

STATE OF SOUTH CAROLINA) FIRST AMENDMENT TO MASTER DEED OF
) THE SPA ON PORT ROYAL SOUND
 COUNTY OF BEAUFORT) HORIZONTAL PROPERTY REGIME

KNOW ALL MEN BY THESE PRESENTS, that this First Amendment to the Master Deed of The Spa on Port Royal Sound Horizontal Property Regime is made on the date hereinafter set forth by Resort Development Corporation, formerly known as Resort Investment Corporation, (hereinafter called "Developer"):

WHEREAS, Developer has heretofore committed certain real property to The Spa on Port Royal Sound Horizontal Property Regime (herein sometimes called the "Regime" or the "Condominium") by the Master Deed of The Spa on Port Royal Sound Horizontal Property Regime, which Master Deed and Exhibits thereto is recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 402 at Page 629 (herein called the "Master Deed"); and

WHEREAS, said Master Deed provides for the inclusion of an additional phase in the Regime; and

WHEREAS, Developer now wishes to annex additional property, improvements and apartments and amend said Master Deed for the purposes of creating Phase II of said Regime;

NOW, THEREFORE, Developer does hereby submit the property described as Phase II (the "Property"), being more particularly described hereinafter in this Amendment and Exhibits hereto, to the provisions of the Horizontal Property Act of South Carolina, Title 27, Chapter 31, Code of Laws of South Carolina, 1976, and does further submit said Property to the provisions of the Master Deed and the provisions of this Amendment.

ARTICLE I
The Property

The Property hereby committed by this Amendment to the aforesaid Master Deed means and includes that property shown as contained within the Regime, Phase II, as described in the Exhibits to this Amendment, and includes the land, the buildings, all improvements and structures thereon and all easements, rights and appurtenances belonging thereto as described in the Exhibits to this Amendment and as subject to all easements, rights-of-way, rights of use, restrictions, obligations and covenants as described in this Amendment, the Master Deed, and of record. Therefore, the property committed to the Regime consists of the Property heretofore committed in the Master Deed (Phase I) and in addition thereto, that Property described in said Master Deed and herein and in the Exhibits hereto as Phase II.

That portion of the Common Elements so designated in the Exhibits which are appurtenant to Commercial Unit C and Commercial Unit D are Limited Common Elements to those units. Said Limited Common Elements so designated shall and may be used by the Co-Owners of Commercial Unit C and Commercial Unit D, their lessees, assignees, successors and guests for seating, tables and like furnishings for the service and consumption of food and beverage, storage and such other uses as are consistent with or required thereby.

ARTICLE II
Rights and Obligations

There is appurtenant to each Apartment in Phase I and Phase II the number of votes, set forth in the Master Deed and its Exhibits and the Exhibits hereto which shall be voted by the Voting Member at all matters to come before the Council of Co-Owners (being more fully described in the Master Deed). By reason of Phase II having now been included within the Regime, there is appurtenant to each Apartment in the Regime an undivided ownership interest in the Common Elements and

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BEAUFORT COUNTY TAX MAP REFERENCE

Dist	Map	Submap	Parcel	Block
500	5		8A	

share in the Common Expenses and Assessments and Common surplus which is set forth in the Exhibits hereto. In addition, the percentage which the vote appurtenant to each Apartment constitutes of the total votes of all Apartments in the Regime is also set forth in the Exhibits hereto.

ARTICLE III
Apartments

The location, dimensions and approximate square footage of each Apartment in Phase II are as shown and described in the Exhibits to this Amendment. All real property and improvements not included within the Apartments, as Apartments are defined in the Master Deed, are and shall be Common Elements.

ARTICLE IV
Easements, Rights and Obligations

There are easements reserved, and the right is reserved to grant further easements, including but not limited to, across the Common Elements of Phases I and II as set forth and described in the Master Deed and the Exhibits thereto and herein and in the Exhibits hereto. In addition, each Co-Owner in Phase II shall be, as are the Co-Owners of Phase I, subject to each and every of the terms, provisions and requirements and granted the same rights as described in the Master Deed.

Certain easements were granted to the Regime in the Master Deed which lie upon the Property included in Phase II. By reason of its inclusion, these said easements are thereby merged into the Regime and extinguished.

Developer expressly reserves the right but not the obligation to commit to the Regime the "Ingress/Egress & Utility Easement" as described in the legal description set forth in Exhibit 1 attached hereto.

ARTICLE V
Provisions in the Master Deed

All provisions in the Master Deed of The Spa on Port Royal Sound Horizontal Property Regime shall remain unchanged except as provided herein and shall be, and hereby are, binding upon all present and future Co-Owners in Phases I and II, their mortgagees and lien holders and the Developer, except to the extent inclusion of Phase II within the Regime requires a necessary change and to the extent hereby amended. The foregoing Master Deed and this Amendment shall be construed together as to create one unified Horizontal Property Regime, pursuant to the laws of the State of South Carolina.

IN WITNESS WHEREOF, the Developer, on behalf of itself and to bind itself, and its successors in interest, including all Co-Owners who comprise and who shall comprise the Council of Co-Owners (which is known as The Spa on Port Royal Sound Horizontal Property Regime Council of Co-Owners) has executed this First Amendment of The Spa on Port Royal Sound Horizontal Property Regime as its act and deed, and in witness whereof, it, by and through its authorized officer, duly attested, has set its hand and seal this 25th day of September, 1985.

SIGNED, SEALED AND DELIVERED
In The Presence Of:

Dorothy A. Steward
Samuel S. Steward

RESORT DEVELOPMENT CORPORATION
f/k/a Resort Investment Corporation

By: *[Signature]* (SEAL)
Its: PRESIDENT
Attest: *Ronald O. Swinson, Jr.*
Its: Assistant Secretary

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

PROBATE

PERSONALLY appeared before me the undersigned witness, who being duly sworn, says that (s)he saw the within-named RESORT DEVELOPMENT CORPORATION, by and through its duly authorized officer, sign, seal and deliver the within FIRST AMENDMENT TO THE MASTER DEED OF THE SPA ON PORT ROYAL SOUND HORIZONTAL PROPERTY REGIME as its act and deed; and that (s)he, with the other witness whose signature appears above, witnessed the execution thereof.

SWORN & subscribed to before me
this 25th day of September, 1985.

Deborah A. Howard
WITNESS

[Signature] (L.S.)
NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission Expires: 3/4/92.

EXHIBIT 1

LEGAL DESCRIPTION
THE SPA ON PORT ROYAL SOUND

(Adding Phase II to the Regime)

All that certain piece, parcel or tract of land with improvements thereon, situate, lying and being in Hilton Head Island, Beaufort County, South Carolina, being a Section of Old Fish Haul Plantation and being reflected as Phase II, containing 5.158 acres, more or less, on a plat entitled "An As-Built Survey of The Spa on Port Royal Sound, Phase II", and prepared by Surveying Consultants of Hilton Head Island, Inc. on September 18, 1985, and recorded with the Clerk of Court for Beaufort County, South Carolina, in Plat Book 33 at Page 103. A reduction of said plat is contained as part of this Exhibit. Said real property is more specifically described as follows:

(To find the point of beginning commence at a point, said point being at the intersection of the northwestern right-of-way of Beach City Road and the northeastern right-of-way of Dillon Road, thence following the edge of the northwestern right-of-way of Beach City Road for a distance of 2,047.81' to a point, thence, N. 41°37'24"W., a distance of 172.00' to a point, said point being THE POINT OF BEGINNING)

Thence, S. 48°23'47"W., a distance of 268.28' to a point;
Thence, S. 48°20'14"W., a distance of 55.28' to a point;
Thence, N. 41°39'46"W., a distance of 91.32' to a point;
Thence, N. 53°10'20"W., a distance of 3.50' to a point;
Thence, N. 40°56'19"W., a distance of 162.91' to a point;
Thence, S. 52°14'58"W., a distance of 148.72' to a point;
Thence, N. 41°38'16"W., a distance of 67.93' to a point;
Thence, N. 21°08'06"E., a distance of 61.49' to a point;
Thence, N. 48°21'44"E., a distance of 676.08' to a point;
Thence, S. 41°40'38"E., a distance of 360.20' to a point;
Thence, S. 48°20'15"W., a distance of 162.40' to a point;
Thence, S. 48°23'47"W., a distance of 27.10' to a point;
Thence, S. 48°23'47"W., a distance of 75.00' to a point,

said point being THE POINT OF BEGINNING; all measurements being a little more or less; reference being craved to said plat for additional descriptions.

TOGETHER WITH a non-exclusive easement for ingress and egress and for utilities, said easement being shown as "Ingress/Egress & Utility Easement" on said plat to which reference is made above, said easement commencing at the POINT OF BEGINNING as located above;

Thence, N. 48°23'47"E., a distance of 75.00' to a point;
Thence, S. 41°37'24"E., a distance of 172.00' to a point;
Thence, S. 48°23'47"W., a distance of 75.00' to a point;
Thence, N. 41°37'24"W., a distance of 172.00' to the POINT OF BEGINNING; all measurements being a little more or less; reference being craved to said plat for additional descriptions. This easement being one of the same easements referenced in Article IV of this First Amendment.

TOGETHER WITH a non-exclusive easement for the use of and access to the lift station and transformer site located beyond the southwestern boundary of the Phase II tract as described on the above referenced plat. Said easement being fifteen (15') feet centered around the lift station and transformer site.

SUBJECT TO all easements, reservations, restrictions, conditions and matters of record.

This being a portion of the same property conveyed to Resort Investment Corporation by Deed of Helen M. Martin, dated February 29, 1984, and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 389 at Page 799 on March 1, 1984.

The aforesaid real property and the particular improvements thereon, which are hereby committed (and the location of such improvements) are shown and described on the attached surveys, plot plans and building plans, which are incorporated in this description by reference and upon the plat to which reference has been made above and which constitute, together with this description, Exhibit "1" to the First Amendment to the Master Deed of The Spa on Port Royal Sound Horizontal Property Regime (the "Regime"). The improvements consisting of the buildings within which Apartments are located and the location of individual Apartments within the buildings are located as shown and described upon the aforesaid parts to this Exhibit, which locations and descriptions are also incorporated in this description by reference. Each Apartment has appurtenant to it an undivided interest in the common elements as shown and described on the attached surveys, plot plans, building plans and descriptions, and as described in the Master Deed to which this is an Exhibit. All areas not contained within the Apartments as the term "Apartment" is defined in the aforesaid Master Deed constitute common elements. Improvements which constitute common elements are the streets and driveways, sidewalks, parking areas, all stairways, walkways and halls providing access to individual apartments, four (4) tennis courts, water lines (to Regime meter) and all other improvements not contained within or part of any Apartment(s).

Each apartment includes:

(a) The space enclosed by the unfinished surfaces of perimeter and interior walls, ceilings and floors thereof, including vents, doors, windows and such other structural elements that are ordinarily regarded as enclosures of space.

(b) All interior dividing walls and partitions (including the space occupied by such walls and partitions).

(c) The decorated interior surfaces of all interior walls (including the decorated surfaces of all interior load-bearing walls) and floors, ceilings, consisting as the case may be of wallpaper, paint, plaster, carpeting, tiles and all other furnishings, materials and fixtures affixed or installed and for the sole and exclusive use of any dwelling space, commencing at the point of disconnection of the structural body of the building and from utility lines, pipes or systems serving the dwelling space. No pipes, wires, conduits or other public utility lines or installation constituting a part of the overall system designed for the service of any particular dwelling space of a building or any property of any kind, including fixtures and appliances within an apartment, which are not removable without jeopardizing the safety or usefulness of the remainder of the building shall be deemed to be part of any apartment.

The Regime, as presently constituted, consists of buildings containing Apartments as well as other improvements. Phase II adds to the Regime four (4) buildings referenced in this Exhibit as Building A, Building B, Building C and Building D.

Apartments numbered 3106 and 3108 through 3138 are each identical and are each a two bedroom apartment containing approximately 883 square feet on one floor and are each located on the first floor of the buildings. The floor plan and dimensions of these Apartments are contained in this Exhibit. As to each apartment, entrance is made through a corridor which is part of the common elements into the apartment. Entrance is made from the common element corridor into a foyer and then into the kitchen area and from the kitchen area into a living/dining room area. Entrance is made from the living/dining room area into each of two bedrooms, and into the guest bath of the Apartment. Each bedroom contains one closet. The second bath adjoins and is accessed from the master bedroom. Sliding doors from the living room/dining room area provide access to the balcony which is part of the apartment.

Apartments number 3205 through 3238 are each two bedroom apartments identical to apartments above except that each such apartment is located on the second floor of the building entrance being made into each such apartment from the common element corridor, access being gained to said corridor by stairways which are a part of the common elements.

Apartments numbered 3305 through 3338 are each two bedroom apartments identical to the apartments above except that each such apartment is located on the third floor of the building, entrance being made into each such apartment from the common element corridor, access being gained to said corridor by stairways which are a part of the common elements.

Apartments numbered 3101, 3102, 3103 and 3104 are each identical and are each a one bedroom apartment containing approximately 560 square feet on one floor and are located on the first floor of the buildings. The floor plan and dimensions of these apartments are contained in this Exhibit. As to each such apartment, entrance is made from the common element corridor into the hall of the apartment and from the hall into the living/dining room area which accesses the kitchen area. The hall provides access into the bath and the bedroom of the apartment. Each bedroom of the apartment contains a closet. Sliding doors from the living/dining area provide access to the balcony which is a part of the apartment.

Apartments numbered 3201, 3202, 3203 and 3204 are each apartments identical to the apartments above except that each such apartment is located on the second floor of the building, entrance being made into each such apartment from the common element corridor, access being gained to said corridor by stairways which are also part of the common elements.

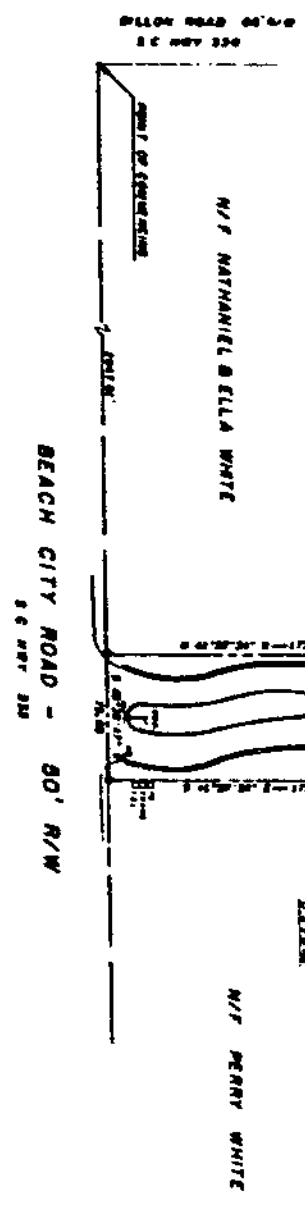
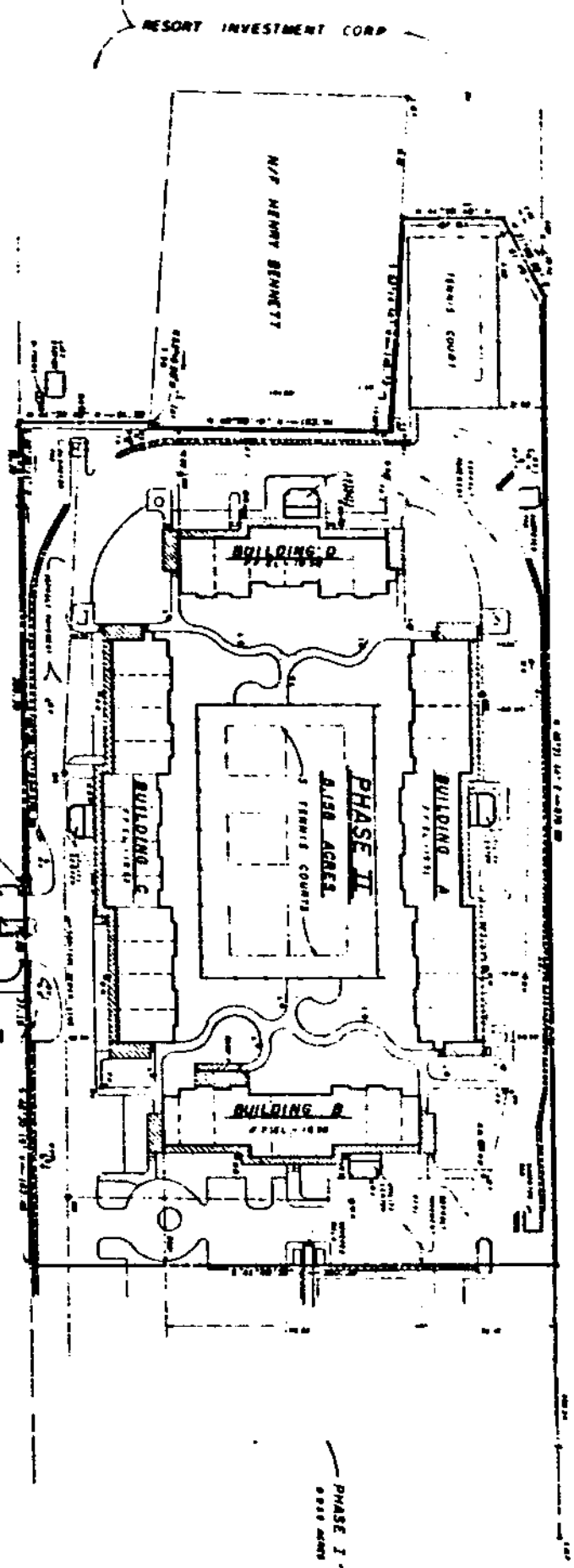
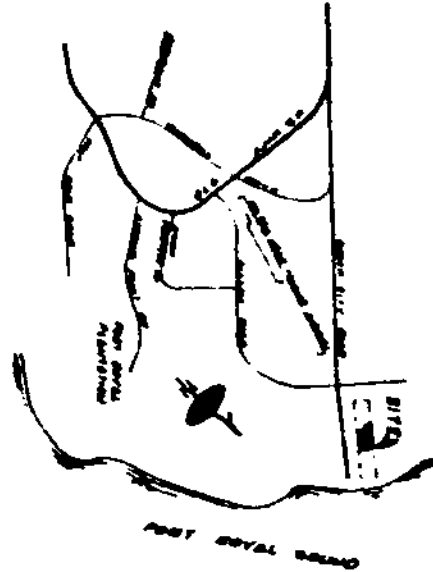
Apartments numbered 3301, 3302, 3303 and 3304 are each apartments identical to the apartments above except that each such apartment is located on the third floor of the building, entrance being made into each such apartment from the common element corridor, access being gained to said corridor by stairways which are part of the common elements.

Commercial Units C and D are located on the first floor of Building B and are shown in the Exhibits. Commercial Unit C consists of space available for commercial or retail use and contains approximately 797 square feet. Commercial

Unit D consists of space available for commercial or retail use and contains approximately 797 square feet. Appurtenant to Commercial Units C and D as a limited common elements thereto are the areas designated as Limited Common Elements on the plans which are included as part of this Exhibit, said Limited Common Elements shall have the use as set forth in the First Amendment to the Master Deed.

Improvements other than the two additional commercial units and the residential apartments comprise Common Elements. These consist principally of four (4) tennis courts, two (2) laundry rooms, and storage, all having the shape and dimensions as shown in the plans which are part of the Common Elements and have the dimensions and locations as shown in the Exhibits with access to such storage and laundry rooms provided by the Common Element corridors. Other improvements constituting Common Elements such as corridors, hallways, staircases, paved areas and the like are shown in the building plans which are part of this Exhibit.

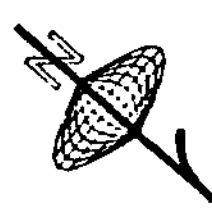
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- NOTES:
1. ALL DIMENSIONS ARE IN FEET AND INCHES.
 2. ALL DIMENSIONS ARE TO CENTERLINE UNLESS OTHERWISE NOTED.
 3. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
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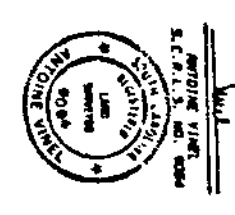
- OWNER'S NAME:
1. N/H HENRY BENEY
 2. N/H NATANIEL & ELLA WHITE
 3. N/H PERRY WHITE

- OWNER'S NAME:
1. N/H HENRY BENEY
 2. N/H NATANIEL & ELLA WHITE
 3. N/H PERRY WHITE



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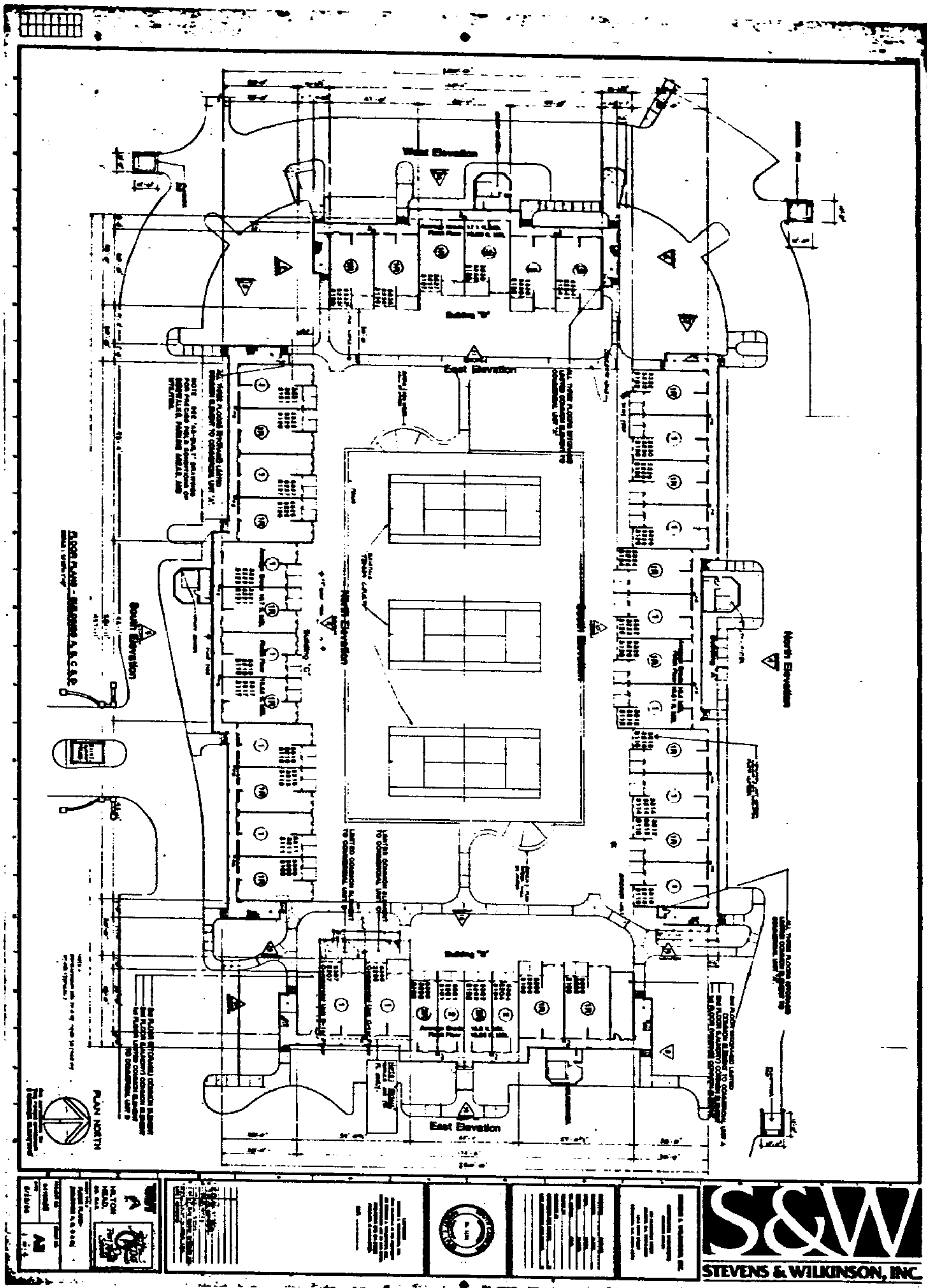
RESORT INVESTMENT CORP
 DEVELOPMENT CORPORATION
 1820 1ST STREET, SUITE 100
 BEAUFORT, SOUTH CAROLINA 29504

RECORDED IN THE OFFICE OF THE CLERK OF COURT BEAUFORT CO., S.C. BOOK PAGE REFLECTS PLATS IN BOOK PAGE PROVIDED FOR:

HILTON HEAD ISLAND RESORT COMPANY SOUTH CAROLINA

OLD FISH HOLE PLANTATION

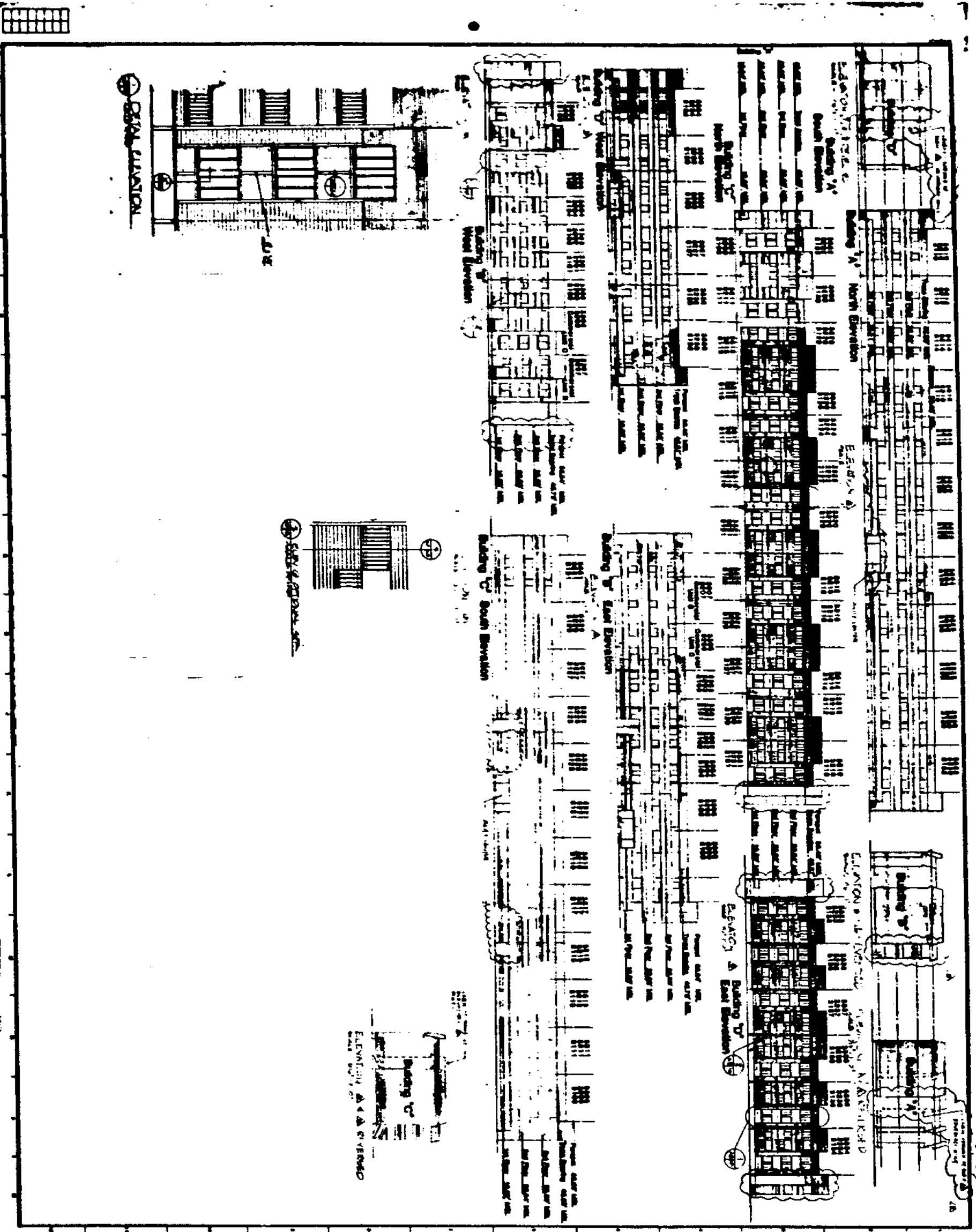
THE SPA ON PORT ROYAL SOUND PHASE II



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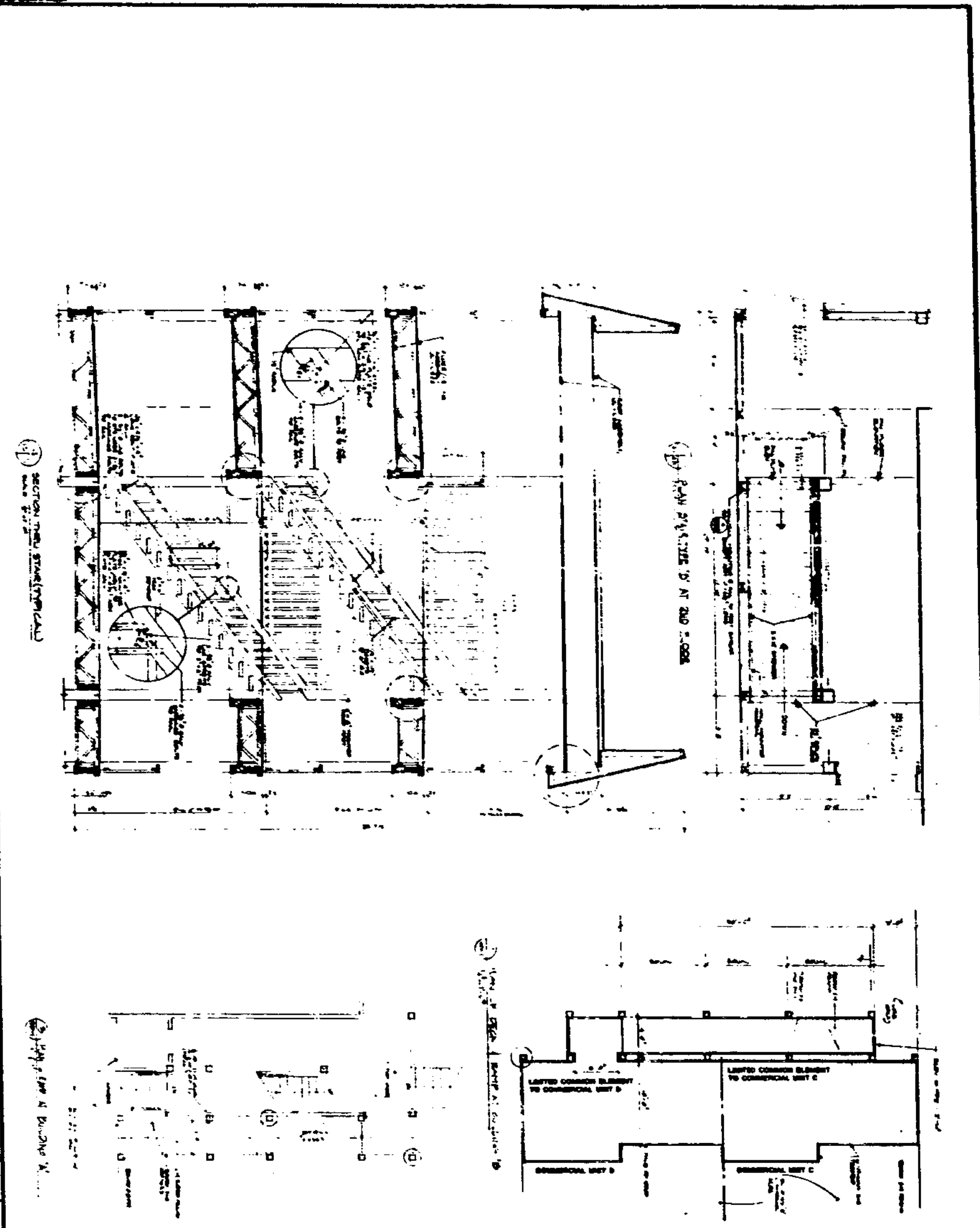
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REV.	



<p>PROJECT DRAWING NO. 100 SHEET NO. 100 DATE 10/1/54</p>	<p>STEVENS & WILKINSON, INC. ARCHITECTS 100 N. WASHINGTON ST. NEW YORK 17, N.Y.</p>	<p>STEVENS & WILKINSON, INC. ARCHITECTS</p>		<p>STEVENS & WILKINSON, INC. ARCHITECTS</p>	
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The floor plan depicts a residential building with the following features and details:

- Room Labels:** Living Room, Kitchen, Bath, Bed 1, Bed 2, Porch, and various closets (e.g., Lin. Clo., Ward. Clo.).
- Dimensions:** Overall width is 30'-0" and overall depth is 36'-0".
- Windows:** Windows are labeled as "WIND. 6' x 6' 6\" and "WIND. 6' x 6'".
- Notes:** Notes include "Floor Plan - Two Bedroom Unit" and "Floor Plan - One Bedroom Unit".
- Orientation:** A north arrow is labeled "PLAN NORTH".
- Title Block:** The bottom right corner contains the Stevens & Wilkinson logo and name, along with a table of specifications and a scale indicator.



PROJECT NO. SHEET NO. DATE	TITLE DRAWN BY CHECKED BY	SCALE 1" = 1'-0"	PROJECT NO. SHEET NO. DATE	TITLE DRAWN BY CHECKED BY	SCALE 1" = 1'-0"	 STEVENS & WILKINSON, INC.
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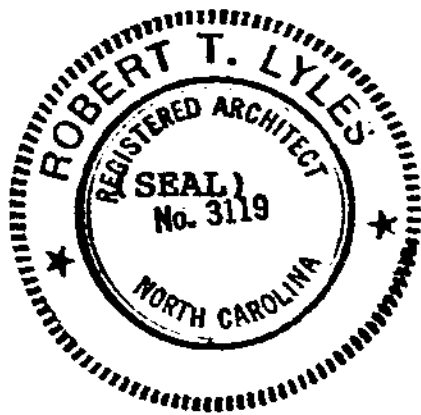
STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

ARCHITECT'S CERTIFICATE

I certify to the best of my knowledge, information and belief that the descriptions, surveys, plats, plot plans and building plans constituting this Exhibit "1" to the FIRST AMENDMENT TO THE MASTER DEED OF THE SPA ON PORT ROYAL SOUND or referred to in this Exhibit "1" adequately and accurately depict and show graphically the dimensions, area and location of each Apartment, and the Common Elements, including elevations, in accordance with the requirements of Title 27, Chapter 31, Code of Laws of South Carolina, 1976.

STEVENS & WILKINSON, INC.

BY: 



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**PROPERTY RIGHTS AND PERCENTAGE OF INTEREST
THE SPA ON PORT ROYAL SOUND HORIZONTAL PROPERTY REGIME**

Each Co-Owner owns, in addition to his Apartment, an interest in the Common Elements of the Property, which percentage of ownership interest has been determined and computed by taking as a basis the value of each individual Apartment in relation to the value of the Property as a whole. The Regime consists of two hundred twenty-four (224) two bedroom Apartments, forty-two (42) one bedroom Apartments, four (4) Commercial Units, for a total of two hundred seventy (270) Units, such Apartments and Units being located in the Property and are constructed as shown on the Exhibits.

The percentage of interest in the Common Elements of each Co-Owner of each Apartment represents the percentage of the total votes of all Co-Owners as set out below. There are three (3) votes appurtenant to each two bedroom Apartment, two (2) votes appurtenant to each one bedroom Apartment, four (4) votes appurtenant to Commercial Unit A, two (2) votes appurtenant to Commercial Unit B, three (3) votes appurtenant to Commercial Unit C and three (3) votes appurtenant to Commercial Unit D. The percentage of the total vote that the vote assigned to each Apartment represents is shown hereinbelow in this Exhibit. The percentage of ownership stated herein represents that Apartment's share in the Common Elements of the Property and that Apartment's share in the Common Expenses and Assessments and Common Surplus of the Regime.

There are seven hundred sixty-eight (768) total votes in the Regime. Such voting rights and the percentage of the total vote appurtenant to each Apartment have been computed by taking as a basis the value of each individual Apartment in relation to the value of the Property as a whole. Each two bedroom Apartment has an equal value to every other two bedroom Apartment. Likewise, each one bedroom Apartment has an equal value to every other one bedroom Apartment. Commercial Unit A has a value twice that of Commercial Unit B. Commercial Unit C and Commercial Unit D have an equal value to every two bedroom Apartment.

There is appurtenant to each two bedroom Apartment, to Commercial Unit C and to Commercial Unit D an undivided $3/768$ (which approximates .3906 percent) ownership in the Common Elements of the Property and share in the Common Expenses and Assessments and Common Surplus of the Regime. The vote appurtenant to each two bedroom Apartment, to Commercial Unit C and to Commercial Unit D represents $3/768$ percent of the total vote of all Co-Owners in the Regime.

There is appurtenant to each one bedroom Apartment an undivided $2/768$ (which approximates .2604 percent) ownership in the Common Elements of the Property and share in the Common Expenses and Assessments and Common Surplus of the Regime. The vote appurtenant to each one bedroom Apartment represents $2/768$ percent of the total vote of all Co-Owners in the Regime.

There is appurtenant to Commercial Unit A an undivided $4/768$ (which approximates .5272 percent, and is calculated by adding .0064 to .5208 so that the interests in the Regime are stated as a percentage aggregating 100%) ownership in the Common Elements of the Property and share in the Common Expenses and Assessments and Common Surplus of the Regime. The vote appurtenant to Commercial Unit A represents $4/768$ percent of the total vote of all Co-Owners in the Regime.

There is appurtenant to Commercial Unit B an undivided $2/768$ (which approximates .2604 percent) ownership in the Common Elements of the Property and share in the Common Expenses and Assessments and Common Surplus of the Regime. The vote appurtenant to Commercial Unit B represents $2/768$ percent of the total vote of all Co-Owners in the Regime.

RMC
BEAUFORT COUNTY
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Resort Development Corp.

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BOOK NUMBER 430 PAGES 1570- 1584
FILING FEE 15.00
STATE STAMPS .00
COUNTY STAMPS .00
TOTAL FEES 15.00

HENRY JACKSON
CLERK OF COURT SFT CNTY, SC

RECORDED THIS 27th DAY
OF September 1985
IN BOOK R PAGE 47

FEES \$
Mary Ann Gray / SB
AUDITOR, BEAUFORT COUNTY, S.C.