of the attached time-sharing prohibiting Amendment to the Declaration of Covenants and Restrictions;

That a majority approval of the Owners representing at least three-fourths of the Owners was obtained and such is on record at his office;

That he, as the duly constituted manager of Sea Pines, Ocean Course Villas Owners As. was requested to prepare and file of record this Amendment to the Declaration of Covenants and Restrictions.


James A. Warren, Vice President

SWORN TO before me this 23rd
day of July, 1982.


Notary Public for South Carolina
My Commission expires: 4/3/88

Morehouse

FILED	BEAUFORT	RECORDED
AT	COUNTY	IN
	S. C.	BOOK
9:10		381
O'CLOCK	JUL 27 1982	PAGE
A M		1170
<i>Nancy H. Lowry, Rep.</i> CLERK OF COURT OF COMMON PLEAS		