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STATE OF PENNSYLVANIA)
COUNTY OF ALLEGHENY)

FITM CORPORATION)
A South Carolina Corporation)
TO)
MARINER'S WAY)
HORIZONTAL PROPERTY REGIME LXIV)

MASTER DEED
HORIZONTAL PROPERTY REGIME

This Master Deed is made, published, and declared by Fitm Corporation, a South Carolina corporation, this 17th day of February, 1977.

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 Mariner's Way, Horizontal Property Regime LXIV (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.

ARTICLE II. THE CONDOMINIUM PROPERTY

Section I. Land. Grantor owns in fee simple the tract of land containing 0.36 acres, described as follows:

Beulah County Tax Map Reference
Map 2272, Parcel 1221, Dim. 222

ALL that certain piece, parcel or tract of land, with improvements thereon, situate, lying and being at Harbour Town in San Pines Plantation, Hilton Head Island, Beaufort County, South Carolina, being known and described as HARBOUR HOUSE B, and shown as containing parcels B-1 and B-2 consisting of 0.36 acres as shown and said Harbour House B described on that certain plat entitled "Plat of Harbour House in Harbour Town" prepared by Richardson & Associates, and signed by Jerry L. Richardson, R. L. S., dated February 24, 1974, and finally revised on January 27, 1976, said plat being recorded in the Office of the Clerk of Court for Beaufort County, South Carolina in Plat Book 24 at Page 105. Said Harbour House B begins at a Point of Beginning, which said Point of Beginning is a concrete marker shown on the within referred to plat as being located at the generally southeasternmost point of Harbour House A-2 and the generally southwesternmost point of the property upon which Harbour House B-2 is located and from said Point of Beginning thence North 33 Degrees 10 Minutes 29 Seconds West a distance of 57 feet to a point consisting of a nail; thence North 56 Degrees 49 Minutes 31 Seconds East a distance of 10 feet to another point which is also a nail; thence North 33 Degrees 10 Minutes 29 Seconds West a distance of 81 feet to a concrete monument located at the northeastern point of Harbour House A-1 and the northwestern point of the property upon which Harbour House B-1 is located; thence North 56 Degrees 49 Minutes 31 Seconds East a distance of 108 feet to a point described as a nail in a cap; thence South 33 Degrees 10 Minutes 29 Seconds East a distance of 81.73 feet to a concrete monument; thence continuing 33 Degrees 10 Minutes 29 Seconds East for an additional 51.27 feet

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to a concrete marker which concrete marker is identified on the within referred to plat as "Point of Beginning" but which is not the Point of Beginning of the within description; thence South 56 Degrees 49 Minutes 31 Seconds West a distance of 118 feet to the concrete marker at the Point of Beginning herein used. For a more detailed description as to location, courses, metes, bounds, distances, etc., reference to said plat is craved.

TOGETHER with the non-exclusive right and easements, to be enjoyed in common between the Grantor and the Grantee, their respective invitees, guests, employees, and their successors and assigns, for access, ingress, and egress to and from the above described property, and specifically including, but not limited to, the parking area shown on that certain plat of record recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Plat Book 21 at Page 10, and the portions of Lighthouse Road connecting said parking areas to public roads.

AND ALSO, all rights, easements, etc. granted to the Grantor herein in that certain deed recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 242 at Page 1120.

Save, except, and subject to all those rights, easement, etc. reserved to others in that certain deed recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 242 at Page 1120.

SUBJECT TO THE FOLLOWING ENCUMBRANCES:

1.1 Declaration of Covenants, Restrictions, Affirmative Obligations recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 150 at Page 41, Deed Book 176 at Page 202, Deed Book 214 at Page 167, Deed Book 215 at Page 823, in Deed Book 216 at Page 1448, and in Deed Book 242 at Page 1120. Easements by invitees, guests, customers and/or

clients of the Shops and dwelling units, hereinafter described, for the use of all common walkways, hallways, corridors, etc.

Section 2. Units. Grantor's predecessor in title has constructed upon the land described hereinabove, two (2) connecting buildings enclosing twenty-six (26) condominium units (hereinafter referred to as "Shops" or Dwelling Units"). The site locations of the two connecting buildings and the 26 Shops or Dwelling Units, are shown on the Plat of the condominium Property contained in Exhibit "A" of this Master Deed. The Shops or Dwelling Units are of the general design as graphically depicted in the certified Architect's Plans which are compiled and annexed to this Master Deed as Exhibit "B". The shops or Dwelling Units are also described verbally in Article VI of this Master Deed. Each Shop or Dwelling Unit is composed of the interior cubic space, appliances, walls, floors, ceilings, and building materials enclosed within the boundaries. Certain furnishings and fixtures located within the shops are property of tenants of the shops.

2.1 The upper boundaries of the Shop or Dwelling Unit shall extend to the inner surface of the roof sheathing over the Shop or Dwelling Unit. The lower boundaries of the Shop or Dwelling Unit shall extend to the inner surface of the structural floor slab underlying the lowest level of the Shop or Dwelling Unit.

2.2 The perimetrical boundaries of the Shop or Dwelling Unit shall extend to the rear surface of the wall sheathing to which the exterior siding of the Shop or Dwelling Unit is attached and to the center-line of the frame party wall adjacent to the Shop or Dwelling Unit.

2.3 The boundaries of each Shop or Dwelling Unit shall extend also to include the area enclosed or bounded by the partitions, railings, balustrades, or fences of any deck, terrace, balcony, stoop and steps, porch, or service area which is an integral and

exclusive part of that particular Shop or Dwelling Unit. If any such area is not thus bounded or enclosed, the boundaries of the Shop or Dwelling Unit shall be extended to include the area defined actually covered by any such deck, terrace, balcony, stoop and steps, porch, courtyard, patio, or service area.

2.4 Each Shop or Dwelling Unit shall also encompass and include and each Shop or Dwelling Unit 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 Shop or Dwelling Unit which are regarded as enclosures of space; (ii) the doors opening into the Shop or Dwelling Unit and into any mechanical area integral to the Shop or Dwelling Unit, 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 Shop or Dwelling Unit; (iv) the metal flue and the plumbing and mechanical vents which exclusively serve the Shop or Dwelling Unit; (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 Shop or Dwelling Unit when delivered to the initial Shop or Dwelling Unit Owner; (vi) the screens, awnings, partitions railings, balustrades, bounding or enclosing any deck, walkways, balcony, or service area that is integral and exclusive to the Shop or Dwelling Unit, and the treated wood decking or concrete surface within any such area; and (vii) all pipes, wires, conduits, ducts, and other plumbing, mechanical, and electrical appurtenances which are integral and exclusive to the Shop or Dwelling Unit, including lamps attached to the exterior of the Shop or Dwelling Unit, and including water pipes serving the Shop or Dwelling Unit extending to the meter, sewer pipes serving the Shop or Dwelling Unit extending five (5) feet from the Shop or Dwelling Unit, and the underground drainage system beneath the Shop or Dwelling Unit, if applicable.

Section 3. Common Elements. The Common Elements, either General or Limited, of the entire Condominium Property, are exclusive of the Shops or Dwelling Units, as shown on the Plat contained in Exhibit "A" 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 Shops or Dwelling Units are situated, contains 0.36 acres; all paved areas, including walkways, hallways, stairwells, corridors, (including but not limited to) a storage room containing approximately 140 square feet, a trash and meter room containing approximately 241 square feet, an electrical equipment room containing approximately 53 square feet, a vestibule containing 73 square feet, an elevator and elevator shaft, linen rooms for 2nd, 3rd and 4th floors containing 298 square feet each, all as shown on Exhibit "B" attached hereto and made a part hereof.

(b) All improvements, exclusive of the Shops or Dwelling Units, erected upon the land described hereinabove, including without limitation: (i) the roofs covering the Shops or Dwelling Units including shingles, roofing felt, sheathing, and flashing; (ii) the exterior siding, fascia, sheathing, and building paper on the buildings enclosing the Shops or Dwelling Units; (iii) the pipes, wires, conduits, pumps, motors, and other equipment installed to provide utility service to the Shops or Dwelling Units or to portions of the Common Elements; (iv) the parking areas, storm draining, guttering, retaining walls, walkways, paths, trees, gardens, and landscaping located upon the land; (v) all other elements of the Condominium Property rationally of common use or necessary to its existence, maintenance, and safety.

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) "The Property" means the 0.36 acre tract of land ("Land") described hereinabove; the two (2) buildings constructed upon the Land covering a ground area of 8,806.58 square feet, situated as shown on the Plat of the Condominium Property contained in Exhibit "A", the 26 Shops or Dwelling Units 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 "B"; and all other improvements and property, real, personal, and mixed, situated upon or appurtenant to the Land, which are made part of Mariner's Way, Horizontal Property Regime LXIV by this Master Deed.

(2) "Assessment" means that portion of the Common Expenses, as hereinafter defined, which is to be paid by each Shop or Dwelling Unit Owner in proportion to his percentage interest in the 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 Shops or Dwelling Units (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 Shops or Dwelling Units.

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

(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 hereinabove, the buildings, Shops or Dwelling Units, 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" adopted and enacted from time to time.

(11) "Land" means the tract of land described by courses and distances hereinabove, and also referred to as the "Property".

(12) "Plans" means the floor plans and elevations depicting the design, layout, and dimensions of the Shops or Dwelling Units, 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 as Exhibit "B".

(13) "Plat" means the physical survey of the completed improvements prepared by Forrest F. Baughman, showing the dimensions and site locations of the buildings, the 26 Shops or Dwelling Units, the parking areas, roads, walkways and other improvements of the Regime, and entitled "Plat of Harbour House in Harbour Town", dated February 27, 1974, revised March 8, 1974, revised August 19, 1974, and again revised January 27,

1976, and recorded in Plat Book 24 at Page 126, in the Office of the Clerk of Court for Beaufort County, South Carolina, a copy of which is contained in Exhibit "A".

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

(15) "Shop or Dwelling Unit" means one of the Dwelling Units or Shop Units enclosed within the boundaries described in Article II, Section 2, which is subject to separate ownership.

(16) "Shop or Dwelling Unit Owner" means the person or persons owning one or more of the "Shops or Dwelling Units"; or the person or persons owning one or more Time-Sharing Interests of Shop or Dwelling unit, if Time-Sharing ownership is adopted.

ARTICLE IV. MARINER'S WAY COUNCIL OF CO-OWNERS

Section 1. Formation. Every Shop or Dwelling Unit shall be a member of the Council of Mariner's Way Horizontal Property Regime LXIV, which initially shall be an unincorporated association. The Council shall be managed by a Board of Administration elected by and from the Shop and/or Dwelling Unit 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.

Section 3. Voting. On all matters relating to the Council or to the Condominium Property upon which a vote of ~~the Shop or Dwelling Unit Owners~~ is taken, the Shop or Dwelling Unit Owners shall vote in proportion to their

respective interests in the Common Elements as set forth in Exhibit "C". Any motion shall carry if it received the affirmative vote of a simple majority of Shop and/or Dwelling Unit Owners, unless a different majority is specified in this Master Deed or in the By-Laws. A simple majority of the Shop and/or Dwelling Unit Owners shall consist of fifty-one (51) percent or more of the total interest in the 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 Shop or Dwelling Unit 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 the Council from incorporating under the laws of the State of South Carolina if a requisite majority of the Council duly resolves to incorporate.

ARTICLE V. SHOPS OR DWELLING UNITS: OWNERSHIP AND USE.

Section 1. Ownership of Shops or Dwelling Units.

Each Shop or Dwelling Unit, together with its undivided interest in the Common Elements, shall constitute a separate parcel of real property; and each Shop or Dwelling Unit Owner shall be entitled to exclusive ownership and possession of his/her Shop or Dwelling Unit, subject to: (1) the provisions of this Master Deed and the covenants, restrictions, covenants, and encumbrances set forth herein; (2) the Declaration of Covenants, Restrictions,

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Easements, and Affirmative Obligations set forth herein, and any recorded additions thereof; (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 pursuant to the By-Laws; and (iv) the Horizontal Property Act of the State of South Carolina.

Section 2. Legal Description. Each Shop or Dwelling Unit may 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 Mariner's Way Horizontal Property Regime LXIV as established by this Master Deed. The conveyance of an individual Shop or Dwelling Unit shall be deemed to convey the undivided interest in the Common Elements appurtenant to that Shop or Dwelling Unit. The ownership of an undivided interest in the Common Elements appurtenant to a Shop or Dwelling Unit shall be inseparable from the Shop or Dwelling Unit, and no such undivided interest may be conveyed or encumbered except as an appurtenance to the Shop or Dwelling Unit.

Section 3. Maintenance and Repair. Every Shop or Dwelling Unit Owner shall be responsible at his own expense for maintaining, repairing, and decorating all walls, ceilings, floors, and other elements of his Shop or Dwelling Unit as defined in Article II, Section 2, Sub-paragraph 2.4. However, no Shop or Dwelling Unit Owner shall make structural modifications or alterations to his Shop or Dwelling Unit, nor shall any Shop or Dwelling Unit Owner alter any door, window, vent, flue, terrace, deck, balcony, awning, without obtaining prior written approval of the Board. Written notice of any intended modification shall be given to the Board, setting forth details and requesting approval. The Board shall consider the request and decide whether approval shall be granted. The Board shall advise the Shop or Dwelling Unit 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 Shop or Dwelling Unit Owner from obtain-

ing approval for alterations required by other applicable covenants or restrictions. No Shop or Dwelling Unit Owner shall undertake to modify any portion of the Common Elements.

ARTICLE VI. SHOPS AND DWELLING UNIT DESCRIPTIONS.

Section 1. Descriptions. The individual Shops and Dwelling Units are described hereinbelow:

1.1 Shops. There are eight (8) Shops numbered 1, 2, 3, 4, 5, 6, 7, and 8, all on the ground floor of the two connecting buildings. Shop No. 1 contains a total of 1,135 square feet; entrance is from an open corridor and also from a covered walkway. Inside the Shop is an enclosed bath area. Shop No. 2 contains a total of 495 square feet and entrance is from an open corridor and a covered walkway area. Shop No. 3 contains a total of 555 square feet and entrance is from an open corridor and a covered walkway area. Shop No. 4 contains a total of 1,123 square feet and entrance is from an open corridor and from a covered walkway. Shop No. 5 contains a total of 1,989 square feet and entrance is from a doorway to the outside of the building on the ground floor. Shop No. 6 contains a total of 592 square feet and entrance is from two separate doorways to the exterior of the building. Included in Shop No. 6 is a bath area. Shop No. 7 designated as Laundry on the plans contains 103 square feet and entrance is from a doorway to the exterior of the building. Shop No. 8 contains a total of 505 square feet and entrance is from an open corridor as well as from the exterior of the building.

1.2 Dwelling Units 666, 669, 670, 675, 679, 680, 681, and 682. These two-bedroom Dwelling Units measure 31 feet 5 inches wide and 32 feet 6 inches deep, in their maximum interior dimensions. The total interior square footage is 1,024 square feet in each.

Each Dwelling Unit enters from an open corridor (common element) into a Foyer of 42 square feet from which access is provided to the Kitchen, Living/Dining area, Mechanical Room and Coat Closet.

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The Mechanical Room has an area of 17 square feet and contains Carrier Air Conditioning equipment Model 40 G3 018100 and also a Sentry Water Heater, 42 gallon capacity.

The Coat Closet has an area of 5 square feet.

The Kitchen has an area of 64 square feet, containing the following equipment:

Refrigerator

Dishwasher

Range/Oven

Range Hood and Light

Double Compartment Stainless Steel 22' x 33' Sink with Disposal

The Living/Dining space has an area of 342 square feet. An outside balcony with iron railing opens off of this space and has an area of 43 square feet.

There is a Linen Closet, opening off the Living/Dining space, with an area of 4 square feet.

A Hall having 27 square feet connects the Living/Dining space to Bath #2, Bedroom #1, and Bedroom #2.

Bath #2 of 49 square feet contains a lavatory/vanity, water closet and a tub/shower combination.

Bedroom #1 has an area of 169 square feet with a Locked Storage of 10 square feet and two Clothes Closets; one of 11 square feet and the other of 11 square feet.

Bath #1 of 49 square feet opens onto Bedroom #1. It contains a lavatory/vanity water closet and a tub/shower combination.

Bedroom #2 of 149 square feet opens off the Hall also. It has a Clothes Closet of 18 square feet.

1.3 Dwelling Units 672, 674 and 676. These two-bedroom Dwelling Units are the same as those described in Article VI, Section 1.2, except that there is a window alcove in Bedroom #1. The total interior square footage is 1,036 square feet. The area of Bedroom #1 is 181 square feet.

1.4 Dwelling Units 667, 673 and 679. These two-bedroom Dwelling Units are the same as the Dwelling Units described in 1.2, except that the total interior square footage is 1,002 square feet. The area of Bedroom #1 is 161 square feet and the area of Bedroom #2 is 141 square feet.

1.5 Dwelling Units 671, 677 and 683. These three-bedroom Dwelling Units measure 48 feet 4 inches wide by 32 feet 1 inch deep, in their maximum interior dimensions. The total interior square footage is 1,550 square feet.

Each Dwelling Unit enters from an open corridor (common element) into a Foyer of 64 square feet from which access is provided to the Living Room, Dining Room and Master Bedroom areas.

Opening onto the Foyer is a Coat Closet of 8 square feet.

The Living Room of 271 square feet and the Dining Room and Bar of 195 square feet open onto either side of the above mentioned Foyer.

Hall #1 of 275 square feet leads off the above mentioned Foyer providing access to the Mechanical Room of 17 square feet, Bath #1 of 50 square feet, and the Master Bedroom of 214 square feet.

A Linen Closet of 8 square feet and two (2) Clothes Closets of 12 square feet each, open into the Master Bedroom. Bath #1 of contains a lavatory/vanity, water closet and a tub/shower combination.

In the Mechanical Closet there is a Carrier Air Conditioning equipment Model 40 VU 004300 and also a Sentry Water Heater, 52-gallon capacity.

Adjacent to the Bar area of the Dining Room is the Kitchen of 70 square feet, containing the following equipment:

- Refrigerator
- Dishwasher
- Range/Oven
- 30" Range Hood and Light
- Double Compartment Stainless Steel 22" x 33" Sink with Disposal.

Access to the Kitchen from the Dining Room area is provided by a Hallway of 28 square feet. A Pantry of 7 square feet and a Laundry Area of 17 square feet open into this hallway.

Hall #2 of 44 square feet leads from the Dining Room to Bedroom #2, Bedroom #3, and Bath #2. Opening onto Hall #2 is a Linen Closet of 6 square feet.

Bath #2 of 41 square feet contains a lavatory/vanity, water closet, and a tub/shower combination.

Bedroom #2 has an area of 155 square feet with a Locked Storage of 11 square feet and a Clothes Closet of 12 square feet.

Bedroom #3 has an area of 166 square feet and two Clothes Closets, one of 12 square feet and the other of 10 square feet.

Opening off the Living Room is an open Balcony of 47 square feet with an iron railing.

Section 1. Ownership of Common Elements. Each Shop or Dwelling Unit Owner shall own as an appurtenance to his Shop or Dwelling Unit, the undivided interest in the Common Elements specified in Exhibit "C". The percentage interest set out in this column represents the value of each Shop or Dwelling Unit in proportion to the total value of the Property, as well as the proportionate representation for voting purposes in the meetings of the Council of the Regime. The total value of the Property herein is \$1,442,000.00. The stated individual value for each Shop or Dwelling Unit indicated in Exhibit "C" shall not be deemed to limit the price for which the Property or any Shop or Dwelling Unit may be sold or exchanged.

Section 2. No Partition. So long as this Master Deed has not been terminated in accordance with the provisions of Article XIII, 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 Shop or Dwelling Unit Owner shall have the right to bring any action for partition or division.

Section 3. Use of Common Elements. Each Shop or Dwelling Unit Owner shall have the right to use the Common Elements for their intended purposes in common with all other Shop or Dwelling Unit Owners. Each Shop or Dwelling Unit Owner shall have also a non-exclusive easement appurtenant to his Shop or Dwelling Unit for ingress and egress over the Common Elements for access to and from his Shop or Dwelling Unit, which shall extend to the family members, guests, invitees, agents, customers, clients, and servants of the Shop or Dwelling Unit 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, 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, and the expenses incurred for such purposes shall be assessed as Common Expenses. The Board may, however, may delegate these duties to a management agent.

ARTICLE VIII. COMMON EXPENSES.

Section 1. Enumeration of Expenses. Each Shop or Dwelling Unit 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, council members liability coverage, 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 Shop or Dwelling Unit contents and furnishings, as provided in Article X of this Master Deed.
- 1.4 Contributions to provide sufficient reserves to make such 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

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this Master Deed to be Common Elements, 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 Shop or Dwelling Unit Owner. No Shop or Dwelling Unit Owner may exempt himself from liability for Common Elements by waiving the use or enjoyment of the Common Elements or by abandoning his Shop or Dwelling Unit.

Section 4. Lien Upon Shop or Dwelling Unit. All assessments of the Council for the share of Common Expenses chargeable to any Shop or Dwelling Unit which are unpaid after becoming due shall, upon proper recording in the Office of the Clerk of Court for Beaufort County, South Carolina, constitute a lien against such Shop or Dwelling Unit prior and superior to all other liens except: (i) liens for property taxes upon the Shop or Dwelling Unit 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 acting in behalf of the Council in the same manner as a mortgage upon real property. In the event of foreclosure, the Shop or Dwelling Unit Owner shall be required to pay a reasonable rental for the Shop or Dwelling Unit during pendency of the foreclosure action, and a receiver may be appointed to collect the rentals during such period. The Board, in behalf of the Council, may bring suit for judgment against the Shop or Dwelling Unit Owner in the amount of delinquent assessments. In the event a delinquent assessment is turned over to an attorney at law for collection or 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 fees and other costs of collection.

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

5.1 Lien for taxes and special assessments upon the Shop or Dwelling Unit which are unpaid.

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

Section 6. Foreclosure Purchaser. If the mortgagee of a Shop or Dwelling Unit 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 Shop or Dwelling Unit 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 Shop or Dwelling Unit Owners, including such purchaser, his successors, heirs, and assigns. The provisions of this Section, however, shall not release any Shop or Dwelling Unit 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, of 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 Shop or Dwelling Unit 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 Shop or Dwelling Unit Owner by acceptance of a deed to a Shop or Dwelling Unit in this horizontal property regime, ratifies and covenants to observe of himself, his heirs, successors, and assigns, the following:

1.1 The Declaration of Covenants, Restrictions, Easements, and Affirmative Obligations set forth herein, and any applicable recorded additions and amendments thereto (hereinafter called "Class B Covenants"), shall apply to all Dwelling Units.

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.

Section 2. Utility Easements. Each Shop or Dwelling Unit Owner shall have a non-exclusive easement appurtenant to his Shop or Dwelling Unit for the use in common with other Shop or Dwelling Unit Owners of all pipes, wires, ducts, flues, cables, conduits, public utility lines, and other Common Elements serving other Shops or Dwelling Units which are located in such Shop or Dwelling Unit.

Section 3. Encroachments. There shall be an easement in favor of the Council to the extent that if any portion of the Common Elements encroaches upon any Shop or Dwelling Unit, and there shall be an easement appurtenant to any Shop or Dwelling Unit to the extent that any portion of the Shop or Dwelling Unit encroaching upon the Common Elements or upon another Shop or Dwelling Unit, whether such encroachment presently exists or occurs hereafter as a result of:

(i) settling or shifting on any part of the Condominium Property;

(ii) repair, alteration, or reconstruction of the Common Elements made by the Association or with its consent; and (iii) repair or reconstruction necessitated by condemnation of any part of the Condominium Property. Any such encumbrances 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 Shop or Dwelling Unit during reasonable hours and with reasonable notice for maintaining, repairing, or replacing any Common Elements located within or accessible through the Shop or Dwelling Unit, or for making emergency repairs within the Shop or Dwelling Unit necessary to prevent damage to the Common Elements or to another Shop or Dwelling Unit. 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 Shop or Dwelling Unit because of such maintenance 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 VI. INSURANCE.

Section 1. Board Insurance. The Board shall insure the Condominium Property against loss or damage due to fire and lightning, with extended

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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 Shops or Dwelling Units.

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 Shop or Dwelling Unit 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 Shop or Dwelling Unit Owner. Each Certificate shall evidence the issuance of the Master Policy and shall indicate the amount of insurance covering the building within which the respective Shop or Dwelling Unit is located. If a Shop or Dwelling Unit 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 provisions waiving: (1) any rights of the insurer to subrogation against the Council, its agents and employees, and against the individual Shop or Dwelling Unit Owners and their servants, agents, invitees, and guests; and (2) any rights of the insurer to contribution from hazard insurance purchased by the Shop or Dwelling Unit Owners upon the contents and furnishings of their Shops or Dwelling Units.

Section 2. Public Liability Insurance. The Board may 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 Shop or Dwelling Unit Owner and to liabilities of one Shop or Dwelling Unit Owner to another Shop or Dwelling Unit Owner.

Section 3. Workmen's Compensation Insurance. The Board, as necessary, 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 Expense and paid by Board.

Section 5. Insurance by Shop or Dwelling Unit Owner. Each shop or Dwelling Unit Owner shall be responsible for obtaining, at his sole expense, insurance covering the personal property, decorations, and furnishings within his own Shop or Dwelling Unit, and the additional improvements made by him to the Shop or Dwelling Units. Each Shop or Dwelling Unit shall also be responsible for obtaining, at his own expense, insurance covering his liability for the safety of the premises within his Shop or Dwelling Unit. All such insurance policies shall include, however, provisions waiving: (1) any right of the insurer to subrogation to claims against the Council and against individual Shop or Dwelling Owners, as well as their agents, servants, invitees, employees, and guests; and (ii) any right of the insurer to contribution or pro-rata 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 substitute Insurance Trustee. An 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 cost of 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 (2/3) or more of the Condominium Property is destroyed or substantially damaged, the insurance indemnity received by the Board shall be distributed pro-rata to the Shop or Dwelling Unit 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 Shop or Dwelling Unit Owner or lienor 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 pro-rata among all Shop or Dwelling Unit 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 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 Shop or Dwelling Unit Owners holding 75% or more of the total interest in Common Elements and their mortgages, if any, vote to adopt different plans and specifications and all Shop or Dwelling Unit Owners whose Shops or Dwelling Units are 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 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 Shop or Dwelling Unit Owners whose units are directly affected by the damage in proportion to the damage done to their respective Shops or Dwelling Units.

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 repair, it shall be distributed to the Shop or Dwelling Unit 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 Shop or Dwelling Unit 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 Shops or Dwelling Units.

2.2 Insurance proceeds paid on account of loss or damage to less than all of the Shops or Dwelling Units when the damage is to be restored shall be held for the Shop or Dwelling Unit Owners of the

damaged Shops or Dwelling Units in proportion to the costs of repairing each damaged Shop or Dwelling Unit.

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

2.4 In the event a Certificate of Insurance has been issued to a Shop or Dwelling Unit Owner bearing a mortgagee endorsement, the share of the Shop or Dwelling Unit Owner shall be held in trust for the mortgagee and the Shop or Dwelling Unit Owner as their interests may appear; provided, however, that 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 Shop or Dwelling Unit Owners and their respective mortgagees pursuant to the provisions of this Master Deed.

Section 3. Adjustment. Each Shop or Dwelling Unit 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 Shop or Dwelling Unit Owners.

ARTICLE XII. AMENDMENTS.

Section 1. By Shop or Dwelling Unit Owners. This Master Deed and the By-Laws of the Council may be amended from time to time at a duly held meeting of the Council by the affirmative vote of the Shop or Dwelling Unit Owners holding two-thirds (2/3) or more of the total interest in Common Elements; provided, however, that no amendment shall alter the dimensions of a Shop or Dwelling Unit or its appurtenant int-

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erect in Common Elements without the written consent of the Shop or Dwelling Unit Owner and its Mortgagees, if any, affected by the proposed alterations. Duly adopted amendments shall become effective when an instrument setting forth that the amendment has been executed and filed of record by the officers of the Council.

ARTICLE XIII. TERMINATION.

Section 1. Casualty or Condemnation. If two-thirds (2/3) or more of the Condominium Property is substantially destroyed or taken by condemnation, the Condominium Property may be removed from the provisions of this Master Deed and the Horizontal Property Act in accordance with Article XI or Article XII, as the case may be.

Section 2. Voluntary Termination. This horizontal property regime may also be terminated, removing the Condominium Property from the provisions of this Master Deed and the Horizontal Property Act, if the record owners of title to the Shops or Dwelling Units and the record owners of mortgages upon the Shops or Dwelling Units agree in a written instrument to termination unanimously or in such percentage as may then be required for termination by the Horizontal Property Act. Termination shall become effective upon recordation of such written instrument, duly executed by the requisite number of Shop or Dwelling Unit Owners and mortgagees.

Section 3. Ownership After Termination. After termination of this horizontal property regime, the Shop or Dwelling Unit Owners shall own the Condominium Property as tenants in common in undivided shares and the holders of mortgages and liens upon the Shops or Dwelling Units shall have mortgages and liens upon the respective undivided common interests of all Shop or Dwelling Unit Owners. The undivided share of each tenant in common shall be the same as his undivided interest in Common Elements prior to termination. Any asset of the Council, any funds held by the

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Board, and any insurance proceeds shall also be the property of the former Shop or Dwelling Unit Owners and tenants in common in the same undivided shares as their interests in Common Elements prior to termination. The costs incurred by the Board in connection with termination shall be considered a Common Expense.

Section 4. Partition. After termination, the Condominium Property shall be subject to an action for partition by a Shop or Dwelling Unit Owner or any lienor in which the net proceeds from the judicial sale shall be divided among all Shop or Dwelling Unit Owners in proportion to their respective interests in Common Elements and paid jointly to each Shop or Dwelling Unit Owner and Mortgagee.

ARTICLE XIXIV. MISCELLANEOUS PROVISIONS.

Section 1. Conflicts. This Master Deed is made and declared in compliance with the Horizontal Property Act. In the event of any conflict between this Master Deed and the provisions of the Horizontal Property Act, the provisions of this statute shall control.

Section 2. Applicable Law. The provisions of this Master Deed shall be construed under the laws of the State of South Carolina.

Section 3. Invalidity. The invalidity of any provisions of this Master Deed shall not impair the validity, enforceability, or effect of the remaining provisions; and in such event, all other provisions shall continue in full force as if the invalid provisions had not been included.

Section 4. Gender and Number. The use of the masculine gender in this Master Deed shall be deemed to refer to the feminine and neuter genders, and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

Section 5. Exhibits. All exhibits to this Master Deed shall be an integral part of this instrument.

Section 6. Captions. Captions are inserted in this Master Deed for convenience only, and are not to be used to interpret the provisions of this instrument.

IN WITNESS WHEREOF, Grantor has executed this Master Deed in its name the day, month, and year first above written.

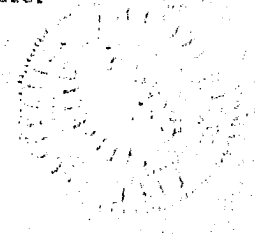
SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

George W. Hall
L. S. Hays

FITM CORPORATION

By Joseph D. Jackson
President

Attest Walter F. Mason
Secretary-Treasurer



STATE OF PENNSYLVANIA)
)
COUNTY OF ALLEGHENY)

ON THIS 17th DAY OF FEBRUARY, 1977, before me appeared
Joseph M. Jackovic and Harry F. Kusick, Jr.
personally known, who, being by me duly sworn did say that they are
the President and Secretary-Treasurer
respectively of Film Corporation and that the within instrument was
signed on behalf of said corporation by authority of its Board of
Directors and said President and Secretary-Treasurer
acknowledged said instrument to be the free act and deed of said
corporation. ~~and the same is a true and correct copy of the original.~~


NOTARY PUBLIC

ROBERT H. NEWTON, Notary Public
Pittsburgh, Allegheny Co., Pa
My Commission Expires
June 9, 1977

EXHIBIT "A"

Exhibit "A" is the plat recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Plat Book 24 at Page 105 and is described herein in Article III(13).

EXHIBIT "B"

Exhibit "B" is the Architect's Plans filed with this Master-Used.

EXHIBIT "C"

<u>SHOP NUMBER</u>	<u>VALUE</u>	<u>PERCENTAGE INTEREST</u>
1	\$ 51,225.00	6.24
3	26,648.00	1.85
3	27,870.00	2.07
4	60,410.00	4.19
5	106,868.00	7.42
6	31,861.00	2.21
7	9,838.00	0.68
8	<u>27,180.00</u>	<u>1.88</u>
	\$153,900.00	24.54

<u>DWELLING UNIT NUMBER</u>	<u>VALUE</u>	<u>PERCENTAGE INTEREST</u>
666	\$ 58,513.00	4.06
667	56,188.00	3.89
668	55,412.00	3.84
669	53,087.00	3.68
670	53,800.00	3.74
671	67,812.00	4.70
672	60,837.00	4.22
673	58,513.00	4.06
674	58,513.00	4.06
675	56,188.00	3.89
676	57,738.00	4.00
677	72,462.00	5.02
678	<u>67,387.00</u>	<u>4.31</u>
679	60,063.00	4.17
680	60,063.00	4.17
681	57,738.00	4.00
682	61,612.00	4.27
683	<u>77,112.00</u>	<u>5.36</u>
	\$1,089,100.00	73.44

TOTAL SHOPS AND DWELLING UNITS

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TOTAL VALUE

\$1,442,300.00

TOTAL PERCENTAGE

100.00%