

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF BEAUFORT )

MASTER DEED  
OF  
STONES THROW VILLAS  
HORIZONTAL PROPERTY REGIME I

THIS MASTER DEED made by VALLEY FORGE CONSTRUCTION ASSOCIATES NO. 1, INC., (hereinafter referred to as "Grantor"), a corporation duly organized and existing under the laws of the State of South Carolina, with its principle offices and place of business at Hilton Head Island, County of Beaufort, and State of South Carolina, this 14th day of March, 1975.

WITNESSETH

ARTICLE I. ESTABLISHMENT OF HORIZONTAL PROPERTY REGIME

The purpose of this Master Deed is to establish, pursuant to the Horizontal Property Act of the State of South Carolina, a horizontal property regime to be known as Stones Throw Horizontal Property Regime I, (hereinafter referred to as the "Regime"). The land and improvements to be submitted to the provisions of the Horizontal Property Act and to the terms of this Master Deed are described in their totality in Article II as the Condominium Property. Grantor by filing of record this Master Deed publishes and declares that the Condominium Property shall be owned, occupied, used, conveyed, encumbered, leased, and improved in accordance with the provisions of the Horizontal Property Act of the State of South Carolina, and in accordance with the covenants, restrictions, encumbrances, and obligations set forth or incorporated by reference in this Master Deed, all of which shall be deemed to be covenants and obligations running with the land.

The buildings and improvements constituting this Regime have been constructed in one stage, which is referred to and described in this Master Deed as Regime I.

ARTICLE II. THE CONDOMINIUM PROPERTY.

Section 1. Land. Grantor owns in fee simple the tract of land containing 4.883 acres which is described in Exhibit "A" of this Master Deed as Regime I, subject to the following encumbrances:

1.1 Declaration of Protective Covenants and Restrictions by the Valley Forge Construction Associates Inc., dated January 21, 1974 and recorded in Deed Book 217, Page 1256, Office of the Clerk of Court for Beaufort County, South Carolina.

1.2 Easements for installation, operation and maintenance of electric and telephone distribution lines and accessory equipment.

Section 2. Villas. Grantor has constructed upon the Land described in Exhibit "A" of the Master Deed eight (8) buildings enclosing sixty-three (63) condominium units (hereinafter referred to as "Villas"). The site locations of the eight (8) buildings and sixty-three (63) Villas are shown on the Plat of the Condominium Property contained in Exhibit "C" of this Master Deed. The Villas are graphically depicted in the certified architect's plans which are compiled and annexed to this Master Deed in Exhibit "C". The Villas also are described verbally in Article VI of this Master Deed. Each Villa is composed of the interior cubic space, fixtures, appliances, furnishings, walls, floors, ceilings, and building materials enclosed within the following boundaries:

2.1 The upper boundaries of the Townhouse Villas which are numbered one (1) through fifty-five (55) and the upper story One Bedroom Apartment Villas which are numbered 57U, 59U, 61U and 63U on the Plat of the Condominium Property contained in Exhibit "C" of this Master Deed shall extend to the inner surface of the roof sheathing over the Villa. The upper boundaries of the first floor One Bedroom Apartment Villas which are numbered 56L, 58L, 60L and 62L on the above mentioned Plat in Exhibit "C" shall extend to the inner surface of the ceiling sheathing of the Villa. The lower boundaries for the above mentioned upper story One Bedroom Apartment Villas shall be the inner surface of the floor sheathing. The lower boundaries of the Townhouse Villas and lower story One Bedroom Apartment Villas shall extend to the bottom of the granular fill beneath the structural slab underlying the lowest level of these Villas.

2.2 The perimentrical boundaries of the Villa shall extend to the rear surface of the wall sheathing to which the exterior siding of the Villa is attached ar to the center-line of the masonry party wall adjacent to the Villa.

2.3 The boundaries of each Villa shall extend also to include the area enclosed or bounded by the screens, partitions, railings, balustrades, or fences of any deck, terrace, balcony, stoop and steps, porch, courtyard, patio, or service area which is an integral and exclusive part of that particular Villa. If any such area is not thus bounded or enclosed, the boundaries of the Villas shall be extended to include the area defined or actually covered by any such deck, terrace, balcony, stoop and steps, porch, courtyard, patio, or service area.

2.4 Each Villa shall also encompass and include and each Villa Owner shall be responsible for maintenance and repair of the following: (i) the doorways, windows, vents, and other structural elements in the walls, floors, and ceilings of the Villa which are regarded as enclosures of space; (ii) the doors opening into the Villa and into any mechanical area or courtyard integral to the Villa, including the frames, casings, hinges, handles, and other fixtures which are part of the doors; (iii) the window glasses, screens, frames, wells, and casings which are part of the windows opening from the Villa; (iv) the metal flue and the plumbing and mechanical vents which exclusively serve the Villa; (v) the appliances, air conditioning and heating units, hot water heaters, lavatories, bath tubs, toilets, carpeting, floor covering, flooring trim, ceilings, walls, framing, floor joists, trusses, beams, insulation, structural slab and fill, and other fixtures, furnishings and building materials which are part of the Villa when delivered to the initial Villa Owner; (vi) the screens, partitions, railings, balustrades, or fences bounding or enclosing any deck, terrace, balcony, courtyard, or service area that is integral and exclusive to the Villa, and the treated wood decking or concrete surface within any such area; and (vii) all pipes, wires, electrical appurtenances which are integral and exclusive to the Villa, including lamps attached to the exterior of the Villa, and including water pipes serving the Villa extending to the meter, sewer pipes serving the Villa extending five (5) feet from the Villa, and the underground drainage system beneath the Villa.

Section 3. Common Elements. The Common Elements, either General or Limited, of the entire Condominium Property, exclusive of the Villas, as shown on the Plat contained in Exhibit "C" of this Master Deed.

3.1 The General Common Elements shall include without limitation the following:

(a) The land upon which the buildings enclosing the Villas are situated, containing 40,491 square feet; the paved parking area, containing 15,600 square feet; the walkways; and the remaining common areas surrounding the Villas, containing 156,642 square feet; and all easements, rights, and hereditaments appurtenant to the Land described in Exhibit "A" and shown on the Plat contained in Exhibit "C".

(b) All improvements, exclusive of the Villas and Limited Common Elements, erected upon the Land described in Exhibit "A", including without limitation: (i) the roofs covering the Villas, including shingles, roofing felt, sheathing, and flashing; (ii) the exterior siding, fascia, sheathing, and building paper on the buildings enclosing the Villas; (iii) the pipes, wires, conduits, pumps, motors, and other equipment installed to provide utility service to the Villas or to portions of the Common Elements, provided, however, that title to all water and sewer pipes, pumps, mains, and accessory equipment shall be, and hereby is, reserved to Grantor, its successors and assigns; (iv) The roads, streets, parking areas, street signs, storm draining, guttering, retaining walls, walkways, paths, trees, gardens, and landscaping located upon the Land; (v) any swimming pool, bath house and other recreational facilities which may now or hereafter be located upon the Land; and (vi) all other elements of the Condominium Property rationally of common use or necessary to its existence, maintenance and safety.

3.2 The Limited Common Elements shall include the following:

(a) The rear and front yards and service areas (shown on the plat attached hereto and identified as Exhibit "C") adjacent to each Dwelling Unit, the storage cabinets located in the service areas, and the fences screening the service areas.

#### ARTICLE III. DEFINITIONS.

Certain terms when used in this Master Deed and its Exhibits shall have the following meanings unless the context clearly requires otherwise:

(1) "Regime I" means the 4.883 tract of land ("Land") described in Exhibit "A"; the eight (8) buildings constructed upon the Land covering a ground area of 40,491 square feet, situated as shown on the Plat of the Condominium Property contained in Exhibit "C"; the sixty-three (63) Villas enclosed within such buildings which are described verbally in Articles II and VI of this Master Deed and which are portrayed graphically on the Plans contained in Exhibit "C"; and all mixed, situated upon or appurtenant to the Land, which are made part of Stones Throw Villas Horizontal Property Regime I by this Master Deed.

(2) "Assessments" means that portion of the Common Expenses which is to be paid by each Villa Owner in proportion to his percentage interest in Common Elements.

(3) "Council of Co-Owners" means the entity responsible for operation and management of the Condominium Property; and shall initially be an unincorporated association composed of all Villa Owners, constituting the entity referred to in the Horizontal Property Act, (hereinafter referred to as "Council").

(4) "By-Laws" means the rules and procedures prescribed for government of the Council which are attached to this Master Deed as Exhibit "D". All references to "By-Laws" shall be construed to include amendments to the By-Laws duly adopted from time to time

(5) "Board of Administrators" means the body of persons selected, authorized, and directed to manage and operate the Condominium Property and the affairs of the Council, as provided by this Master Deed and the By-Laws, (hereinafter referred to as "Board").

(6) "Common Elements" means all those portions of the Condominium Property not included within the Villas.

(7) "Common Expenses" means the actual and estimated expenses of operating and managing the Condominium Property, including reasonable reserves, as determined by the Board of Directors.

(8) "Common Surplus" means the excess of all receipts of the Council, including but not limited to assessments, rents, profits, and revenues from the Common Elements, over the amount of Common Expenses..

(9) "Condominium Property" means the Land described in Exhibit "A", the buildings, Villas and other improvements constructed upon the Land, real, personal, or mixed, intended for use in connection with this horizontal property regime.

(10) "Horizontal Property Act" means the Horizontal Property Act of the State of South Carolina, Title 57, Chapter 13, Code of Laws of South Carolina, 1962, as amended. All references to the "Horizontal Property Act" shall be construed to include any amendments to the Horizontal Property Act adopted and enacted from time to time.

(11) "Land" means the tract of land designated as Regime I and described by courses and distances in Exhibit "A".

(12) "Plans" means the floorplans and elevations depicting the design, layout, and dimensions of the Villas, which have been prepared and certified by an architect duly authorized and licensed to practice in the State of South Carolina, and which are compiled and attached to this Master Deed in Exhibit "C".

(13) "Plat" means the physical survey of the completed improvements of which Regime I is composed, prepared by Yerkes Associates, Inc., R.L.S. showing the dimensions, and site locations of the buildings, the sixty-three (63) Villas, the swimming pool, pool building, the parking areas, roads, walkways, and other improvements in Regime I. All references to the Plat shall be construed to mean the plat entitled, "Stones Throw Horizontal Property Regime I", prepared by Yerkes Associates, Inc., dated November 5, 1974, recorded in Plat Book 23, Page 135, Office of the Clerk of Court for Beaufort County, South Carolina, which is contained in Exhibit "C" of this Master Deed.

(14) "Person" means a natural person, a corporation, partnership, trustee, or other legal entity.

(15) "Villa" means one of the dwelling units enclosed within the boundaries defined in Article II, Section 2, which is subject to separate ownership.

(16) "Villa Owner" means the person or persons owning one or more of the Villas.

#### ARTICLE IV. STONES THROW VILLAS COUNCIL OF CO-OWNERS.

Section 1. Formation. Every Villa Owner shall be a member of the council of co-owners of Stones Throw Villas Horizontal

Property Regime I, which initially shall be an unincorporated association, known as "Stones Throw Villas Council of Co-Owners". The council of co-owners, (hereinafter referred to as the "Council") shall be managed by a Board of Administrators elected by and from the Villas Owners.

Section 2. By-Laws. The affairs of the Council and the administration of the Condominium Property shall be governed by the provisions of this Master Deed and the By-Laws of the Council, a copy of which is attached hereto as Exhibit "D". The By-Laws of the Council may be amended from time to time, but only in the manner expressly provided in the By-Laws and Article XII of this Master Deed.

Section 3. Voting. On all matters relating to the Council or to the Condominium Property upon which a vote of the Villas Owners is taken, the Villa Owners shall vote in proportion to their respective interests in Common Elements as set forth in Exhibit "B". Any motion shall carry if it received the affirmative vote of a simple majority of Villa Owners, unless a different majority is specified in this Master Deed or in the By-Laws. A simple majority of the Villa Owners shall consist of fifty-one per cent (51%) or more of the total interest in Common Elements.

Section 4. Binding Effect. All agreements, decisions, and resolutions legally made by the Council in accordance with the provisions of this Master Deed and the By-Laws shall be binding upon all Villa Owners.

Section 5. Management Agent. The responsibility for administration of the Condominium Property may be delegated by the Council to a professional management agent. By proper resolution of the Council, such a management agent may be authorized to assume any of the functions, duties, and powers assigned to the Board of Administrators in the By-Laws or in this Master Deed.

Section 6. Incorporation. Nothing in this Master Deed shall preclude Stones Throw Villas Council of Co-Owners from incorporating under the laws of the State of South Carolina if a requisite majority of the Council duly resolves to incorporate.

ARTICLE V. VILLAS: OWNERSHIP AND USE.

Section 1. Ownership of Villas. Each Villa, together with its undivided interest in Common Elements, shall constitute a separate parcel of real property; and each Villa Owner shall be entitled exclusive ownership and possession of his Villas, subject to (i) the provisions of this Master Deed and the easements, restrictions, covenants and encumbrances set forth herein; (ii) the Declaration of Covenants, Restrictions, and Affirmative Obligations recorded in Deed Book 217, Page 1256, Office of the Clerk of Court for Beaufort County, South Carolina; (iii) the By-Laws of the Council, as they may be amended from time to time, together with the regulations and resolutions that may be adopted by the Association or its Board of Administrators pursuant to the By-Laws; and (iv) the Horizontal Property Act of the State of South Carolina.

Section 2. Legal Description. Every Villa Owner shall be sufficiently described for purposes of deeds, mortgages, leases, and other conveyances by referring to its designated unit number and letter and by reciting that it is part of Stones Throw Villas Horizontal Property Regime I as established by this Master Deed. The conveyance of an individual Villa shall be deemed to convey the undivided interest in Common Elements appurtenant to that Villa. The ownership of an undivided interest in Common Elements appurtenant to a Villa shall be inseparable from the Villa, and no such undivided interest may be conveyed or encumbered except as an appurtenance to the Villa.

Section 3. Maintenance and Repair. Every Villa Owner shall be responsible at his own expense for maintaining, repairing, and decorating all walls, ceiling, floors, and other elements of his villa as defined in Article II, Section 2. However, no Villa Owner shall make structural modifications or alterations to his Villa, nor shall any Villa Owner alter any door, window, vent, flue, terrace, deck, balcony, or courtyard, without obtaining the prior written approval of the Board of Administrators. Written notice of any intended modification shall be given to the Board of Administrators, setting forth details and requesting approval. The Board of Administrators shall consider the request and decide whether

approval shall be granted. The Board shall advise the Villa Owner of its decision in writing within one hundred twenty (120) days from its receipt of the request. Nothing in this section shall relieve any Villa owner from obtaining approval for alterations required by other applicable covenants or restrictions. No Villa Owner shall undertake to modify any portion of the Common Elements.

ARTICLE VI. VILLAS: LOCATION AND DESCRIPTION.

Section 1. Building Location. The Villas in Regime I of this horizontal property regime are enclosed within the following buildings:

- 1.1 Building #1: Building #1 contains eleven (11) Dwelling Units designated as Villas 1 through 11, inclusive.
- 1.2 Building #2: Building #2 contains five (5) Dwelling Units designated as Villas 12 through 16, inclusive.
- 1.3 Building #3: Building #3 contains six (6) Dwelling Units designated as Villas 17 through 22, inclusive.
- 1.4 Building #4: Building #4 contains five (5) Dwelling Units designated as Villas 23 through 27, inclusive.
- 1.5 Building #5: Building #5 contains six (6) Dwelling Units designated as Villas 28 through 33, inclusive.
- 1.6 Building #6: Building #6 contains eleven (11) Dwelling Units designated as Villas 34 through 44, inclusive.
- 1.7 Building #7: Building #7 contains eleven (11) Dwelling Units designated as Villas 45 through 55, inclusive.
- 1.8 Building #8: Building #8 contains eight (8) Dwelling Units designated as Villas 56I, 57U, 58L, 59U, 60L, 61U, 62L, 63U and a Clubhouse.

Section 2. Villa Description.

2.1 Dwelling Unit Type "A": Dwelling Unit Type "A" has a fenced entrance area with trash storage enclosure as shown on Plan. At the rear of each Type "A" Unit there is a Patio area as shown on Plan. Entrance to the Type "A" Unit is gained through an outside covered entry area of approximately nine (9) square feet. Adjacent to the entry area is storage and mechanical room of approximately seven (7) square feet. Inside the front door is a foyer containing approximately forty (40) square feet. Adjacent to the foyer is a closet containing approximately five (5) square feet. Also adjacent to the foyer is a powder room containing approximately twenty (20) square feet. Adjacent to the foyer is a kitchen containing approximately ninety-five (95) square feet. Also adjacent to the foyer is a mechanical room containing approximate



six (6) feet. Also adjacent to the foyer is a living-dining room combination containing approximately three hundred fifty (350) square feet. Adjacent to the dining area and under the stairs leading to the second floor is a storage closet containing approximately eighteen (18) square feet. Entrance to the second floor of the Type "A" Unit is gained by a staircase adjacent to the foyer containing approximately thirty-three (33) square feet and leading up to a hallway containing approximately forty-eight (48) square feet. Adjacent to the hallway is a master bedroom containing approximately one hundred ninety (190) square feet including closets. Adjacent to this bedroom is a bathroom containing approximately twenty-five (25) square feet. Also adjacent to the hallway is a washer-dryer room containing approximately thirteen (13) square feet. Also adjacent to the hallway is another bathroom containing approximately fifty-three (53) square feet including a linen closet. Also adjacent to the hallway is bedroom number two containing approximately one hundred forty (140) square feet including closet. Also adjacent to hallway is bedroom number three containing approximately one hundred five (105) square feet including closet.

2.2 Dwelling Unit Type "B": Dwelling Unit Type "B" has a fenced entrance area with trash storage enclosure as shown on Plan. At the rear of each Type "B" Unit there is a Patio area as shown on Plan. Entrance to the Type "B" Unit is gained through an outside covered entry of approximately nine (9) square feet. Adjacent to the entry area is storage and mechanical room of approximately seven (7) square feet. Inside the front door is a foyer containing approximately fifty-three (53) square feet. Adjacent to the foyer is a closet containing approximately five (5) square feet. Also adjacent to the foyer is a powder room containing approximately sixteen (16) square feet. Also adjacent to the foyer is a kitchen containing approximately seventy (70) square feet. Also adjacent to the foyer is a living-dining room combination containing approximately two hundred sixty-four (264) square feet. Adjacent to the dining area is a mechanical room containing approximately ten (10) square feet. Adjacent to the dining area and under the stairs leading to the second floor is a storage closet containing approximately eighteen (18) square feet. Entrance to the second floor of the Type "B" Unit is gained by a staircase adjacent to the foyer containing approximately thirty-three (33) square feet and leading up to a hallway containing approximately forty-two (42) square feet. Adjacent to the hallway is a master bedroom containing approximately one hundred fifty-two (152) square feet. Adjacent to the master bedroom is a walk-in closet containing approximately twenty-one (21) square feet. Adjacent to the hallway is a bathroom containing approximately thirty-eight (38) square feet. Adjacent to and on either side of the hall is two rooms containing approximately six (6) square feet each, one having a washer and the other having a dryer unit. Also adjacent to the hallway is bedroom number two containing approximately one hundred twenty (120) square feet including a closet.

2.3 Dwelling Unit Type "C": Dwelling Unit Type "C" has a fenced entrance area with trash storage enclosure as shown on Plan. At the rear of each Type "C" Unit there is a Patio area as shown on the Plan.

Entrance to the Type "C" Unit is gained through an outside covered entry of approximately nine (9) square feet. Adjacent to the entry area is a storage and mechanical room of approximately seven (7) square feet. Inside the front door is a foyer containing approximately fifty-three (53) square feet. Adjacent to the foyer is a closet containing approximately five (5) square feet. Also adjacent to the foyer is a powder room containing approximately 16 square feet. Also adjacent to the foyer is a kitchen containing approximately seventy (70) square feet. Also adjacent to the foyer is a living-dining room combination containing approximately three hundred fifteen (315) square feet. Adjacent to the dining area is a mechanical room containing approximately ten (10) square feet. Adjacent to the dining area and under the stairs leading to the second floor is a storage closet containing approximately eighteen (18) square feet. Entrance to the second floor of the Type "C" Unit is gained by a staircase adjacent to the foyer containing approximately thirty-three (33) square feet and leading up to a hallway containing approximately forty-two (42) square feet. Adjacent to the hallway is a master bedroom containing approximately one hundred eighty-six (186) square feet including an additional closet. Adjacent to the master bedroom is a walk-in closet containing approximately twenty-one (21) square feet. Adjacent to the hallway is a bathroom containing approximately thirty-eight (38) square feet. Adjacent to and on either side of the hall is two rooms containing approximately six (6) square feet each, one having a washer and the other having a dryer unit. Also adjacent to the hallway is bedroom number two containing approximately one hundred twenty (120) square feet including a closet.

2.4 Dwelling Unit Type "D": Dwelling Unit Type "D" is a one bedroom, one bath unit situated on one level. The four units located on the ground floor are designated by an "L" following the unit number. Second floor units are designated by a "U" following the unit number. Entrance to the Type "D" Unit is gained by a common covered entry for four units. There are two such entries to service the eight Type "D" Units. Each of the two such entries are approximately ninety-five (95) square feet having a set of three (3) foot wide stairs serving the two second floor units. Each unit has a storage closet approximately seven (7) square feet adjacent to the entrance door located off an outside entry area of approximately fifteen (15) square feet. Inside the front door is a foyer containing approximately forty-four (44) square feet. Adjacent to the foyer is an entry closet containing approximately seven (7) square feet. At the end of the foyer is a mechanical room containing approximately eight (8) square feet. Adjacent to the foyer is a bedroom containing approximately one hundred sixty (160) square feet. Adjacent to the bedroom is a walk-in closet containing approximately twenty-three (23) square feet. Adjacent to the foyer is a bathroom including a laundry closet containing approximately fifty (50) square feet. Adjacent to the foyer is a kitchen containing approximately sixty-five (65) square feet. Adjacent to the foyer is a living-dining room combination containing approximately two hundred seventy (270) square feet. Adjacent to the living room is an unheated balcony or patio containing approximately sixty (60) square feet.

ARTICLE VII. COMMON ELEMENTS: OWNERSHIP AND USE.

Section 1. Ownership of Common Elements. Each Villa Owner shall own as an appurtenance to his Villa the undivided interest in Common Elements specified in Exhibit "B". The percentage interests set out in this column represent the values of each Villa in proportion to the total value of all Villas in the Regime.

Section 2. No Partition. So long as this Master Deed has not been terminated in accordance with the provisions of Article XIV, and so long as two-thirds (2/3) of the Condominium Property has not been substantially destroyed within the meaning of Article XI, the Common Elements shall remain undivided; and no Villa Owner shall have the right to bring any action for partition or division.

Section 3. Use of Common Elements. Each Villa Owner shall have the right to use the Common Elements for their intended purposes in common with all other Villa Owners. Each Villa Owner shall have also a nonexclusive easement appurtenant to his Villa for ingress and egress over the Common Elements for access to and from his Villa, which shall extend to the family members, agents, servant and guests of the Villa Owner. All rights to use and enjoy the Common Elements shall be subject to the provisions of the Horizontal Property Act, this Master Deed, the Covenants and Restrictions listed in Article V, Section 1, the By-Laws of the Council, and all rules and regulations adopted by the Council pursuant to the By-Laws.

Section 4. Operation and Maintenance. The maintenance, repair, replacement, management, operation, and use of the Common Elements shall be the responsibility of the Board of Administrators, and the expenses incurred for such purposes shall be assessed as Common Expenses. The Board of Administrators may, however, delegate these duties to a management agent.

ARTICLE VIII. COMMON EXPENSES.

Section 1. Enumeration of Expenses. Each Villa Owner shall bear in proportion to his respective interest in the Common Elements the following expenses:

- 1.1 Expenses incurred in operating, maintaining, improving, repairing, and replacing the Common Elements;
- 1.2 Expenses incurred in administering the affairs of the Council including salaries, wages, and any compensation paid to a managing agent for such purpose

1.3 Expenses incurred in providing public liability insurance and hazard insurance adequate to cover the Condominium Property, exclusive of Villa contents and furnishings, as provided in Article X of this Master Deed.

1.4 Contributions to provide sufficient working capital and general reserves to operate the Condominium Property and to administer the affairs of the Council.

1.5 Contributions to provide sufficient reserves to make such major repairs or replacements to the Common Elements as may be required from time to time.

1.6 Any other costs related to the operation of the Condominium Property or administration of the affairs of the Council which are declared by this Master Deed to be Common Expenses, and any valid charge against the Condominium Property as a whole.

Section 2. Assessments. All assessments of Common Expenses shall be fixed by the Board and made payable at such times as the Board determines, but not less frequently than quarterly.

Section 3. Liability of Villa Owner. No Villa Owner may exempt himself from liability for Common Expenses by waiving the use of enjoyment of the Common Elements or by abandoning his Villa.

Section 4. Lien Upon Villa. All assessments of the Council for the share of Common Expenses chargeable to any Villa which are unpaid after becoming due shall thereupon constitute a lien against such Villa prior and superior to all other liens except (i) liens for property taxes upon the Villa in favor of any taxing authority, and (ii) mortgage liens duly recorded prior to such delinquency. The lien for such assessments may be foreclosed by the Board of Administrators acting in behalf of the Council in the same manner as a mortgage upon real property. In the event of foreclosure, the Villa Owner shall be required to pay a reasonable rental for the Villa during pendency of the foreclosure action and a receiver may be appointed to collect the rentals during such period. The Board of Administrators in behalf of the Council may bring suit for judgment against the Villa Owner in the amount of delinquent assessments. In the event of foreclosure or suit for money judgment, a reasonable amount may be added to the sum due for attorney's fees and other costs of collection. The lien created by this section shall cover rentals accruing during the pendency of the foreclosure action and any reasonable amount of attorney's fee and other costs of collection.

Section 5. Sale of Villa. Upon the sale or conveyance of a Villa, all unpaid assessments against a Villa Owner for his pro rata share of Common Expenses shall first be paid out of the sales price or by the purchaser or grantee in preference over any other assessments, charges, or liens, except the following:

5.1 Lien for taxes and special assessments upon the Villa which are unpaid.

5.2 Payments due under mortgages upon the Villa which are duly recorded prior to such sale or conveyance.

Section 6. Foreclosure Purchaser. If the mortgagee of a Villa acquires title by foreclosure of its mortgage, or by deed in lieu of foreclosure, or if a purchaser acquires title at a foreclosure sale, such purchaser shall not be liable for the share of Common Expenses assessed by the Council upon the Villa so acquired accruing after the date of recording of such mortgage but prior to the acquisition of title. The unpaid assessments occurring during such period shall be deemed Common Expenses collectible from all Villa Owners, including such purchaser, his successors, heirs and assigns. The Provisions of this Section, however, shall not release any Villa Owner from personal liability for unpaid assessments.

Section 7. Records. The Board, or a managing agent which it employs, shall keep accurate and detailed records, in chronological order, or receipts and disbursements connected with the operation, administration, maintenance, repair, and replacement of the Condominium Property. Such records, together with the vouchers authorizing payment, shall be available for examination by the Villa Owners at convenient hours on working days, with the appropriate hours being set and announced for general knowledge.

ARTICLE IX. RESTRICTIONS, COVENANTS, EASEMENTS.

Section 1. Covenant to Comply with Restrictions and Obligations. Each Villa Owner by acceptance of a deed to a Villa in this horizontal property regime ratifies and covenants to observe in behalf of himself, his heirs, successors, and assigns the following:

1.1 The Declaration of Protective Covenants and Restrictions by the Valley Forge Construction Associates, Inc., dated January 21, 1974, and recorded in Deed Book 217, Page 1256, Office of the Clerk of Court for Beaufort County, South Carolina.

1.2 This Master Deed, the Regime By-Laws, decisions and resolutions of the Council, Board, or their representatives, as lawfully amended from time to time, and failure to comply with any such provisions, decisions, or resolutions shall be grounds for an action to recover sums due for damages or for injunctive relief; provided that nothing contained herein shall limit the rights of the Valley Forge Construction Associates No. 1, Inc. as set forth in the aforesaid Declaration.

Section 2. Utility Easements. Each Villa Owner shall have a nonexclusive easement appurtenant to his Villa for the use in common with other Villa Owners of all pipes, wires, ducts, flues, cables, conduits, public utility lines, and other Common Elements serving his Villa. Each Villa shall be subject to an easement in favor of the owners of all other Villas to use the pipes, wires, ducts, flues, cables, conduits, public utility lines, and other Common Elements serving other Villas which are located in such Villa

Section 3. Encroachments. There shall be an easement in favor of the Council to the extent any portion of the Common Element encroaches upon any Villa, and there shall be an easement appurtenant to any Villa to the extent any portion of the Villa encroaches upon the Common Elements or upon another Villa, whether such encroachment presently exists or occurs hereafter as a result of (i) settling or shifting of any part of the Condominium Property, (ii) repair, alteration, or reconstruction of the Common Elements made by the Association or with its consent, (iii) repair or reconstruction necessitated by condemnation of any part of the Condominium Property. Any such easements shall be permitted and maintained so long as this Master Deed remains in effect and the Condominium Property remains subject to the Horizontal Property Act.

Section 4. Right of Access. The Council shall have the right of access to each Villa during reasonable hours and with reasonable notice for maintaining, repairing, or replacing any Common Elements located within or accessible through the Villa, or for making emergency repairs within the Villa necessary to prevent damage to the Common Elements or to another Villa. This easement and right of access may be exercised by the Board, by its agents and employees, or by a managing agent to whom the responsibility

of maintenance has been delegated. Damages resulting to any Villa because of such maintenance or repairs shall be corrected promptly at the expense of the Council.

Section 5. Public Utility Easements. The Condominium Property is subject to utility easements for installation, operation and maintenance of electric and telephone distribution lines, and for installation, operation, and maintenance of water and sewer lines. The Board may grant easements and relocate existing easements for installation of utilities if such easements are beneficial to the operation of the Condominium Property. If the location or nature of any utility easement is adverse to the Condominium Property or of doubtful benefit, the Board may grant such easements only when authorized by a vote of the Council.

ARTICLE X. INSURANCE.

Section 1. Hazard Insurance. The Board shall insure the Condominium Property against loss or damage due to fire and lightning, with extended coverage, in an amount equal to the maximum insurable replacement value of the Condominium Property as determined by its annual appraisal. The Board shall have the authority also to insure against other hazards and risks as it may deem desirable for protection of the Condominium Property. All hazard insurance shall cover the entire Condominium Property, exclusive only of the contents and furnishings of the individual Vil

1.1 All hazard insurance policies obtained by the Board shall designate the Board as the named insured as Insurance Trustee for the benefit of all the Villa Owners and their mortgagees collectively, as their respective interests may appear. In the event of loss or damage, all insurance proceeds shall be paid to the Board as Insurance Trustee under the provisions of this Master Deed.

1.2 All hazard insurance policies obtained by the Board shall provide for the issuance of Certificates of Insurance to each Villa 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 Villa is located. If a Villa is mortgaged, a Certificate of Insurance shall be issued to the mortgagee bearing a standard mortgagee endorsement, if requested.

1.3 If obtainable, all hazard insurance policies upon the Condominium Property shall include provision waiving (i) any rights of the insurer to subrogation against the Council, its agents and employees, and against the individual Villa Owners and their servant.

agents, and guests, and (ii) any of rights of the insurer to contribution from hazard insurance purchased by the Villa Owners upon the contents and furnishings of their Villas.

Section 2. Public Liability Insurance. The Board 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 Council to an individual Villa Owner and to liabilities of one Villa Owner to another Villa Owner.

Section 3. Workmen's Compensation Insurance. The Board shall obtain Workmen's Compensation Insurance to meet the requirements of law.

Section 4. Premiums. All premiums upon insurance policies purchased by the Board shall be assessed as Common Expenses and paid by the Board.

Section 5. Insurance by Villa Owner. Each Villa Owner shall be responsible for obtaining at his sole expense insurance covering the personal property, decorations, and furnishings within his own Villa, and the additions and improvements made by him to the Villa. Each Villa Owner shall also be responsible for obtaining at his own expense insurance covering his liability for the safety of the premises within his Villa. All such insurance policies shall include, however, provisions waiving (i) any right of the insurer to subrogation to claims against the Council and against individual Villa Owners, as well as their agents, servants, employees, and guests, and (ii) any right of the insurer to contribution or proration because of the master hazard policy.

Section 6. Substitution of Insurance Trustee. The Board 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 shall succeed to all of the powers and responsibilities vested in the Board as Insurance Trustee under the terms of this Master Deed.



Section 1. Reconstruction. In the event of casualty loss or damage to the Condominium Property, the Board shall be responsible for applying the proceeds of all casualty insurance to the repair or reconstruction of the Condominium Property in accordance with the provisions of this Article. Reconstruction or repair shall be mandatory unless two-thirds (2/3) or more of the Condominium Property is destroyed or substantially damaged. If two-thirds or more of the Condominium Property is destroyed or substantially damaged, unless the Villa Owners unanimously agree to reconstruction, the insurance indemnity received by the Board shall be distributed prorata to the Villa Owners and their mortgagees jointly in proportion to their respective interests in Common Elements. The remaining portion of the Condominium Property shall be subject to an action for partition at the suit of any Villa Owner or lien or as if owned in common. In the event of suit for partition, the net proceeds of sale, together with the net proceeds of insurance policies, shall be considered one fund and distributed prorata among all Villa Owners and their mortgagees jointly in proportion to their respective interests in Common Elements. If less than two-thirds (2/3) of the Condominium Property is destroyed or substantially damaged, the Condominium Property shall be reconstructed or repaired in the following manner:

1.1 Any reconstruction or repair must follow substantially the original plans and specifications of the Condominium Property unless the Villa Owners holding seventy-five per cent (75%) or more of the total interest in Common Elements vote to adopt different plans and specifications and all Villa Owners whose Villas as affected by the alterations unanimously consent.

1.2 The Board shall promptly obtain estimates of the cost required to restore the damaged property to its condition before the casualty occurred. Such costs may include professional fees and premiums for bonds as the Board of Directors deems necessary.

1.3 If the insurance proceeds paid to the Board are insufficient to cover the cost of reconstruction, the deficiency shall be paid as a special assessment by the Villa Owners whose units are directly affected by the damage in proportion to the damage done to their respective Villas.

1.4 The insurance proceeds received by the Board and any special assessments collected to cover a deficiency in insurance shall constitute a construction fund from which the Board shall disburse payment of the costs of reconstruction and repair. It shall be presumed that

the first disbursements from the construction fund are insurance proceeds; and if there is a balance in the fund after payment of all costs of reconstruction and repairs, it shall be distributed to the Villa Owners who paid special assessments in proportion to their payments. Any balance remaining after such distribution shall be that of the Council.

Section 2. Insurance Trust. In the event of casualty loss to the Condominium Property, all insurance proceeds indemnifying the loss or damage shall be paid to the Board as Insurance Trustee. The Board, acting as Insurance Trustee, shall receive and hold all insurance proceeds in trust for the purposes stated in this Article, and for the benefit of the Council, the Villa Owners, and their respective mortgagees in the following shares:

2.1 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 Villas.

2.2 Insurance proceeds paid on account of loss or damage to less than all of the Villas, when the damage is to be restored, shall be held for the Villa Owners of the damaged Villas in proportion to the costs of repairing each damaged Villa.

2.3 Insurance proceeds paid when the Condominium Property is not to be restored shall be held for the benefit of all Villa Owners, the share of each being equal to the undivided share in Common Elements appurtenant to his Villa.

2.4 In the event a Certificate of Insurance has been issued to a Villa Owner bearing a mortgagee endorsement, the share of the Villa Owner shall be held in trust for the mortgagee and the Villa 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 paid jointly to the Villa Owners and their respective mortgagees pursuant to the provisions of this Master Deed.

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





SCHEDULE "A"

All that certain piece, parcel or tract of land containing 4.883 acres more or less as reflected on a plat thereof prepared by Yerkes Associates, Inc. which said plat is dated November 21, 1974, and last revised February 13, 1975. According to said plat said property is bounded on the North by the Port Royal Plantation Golf Course, on the East by lands now or formerly of Southern States Naval Stores Company, on the South by the Northern right-of-way of Folly Field Road and on the West by the Eastern right-of-way of Mimosa Street. According to said plat said property begins at a point located at the intersection of the Northern right-of-way of Folly Field Road and the Eastern right-of-way of Mimosa Street; Thence N  $02^{\circ} 16' 18''$  W for a distance of 22.59'; Thence N  $26^{\circ} 29' 40''$  E for a distance of 270.20'; Thence N  $47^{\circ} 27' 10''$  E for a distance of 11.59'; Thence S  $43^{\circ} 17' 30''$  E for a distance of 110.00'; Thence N  $46^{\circ} 39' 20''$  E for a distance of 388.83'; Thence S  $43^{\circ} 20' 00''$  E for a distance of 588.33'; Thence S  $46^{\circ} 45' 30''$  W for a distance of 23.05'; Thence N  $55^{\circ} 18' 20''$  W for a distance of 33.22'; Thence S  $87^{\circ} 41' 04''$  W for a distance of 846.67' to the point of the beginning.

## SCHEDULE "B"

<u>UNIT NO.</u>	<u>UNIT PLAN DESIGNATION</u>	<u>UNIT VALUE</u>	<u>TOTAL REGIME VALUE</u>	<u>VOTING AND OWNERSHIP PERCENTAGE</u>
1	A - A.L.	\$43,000.00	\$2,411,000.00	1.79%
2	B - L.	\$37,000.00	\$2,411,000.00	1.54%
3	B - L.	\$37,000.00	\$2,411,000.00	1.54%
4	A - D.L.	\$43,000.00	\$2,411,000.00	1.79%
5	A - C.L.	\$43,000.00	\$2,411,000.00	1.79%
6	B - L.	\$37,000.00	\$2,411,000.00	1.54%
7	B - L.	\$37,000.00	\$2,411,000.00	1.54%
8	A - B.L.	\$43,000.00	\$2,411,000.00	1.79%
9	C - R.	\$39,000.00	\$2,411,000.00	1.59%
10	B - R.	\$37,000.00	\$2,411,000.00	1.54%
11	A - A.R.	\$43,000.00	\$2,411,000.00	1.79%
12	A - A.L.	\$43,000.00	\$2,411,000.00	1.79%
13	B - I.	\$37,000.00	\$2,411,000.00	1.54%
14	B - I.	\$37,000.00	\$2,411,000.00	1.54%
15	A - D.L.	\$43,000.00	\$2,411,000.00	1.79%
16	A - C.L.	\$43,000.00	\$2,411,000.00	1.79%
17	B - I.	\$37,000.00	\$2,411,000.00	1.54%
18	B - I.	\$37,000.00	\$2,411,000.00	1.54%
19	A - B.I.	\$43,000.00	\$2,411,000.00	1.79%
20	C - R.	\$39,000.00	\$2,411,000.00	1.59%
21	B - R.	\$37,000.00	\$2,411,000.00	1.54%
22	A - A.R.	\$43,000.00	\$2,411,000.00	1.79%
23	A - A.L.	\$43,000.00	\$2,411,000.00	1.79%
24	B - L.	\$37,000.00	\$2,411,000.00	1.54%
25	B - L.	\$37,000.00	\$2,411,000.00	1.54%
26	A - D.J.	\$43,000.00	\$2,411,000.00	1.79%
27	A - C.L.	\$43,000.00	\$2,411,000.00	1.79%
28	B - L.	\$37,000.00	\$2,411,000.00	1.54%
29	B - L.	\$37,000.00	\$2,411,000.00	1.54%
30	A - B.L.	\$43,000.00	\$2,411,000.00	1.79%
31	C - R.	\$39,000.00	\$2,411,000.00	1.59%
32	B - R.	\$37,000.00	\$2,411,000.00	1.54%
33	A - A.R.	\$43,000.00	\$2,411,000.00	1.79%
34	A - A.L.	\$43,000.00	\$2,411,000.00	1.79%
35	B - L.	\$37,000.00	\$2,411,000.00	1.54%
36	C - L.	\$39,000.00	\$2,411,000.00	1.59%
37	A - B.P.	\$43,000.00	\$2,411,000.00	1.79%
38	B - R.	\$37,000.00	\$2,411,000.00	1.54%
39	B - R.	\$37,000.00	\$2,411,000.00	1.54%
40	A - C.R.	\$43,000.00	\$2,411,000.00	1.79%
41	A - D.R.	\$43,000.00	\$2,411,000.00	1.79%
42	B - R.	\$37,000.00	\$2,411,000.00	1.54%
43	B - R.	\$37,000.00	\$2,411,000.00	1.54%
44	A - A.R.	\$43,000.00	\$2,411,000.00	1.79%
45	A - A.L.	\$43,000.00	\$2,411,000.00	1.79%
46	B - L.	\$37,000.00	\$2,411,000.00	1.54%
47	C - L.	\$39,000.00	\$2,411,000.00	1.59%
48	A - B.R.	\$43,000.00	\$2,411,000.00	1.79%
49	B - R.	\$37,000.00	\$2,411,000.00	1.54%
50	B - R.	\$37,000.00	\$2,411,000.00	1.54%
51	A - C.R.	\$43,000.00	\$2,411,000.00	1.79%
52	A - D.R.	\$43,000.00	\$2,411,000.00	1.79%
53	B - R.	\$37,000.00	\$2,411,000.00	1.54%
54	B - R.	\$37,000.00	\$2,411,000.00	1.54%
55	A - A.R.	\$43,000.00	\$2,411,000.00	1.79%
56	D - L.	\$27,000.00	\$2,411,000.00	1.10%
57	D - L.	\$27,000.00	\$2,411,000.00	1.10%
58	D - R.	\$27,000.00	\$2,411,000.00	1.10%
59	D - R.	\$27,000.00	\$2,411,000.00	1.10%
60	D - L.	\$27,000.00	\$2,411,000.00	1.10%
61	D - L.	\$27,000.00	\$2,411,000.00	1.10%
62	D - P.	\$27,000.00	\$2,411,000.00	1.10%
63	D - R.	\$27,000.00	\$2,411,000.00	1.10%

25-3BR  
25-2BR  
5-2BR Deluxe  
8-1BR