

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

FAIRWAY OAKS COMPANY, A
Limited Partnership

TO

FOREST BEACH VILLAS
HORIZONTAL PROPERTY REGIME

)
)
) MASTER DEED
)
) THREE PHASED
) HORIZONTAL PROPERTY REGIME
)
)

This Master Deed is made, published, and declared by FAIRWAY OAKS COMPANY (hereinafter referred to as "Grantor"), an Ohio limited partnership with a principal office and place of business at Hilton Head Island, Beaufort County, South Carolina, this 25th day of November, 1980.

ARTICLE I. ESTABLISHMENT OF HORIZONTAL PROPERTY REGIME.

Section 1. General. The purpose of this Master Deed is to establish, pursuant to the Horizontal Property Act of the State of South Carolina, a three (3) phased horizontal property regime to be known as Forest Beach Villas, Horizontal Property Regime (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 by phases 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.

Section 2. General Description of Plan of Development. Grantor intends to develop the Property hereafter described as a three phased condominium regime consisting of one (1) four story buildings. The maximum number of units in Phase I shall be thirty-nine (39); Phase II shall be thirty-six (36) units and in Phase III, thirty-one (31) units, all as identified and described herein.

Grantor hereby reserves the right in its sole discretion to elect to develop or not to develop and to submit or not to submit to condominium ownership any Phase and further reserves the right to determine in its sole discretion to develop and submit any Phase to condominium ownership without regard to any other Phase development and submission should it, the said Grantor, so decide. A general description of the nature and proposed use of all common elements which the Grantor is constructing appears in other portions of this document and on the recorded Plat identified in Exhibit "C" of this Master Deed. Any such common elements associated with or constructed solely with Phase II and III will not substantially increase the proportionate amount of the common expenses payable by existing unit

owners and are considered of a minor, incidental nature. A chart showing the percentage interest in the common elements of each unit owner at each stage of development, if the Grantor herein submitting the property to condominium ownership elects to proceed with other phases of development, is attached hereto as Exhibit "B". 909

Section 3. Rights and Obligations. Grantor hereby acknowledges its obligation to submit herewith the within described Phase I property to condominium ownership and hereby reserves its right to elect to proceed with either or all of Phase II, and III as required and/or permitted herein. The apartment owners of Phase I and any additional phases dedicated to the Regime by Grantor as provided herein shall have the full legal rights and be obligated as allowed or required by South Carolina law. The Villa Owners by purchasing and accepting a unit of the property hereby acknowledge that further phase construction and dedication by Grantor shall diminish the percentage of ownership in the common property as described and provided in Exhibit "B" hereto and in other applicable portions of this Master Deed. The Grantor shall add the additional Phases to the provisions hereof by filing of record an appropriate document signed by the Grantor and referencing this Master Deed. Upon the proper recordation thereof, the added Phase(s) shall become an integral portion hereof as provided by the laws of this state and by this document.

ARTICLE II. CONDOMINIUM PROPERTY.

Section 1. Land. Grantor owns in fee simple the tracts of land containing a total of 4.630 acres which are described in Exhibit "A" of this Master Deed.

Section 2. Villas. Grantor has constructed upon the land described in Exhibit "A" of this Master Deed buildings enclosing thirty-nine (39) condominium units (hereinafter referred to as "Villas" or "Dwelling Units") in Phase I and proposes in accordance with the provisions of this Master Deed to construct additional units numbering a maximum of sixty-seven (67) in Phases II and III of this regime. The site locations of the buildings and the maximum of one hundred six (106) Villas are shown on the Plat of the condominium Property contained in Exhibit "C" of this Master Deed but Grantor hereby reserves the right to determine the number of future units to construct and their location in accordance with the provisions of this Master Deed and applicable law. The Villas are of the general design as graphically depicted in the certified architect's plans which are compiled and annexed to this Master Deed in Exhibit "C". The Villas are also 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 Villa shall extend to the inner surface of the roof sheathing over the Villa. The lower boundaries of the Villa shall extend to the bottom of the granular fill beneath the structural slab underlying the lowest level of the Villa.

2.2 The perimetrical boundaries of the Villa shall extend to the rear surface of the wall sheathing to which the exterior siding of the villa is attached and to the center-line of the frame 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 Villa shall be extended to include the area defined or actually covered by any such deck, terrace, balcony, stoops and steps, porch, courtyard, patio, or service area.

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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, casing, 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 flues and the plumbing and mechanical vents which exclusively serve the Villa; (v) the appliances, air conditioning 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, railing, 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 pipes, wires, conduits, ducts, and other plumbing, mechanical and 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, are 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; the paved parking areas; the walkways, the building area under roof except individual apartments; and the remaining common areas surrounding the Villas; and all easements, rights, and hereditaments appurtenant to the Land described in Exhibit "A" and shown on the Plat contained in Exhibit "C". Reference to said Plat is craved for details as to square footage, etc., exclusive of Limited Common Elements hereafter described.

(b) All improvements, exclusive of the Villas and Limited Common Elements, erected, or which may be erected in future phases of this Regime, 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 pier or dock extending from the land; (vi) any swimming pool, bath house, and other recreational facilities which may now or hereafter be located upon the land; and (vii) all other elements of the Condominium Property rationally of common use or necessary to its existence, maintenance, and safety. 911

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 total of 4.630 acres of land ("Land") described in Exhibit "A"; the buildings constructed or to be constructed in future phases upon the land, situated as shown on the Plat of the Condominium Property contained in Exhibit "C" or on future plats dedicating future phases to the Regime as prescribed herein; the proposed Villas which are or may be enclosed with 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" or on future plats dedicating future phases to the Regime as prescribed herein; and all other improvements and property, real, personal, and mixed, situated upon or appurtenant to the land, which are or which may be made part of Forest Beach Villas Horizontal Property Regime by this Master Deed.
- (2) "Assessment" means that portion of the Common Expenses; as hereinafter defined, which is to be paid to each Villa Owner, in proportion to his percentage interest in Common Elements as hereinafter described.
- (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 (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 elected, 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 and including a proportionate share of the hereafter described improvements to and the Recreational Area and all other commonly shared amenities are to be shared with all other Villa owners of future Forest Beach Villas to be constructed upon the hereafter described 4.630 acre property.

(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 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, including an interest in the swimming pool site hereafter described.

(10) "Horizontal Property Act" means the Horizontal Property Act of the State of South Carolina, Title 27, Chapter 31, Code of Laws of South Carolina, 1976, 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 in Exhibit "A", and also referred to as the "Property".

(12) "Plans" means the floor plans 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 prepared by _____ showing the dimensions and site locations of the buildings, Villas, the parking areas, roads, walkways and other improvements of the Regime, and record in Plat Book 29 at Page 32, in the Office of the Clerk of Court for Beaufort County, South Carolina, a copy of which is contained in Exhibit "C".

(14) "Recreational Area" means the herein described area of the Property which contains tennis courts and some of the common amenities associated with Condominium Property as may be shown on the Plat.

(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; or the person or persons owning one or more Time Sharing Interest of a Villa.

ARTICLE IV. FOREST BEACH VILLA COUNCIL OF CO-OWNERS.

Section 1. Formation. Every Villa Owner shall be a member of the Council of Forest Beach Villa Horizontal Property Regime which initially shall be an unincorporated association. The Council shall be managed by a Board of Administrators elected by and from the Villa 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 by 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 Villa Owners is taken, the Villa Owners shall vote in proportion to their respective interest 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 (51%) percent 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 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. 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/her Villa, subject to: (i) the provisions of this Master Deed and the easements, restrictions, covenants, and encumbrances set forth herein; (ii) 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; (iv) the Horizontal Property Act of the State of South Carolina.

Section 2. Legal Description. Each Villa 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 Forest Beach Villa Horizontal Property Regime 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, ceilings, 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 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 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 of this horizontal property regime are enclosed or will be enclosed within one building:

1.1 Phase 1: Phase I contains thirty-nine (39) Dwelling Units designated as Units 115-123 on the first floor; Units 215-223 on the second floor; Units 315-323 on the third floor; and Units 422-433 on the fourth floor.

1.2 Phase 2: Phase II contains thirty-six (36) Dwelling Units designated as Units 107-114 on the first floor; Units 207-214 on the second floor; Units 307-314 on the third floor; and Units 410-421 on the fourth floor.

1.3 Phase 3: Phase III contains thirty-one (31) Dwelling Units designated as Units 100-106 on the first floor; Units 200-206 on the second floor; Units 300-306 on the third floor; and Units 400-409 on the fourth floor.

Section 2. VILLA DESCRIPTION.

One (1) Bedroom Unit - Type "1-A". This unit measures 38.66 feet wide, 27.40 feet deep in the maximum interior dimensions and contains a net interior area of 902.66 square feet. Entrance to the unit is from an entry court into a foyer containing 15.89 square feet. Off the foyer is a guest closet containing 8.38 square feet. Also, off the foyer is a living/dining area containing 38.48 square feet; off the living/dining area is a kitchen which contains 75.71 square feet. Also, off the living/dining area is a bedroom containing 220.07 square feet; off the bedroom is a hall containing 22.42 square feet and off the hall is a bath which contains 58.82 square feet. Also, off the hall is an owner's closet containing 10.40 square feet, a linen closet containing 4.12 square feet and a clothes closet containing 10.40 square feet. Off the living/dining area and the bedroom, access from areas through sliding glass doors, is a balcony containing 127.10 square feet. Off the balcony is a mechanical closet containing 21.23 square feet.

Unit Numbers: 107, 108, 115, 116, 207, 208, 215, 216, 307, 308, 315, 316

One (1) Bedroom Unit - Type "1-B". This unit is irregular in shape, measures 35.25 feet in width, 26.40 feet in depth in the maximum interior dimensions and contains a net interior area of 877.65 square feet. Entrance to the units is from an entry court into a foyer containing 27.05 feet. Off the foyer is a closet containing 7.97 square feet. Also, off the foyer is a living/dining area which contains 309.06 square feet; off the living/dining area is a kitchen containing 92.25 square feet. Off the kitchen is a utility area containing 75.54 square feet; off the utility area is an owner's closet which contains 29.87 square feet. Also, off the living/dining area, is a bath containing 58.82 square feet and off the bath is a linen closet which contains 4.56 square feet. Off the living/dining

area is a bedroom which contains 197.68 square feet; off the bedroom is a closet containing 17.54 square feet.

Off the living/dining area, through sliding glass doors, is a balcony containing 134.7 square feet. Off the balcony is a heating, ventilating and air conditioning closet which contains 14.23 square feet.

Unit Numbers: 104, 118, 204, 218, 304, 318

Two (2) Bedroom Townhouse Type "1-C". This unit measures 37.79 feet wide, 27.68 feet deep, in its maximum interior dimensions and contains a net interior area of 1,755.96 square feet. Entrance to this unit is from an entry court into a living/dining area which contains 398.88 square feet. Off the living/dining area is a guest closet containing 9.0 square feet. Also, off the living/dining area is a kitchen containing 76.33 square feet. Off the kitchen area is a washer/dryer area containing 13.55 square feet. Also, off the living/dining area is a bedroom having a cathedral ceiling and contains 226.95 square feet; off the bedroom is a corridor containing 16.6 square feet. Off the corridor is a linen closet which contains 3.95 square feet. Also, off the corridor is an owner's closet containing 22.32 square feet. Also, off the corridor is a guest closet containing 10.57 square feet and a bath containing 58.82 square feet. Through sliding glass doors from the bedroom and from the living area is a balcony containing 122.39 square feet; off the balcony is a mechanical closet containing 22.48 square feet.

Up a spiral stair from the living/dining area is a loft area containing 134.09 square feet; off the loft is a second bedroom containing 177.48 square feet. Off this bedroom is a linen closet which contains 6.91 square feet. Off this bedroom is a bath containing 40.52 square feet. Also, off the bedroom is a walk-in closet containing 47.7 square feet.

Unit Numbers: 404, 408, 410, 411, 422, 423, 426, 428

One (1) Bedroom Unit Type "1-D". This unit is irregular in shape, measures approximately 31.50 feet wide, 31.94 feet deep in its maximum dimension and contains a net interior area of 657.46 square feet. Entrance to the unit is from an entry court, into a foyer containing 28.4 square feet. Off the foyer is a closet containing 9.75 square feet. Also, off the foyer is a living/dining area which contains 266.82 square feet; off the living/dining area is a kitchen containing 59.06 square feet. Off the kitchen is a washer/dryer area which contains 4.34 square feet. Also, off the living/dining area is a bedroom containing 165.44 square feet; off the bedroom is an owner's closet containing 10.7 square feet. Also, off the bedroom is a utility closet which contains 11.75 square feet. Also, off the bedroom is a hanging closet containing 11.77 square feet. Off the closet is a bath containing 46.22 square feet. Off the bedroom through sliding glass doors, is a balcony containing 49.85 square feet. A swing door from the balcony leads to the living/dining area.

Unit Numbers: 106, 117, 206, 217, 306, 317, 409, 425

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Two (2) Bedroom Unit - Type "2-A". This unit measures 49.96 feet wide, 27.40 feet deep, in the maximum interior dimensions and contains a net interior area of 1,145.22 square feet. Entrance to the unit is from an entry court into a living/dining area which contains 376.75 square feet. Adjacent to the entry door is a guest closet containing 10.63 square feet; off the living/dining area is a hallway containing 13.05 square feet; off this hallway is a bedroom containing 165.12 square feet. Off the bedroom is a closet containing 16.04 square feet. Also, off the hallway is a linen closet which contains 5.81 square feet and a bath containing 40.52 square feet. Also, off the living/dining area is a master bedroom containing 219.10 square feet; off the master bedroom is a dressing hall containing 23.37 square feet; off this hall is a hanging closet which contains 10.00 square feet and a linen closet containing 3.96 square feet. Also, off this hall is an owner's closet containing 22.32 square feet and a bath containing 58.81 square feet. Also, off the living/dining room area is a kitchen containing 97.64 square feet. Through sliding glass doors from the living area, is a balcony containing 126.88 square feet which also has access through a swinging door to the secondary bedroom and through sliding glass doors to the master bedroom. Off the balcony is a mechanical closet containing 20.7 square feet.

Unit Numbers: 100, 102, 103, 105, 109, 110, 113, 114, 119, 120, 121, 122, 200, 202, 203, 205, 209, 210, 213, 214, 219, 220, 221, 222, 300, 302, 303, 305, 309, 310, 313, 314, 319, 320, 321, 322

Three (3) Bedroom Unit - Type "3-A". This unit measures 57.80 feet wide, 27.40 feet deep in the maximum interior dimensions and contains a net interior area of 1,302.72 square feet. Entrance to the unit is from an entry court into a living/dining area containing 376.75 square feet. Off the living/dining area and adjacent to the front door is a guest closet containing 10.63 square feet. Also, off the living/dining area is a master bedroom containing 219.1 square feet; off the master bedroom is a dressing hall containing 23.37 square feet. Off this hall is a hanging closet which contains 10.0 square feet, a linen closet containing 3.96 square feet and an owner's closet containing 22.32 square feet. Also, off this hall is a master bath containing 58.81 square feet. Also, off the living area is a kitchen containing 97.64 square feet; off the living/dining area is a hall to the secondary bedrooms containing 29.61 square feet. Off this hall is a linen closet which contains 3.83 square feet; off this bedroom is a hanging closet containing 12.4 square feet. Also, off this hall is a third bedroom which contains 168.65 square feet; off this hall is a second bath containing 40.52 square feet. Through sliding glass doors, off the living/dining area, is a balcony containing 126.88 square feet; access to this balcony is also through a swinging door to the second bedroom and a sliding glass door to the master bedroom. Off this balcony is a mechanical closet containing 20.7 square feet.

Unit Numbers: 101, 123, 201, 223, 301, 323

Efficiency Unit - Type "E". This unit measures 23.17 feet wide, 27.40 feet deep in its maximum interior dimensions and contains a net interior area of 488.85 square feet. Entrance to the unit is from an entry court into a foyer containing 49.56 square feet. Off the foyer is a living area which contains 203.61 square feet; off the living area is a kitchenette containing 74.7 square feet; off the kitchenette is an owner's closet containing 16.95 square feet. Also, off the kitchenette is a pantry containing 8.93 square feet. Also, off the living room is a dressing/hanging area which contains 35.91 square feet; off the dressing/hanging area is a bath containing 58.13 square feet. Off the living area, through sliding glass doors, is a balcony containing 38.31 square feet; off the balcony is a mechanical closet containing 23.33 square feet.

Unit Numbers: 111, 112, 211, 212, 311, 312, 416, 417

Law Offices of
Kuehling, Sanders, Hughes,
Nouri & Eyalima, P.A.
Beverly Hills, CA

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Two (2) Bedroom, Two (2) Living Room Townhouse Unit - Type "TH-2". This unit measures 27.56 feet wide, 27.40 feet deep in the maximum interior dimensions and contains a net interior area of 1,159.64 square feet. Entrance to this unit is from an entry court into a stair hall containing 68.39 square feet. Off the stair hall, on the first floor, is an entry foyer containing 11.03 square feet; off the entry foyer is a guest closet containing 5.7 square feet. Also, off the entry foyer is a living/dining area containing 261.64 square feet. Off the dining area is a kitchen containing 54.52 square feet; off the kitchen is a washer/dryer and heating unit area which contains 17.75 square feet. Also, off the living area, through sliding glass doors, is a balcony containing 32.96 square feet. Off the corridor is an owner's closet containing 16.88 square feet. Also, off the corridor is a bath which contains 68.98 square feet; off the bath is a linen closet containing 6.41 square feet. Also, off the corridor, is a bedroom containing 163.33 square feet; off the bedroom is a closet containing 12.48 square feet.

The entry stair hall contains a stair to the second floor that leads to an entry stoop containing 12.5 square feet; off the entry stoop is a living/ dining area containing 261.64 square feet. Also, off the dining area is a closet which contains 4.32 square feet. Also, off the dining area, is a kitchen containing 48.82 square feet; off the kitchen is a washer/dryer and mechanical area containing 17.75 square feet. Also, off the living/dining area is a corridor containing 20.5 square feet. Off the corridor is a bath which contains 74.5 square feet; off the bath is a linen closet containing 6.41 square feet. Also, off the corridor is a bedroom containing 163.33 square feet; off the bedroom is a closet containing 12.48 square feet.

Unit Numbers: 402, 407, 427, 430

Two (2) Bedroom Townhouse - Type "TH-5". This unit measures 22.96 feet wide, 29.04 feet deep in its maximum interior dimensions and contains a net interior area of 1,278.79 square feet. Entrance to the unit is off an exterior hallway and an entry court into a foyer containing 67.81 square feet. Off the foyer is a closet containing 5.7 square feet. Also off the foyer is a living/dining area containing 312.54 square feet. Off the dining area is a kitchen containing 62.03 square feet; off the kitchen is a mechanical closet containing 17.93 square feet. Also, off the living area is a washer/dryer area containing 12.1 square feet and a bedroom containing 158.05 square feet. Off the bedroom is a closet containing 10.94 square feet. Also, off the living area is a bath containing 49.13 square feet; off the bath is a linen closet containing 2.74 square feet.

The foyer contains a stair leading to the second floor and off the stair is a short hall containing 11.04 square feet. Off the hall is a bedroom containing 312.5 square feet; off the bedroom is a walk-in closet containing 47.26 square feet; off the walk-in closet is an owner's closet containing 18.07 square feet. Also, off the bedroom is a bath containing 73.9 square feet; off this bath is a linen closet containing 6.24 square feet.

Off the living area is a balcony containing 55.46 square feet; access to the balcony is through sliding glass doors.

Unit Numbers: 400, 401, 405, 412, 413, 420, 421, 429, 432, 433

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One (1) Bedroom Townhouse Unit - Type "TH-6". This unit measures 20.66 feet wide and 29.40 feet deep in the maximum interior dimensions and contains a net interior area of 1,003.81 square feet. Entrance to the unit is from an entry court into a foyer which contains 59.93 square feet. Off the foyer is a living/dining area containing 267.67 square feet; off the dining area is a kitchen containing 64.76 square feet and off the kitchen is a mechanical area containing 14.19 square feet. Off the living area of the unit is a small hall containing 7.18 square feet; off this hall is a closet containing 5.62 square feet and a bathroom containing 43.2 square feet. Also, off the living room area is an owner's closet containing 14.15 square feet.

The foyer contains a stair going to the second floor and on the second floor of this unit is a small hall containing 10.26 square feet; off this hall is a bedroom containing 240.32 square feet and off the bedroom is another hall containing 18.29 square feet; off the hall is a washer area containing 5.96 square feet and a dryer area containing 7.67 square feet. Also, off the hall is a bath containing 43.2 square feet. A balcony containing 50.69 square feet is accessed off the living area and another balcony, containing 50.69 square feet, is accessible off the second floor bedroom.

Unit Numbers: 403, 414, 415, 418, 419, 431

Three (3) Bedroom Townhouse Unit - Type "TH-7". This unit is irregular in shape and measures 35.11 feet wide, 29.40 feet deep in maximum interior dimensions and contains a net interior area of 1,639.18 square feet. Entrance to the unit is from an entry court into a foyer containing 69.43 square feet. Off the foyer is a closet containing 5.7 square feet. Also, off the foyer is a hallway containing 40.79 square feet; off the hallway is a living/dining area containing 315.45 square feet. Off the dining area is a kitchen containing 86.13 square feet and contiguous to the kitchen is a breakfast area which contains 73.49 square feet; off the breakfast area is a mechanical closet containing 17.6 square feet and a washer/dryer area containing 9.75 square feet and a bath which contains 51.28 square feet. Also, off this hall, is a bedroom containing 161.37 square feet; off the bedroom is a closet containing 11.68 square feet.

The entry foyer contains a stair which leads to the second floor. At the second floor is a corridor which contains 18.43 square feet; off the corridor is a bedroom containing 266.5 square feet; off this bedroom is a closet containing 42.15 square feet. Also, off the bedroom, through sliding glass doors, is a balcony containing 60.65 square feet. Off the bedroom and the hall to the second floor is a bath containing 75.65 square feet; off the bath is a linen closet containing 4.75 square feet. Also off the second floor hall is a second bedroom containing 181.18 square feet; off this bedroom is a closet containing 17.74 square feet.

Off the first floor living/dining area, through-sliding glass doors, is a balcony which contains 60.65 square feet.

Unit Numbers: 406, 424

ARTICLE VII. COMMON ELEMENTS: OWNERSHIP AND USE.

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Section 1. Ownership of Common Elements. Each Villa Owner, either of the initial Phase or hereafter established Phase(s), shall own as an appurtenance to his Villas the undivided interest in the Common Elements specified in Exhibit "B". The percentage interest set out therein represent the values of each Villa in proportion to the total value of the Property, as well as the proportion to the total value of the Property, as well as the proportionate representations for voting purposes in the meeting of the Council of the Regime. The total value of the Property herein is Nine Million Five Hundred Sixty-One and No/100 (\$9,561,000.00) Dollars for all three Phases. The values for the individual Phases are as listed in Exhibit "B" hereto. The stated individual value for each Villa indicated in Exhibit "B" shall not be deemed to establish or limit the price for which the Property or any 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 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 non-exclusive 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, guests, agents, and servants 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 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, 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 operating, maintaining, improving, repairing, insuring, replacing, etc. the swimming pool, tennis courts, and other associated amenities, located as described in Exhibit "A" in common and in proportion of total unit value with other owners of past or future phases of Forest Beach Villa, if any, constructed upon the remaining acreage undedicated to condominium ownership described in Exhibit "A" as a 4.630 acre tract.

1.3 Expenses incurred in administering the affairs of the Council including salaries, wages, and any compensation paid to a managing agent for such purpose.

1.4 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.

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Smith & Swolan, P.A.
Beaufort, N.C.

1.5 Contributions to provide sufficient reserves to make such general reserves to operate the Condominium Property and to administer the affairs of the Council.

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

1.7 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 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 Villa Owner. No Villa Owner may exempt himself from liability for Common Expenses by waiving the use or 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, upon proper recording in the Office of the Clerk of Court, Beaufort County, South Carolina, 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 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 rental during such period. The Board, in behalf of the Council, may bring suit for judgments 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 fees and other costs of collection.

Section 5. Sales 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 sale 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 Payment 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, 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 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 Rights, Restrictions, Conditions, etc., applicable to certain lands of The Hilton Head Company, dated January 28, 1956 and recorded in the Office of the Clerk of Court for Beaufort County at Book 78 of Deeds, at Page 306, and any applicable recorded additions and amendments thereto; Declaration of Rights, Restrictions, Affirmative Obligations, Conditions, etc., applicable to certain commercial lands of Lighthouse Beach Company dated January 25, 1973 and recorded February 15, 1973 in the Office of the Clerk of Court for Beaufort County at Book 206, Page 1143.

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 Villa Owner shall have a non-exclusive 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 located in any other Villa or within the Common Elements and 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 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 on 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.

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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 maintaining has been delegated. Damages resulting to any Villa 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 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 Villas.

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 provisions waiving: (i) any rights of the insurer to subrogation against the Council, its agents and employees, and against the individual Villa Owners and their servants, agents, and guests; and (ii) any 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 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 Villa Owner and to liabilities of one Villa Owner to another Villa Owner.

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Kowling, Sanders, Thibodeau,
Merritt & Swabina, P.A.
Boulevard 541

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Section 3. Workmen's Compensation Insurance. The Board, as necessary, shall obtain Workmen's Compensation 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 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 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.

ARTICLE XI. RECONSTRUCTION AND REPAIR.

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, the insurance indemnity received by the Board shall be distributed pro-rata 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 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 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 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 (75%) percent or more of the total interest in Common Elements and their mortgagees, if any, vote to adopt different plans and specifications and all Villa Owners whose Villas 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 binds as the Board deems necessary.

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1.3 If the insurance proceeds paid to the Board are insufficient to cover the costs 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 repair, 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 a 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 interest 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 Villas 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.

ARTICLE XII. AMENDMENTS.

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Section 1. By Villa 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 Villa 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 Villa or its appurtenant interest in Common Elements without the written consent of the Villa Owner and its mortgagees, if any, affected by the proposed alteration. Duly adopted amendments shall become effective when an instrument setting forth 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 Villas and the record owners of mortgages upon the Villas 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 Villa Owners and mortgagees.

Section 3. Ownership After Termination. After termination of this horizontal property regime, the Villa Owners shall own the Condominium Property as tenants in common in undivided shares, and the holders of mortgages and liens upon the Villas shall have mortgages and liens upon the respective undivided common interests of the Villa 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 Board, and any insurance proceeds shall also be the property of the former Villa Owners and tenants in common in the same undivided shares as their interest 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 any Villa Owner or any licor in which event the net proceeds from the judicial sale shall be divided among all Villa Owners in proportion to their respective interests in Common Elements and paid to each Villa Owner and mortgagee.

ARTICLE XIV. MISCELLANEOUS PROVISIONS.

Section 1. Conflicts. This Master Deed is made and declared in compliance with the Horizontal Property Act of the State of South Carolina. 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. 326

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 gender, 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 this day, month, and year first above written.

Signed, sealed and delivered
in the presence of:

FAIRWAY OAKS COMPANY

BY 

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STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

PERSONALLY appeared before me Sharon Claspitt who, on oath says that she saw the within named FAIRWAY OAKS COMPANY, by Robert B. Albrigh its General Partner, sign, seal and deliver the within instrument dated the 25th day of November, 1980, and that she with Lucy Wingard Hepner witnessed the execution.

Sharon Claspitt

SWORN TO before me this 25th day of November, 1980.

[Signature]
[Signature] (SEAL)
Notary Public for South Carolina
My Commission Expires: 4.30.82

EXHIBIT "A"

ALL that certain piece, parcel or tract of land with improvements thereon situate, lying and being in Forest Beach Subdivision, Hilton Head Island, Beaufort County, South Carolina, known and described as Forest Beach Villas and consisting of three (3) phases and a pool and recreation area for a total of 4.630 acres, and being a portion of Block 7, Parcel A-3, Coligny Circle Subdivision as shown and described on a plat recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, identified as "South Forest Apartments" and consisting of two (2) pages as prepared by Coastal Surveying Company Inc., said plat recorded in Beaufort County Plat Book 29 at Page 32. For a more detailed description as to location, courses, metes, bounds, etc., reference to said plat of record is craved.

SAVE AND EXCEPT from the above are non-exclusive easement consisting of thirty (30) feet, more or less, for ingress and egress from South Forest Beach Drive along the generally western portion of the above described property as shown on the above described plat recorded in Beaufort County Plat Book 29 at Page 32.

SAVE AND EXCEPT therefrom all ten (10) foot waterline and twenty (20) foot sanitary sewer easements as shown on the above referred to plat recorded in Beaufort County Plat Book 29 at Page 32, and further, save and except, therefrom, all other recorded easements, rights-of-way, and matters of record as may be shown by reference to documents in the Office of the Clerk of Court for Beaufort County, South Carolina.

This being a portion of the property originally conveyed from F.I.T.M. Corporation to Twin Oaks II by deed dated February 20, 1979 and recorded on March 2, 1979 in Beaufort County Deed Book 277 at Page 1461 and further conveyed from Twin Oaks II to Forest Beach Villas Company by deed dated January 30, 1979, and recorded in Beaufort County Deed Book 280 at Page 828 and further conveyed from Forest Beach Villas Company to Fairway Oaks Company by deed dated October 28, 1980 and recorded in Beaufort County Deed Book 310 at Page 655.

The within document prepared by Herbert L. Novit, Esquire, of the law firm of Dowling, Sanders, Dukes, Novit & Svalina, P.A., P. O. Drawer 5706, Hilton Head Island, South Carolina 29938.

SAVE AND EXCEPT from the above an easement across all current and future phases of the within described Forest Beach Villas for ingress and egress and access to recreational and pool areas, which said easement is reserved for owners and proper guests of Forest Beach Villas.

Simultaneous with the recording of the within Master Deed to which this Exhibit and Description is attached, there is hereby dedicated to the Regime Phase I as described in the Master Deed and the above referred to plat of record. Said plat shows Phase I to consist of a total area of 69,914 square feet with 8,269 square feet under roof. Square footages in areas of future phases will be defined and shown on future plats and/or future amendments to this Master Deed document which will add additional phases to the scheme of the Regime.

UNIT NUMBER	VALUE	PHASE I %	PHASE I & II %	PHASE I, II, & III
422	\$ 110,000	3.246	1.704	1.150
423	99,500	2.936	1.541	1.041
424	115,000	3.394	1.781	1.203
425	58,500	1.727	.906	.612
426	99,500	2.936	1.541	1.041
427	108,000	3.187	1.673	1.130
428	107,000	2.647	1.657	1.119
429	93,500	2.313	1.448	.978
430	105,000	2.597	1.626	1.098
431	87,500	2.165	1.355	.915
432	110,000	2.721	1.704	1.150
433	108,000	2.671	1.673	1.130
		100.00 %		
FIRST FLOOR				
107	79,000		1.224	.826
108	80,000		1.239	.837
109	90,000		1.394	.941
110	100,500		1.557	1.051
111	55,500		.860	.580
112	52,500		.813	.549
113	96,000		1.487	1.004
114	100,500		1.557	1.051
SECOND FLOOR				
207	83,000		1.286	.868
208	92,000		1.426	.962
209	89,000		1.379	.931
210	101,500		1.572	1.062
211	46,500		.720	.486
212	57,000		.863	.596
213	89,000		1.379	.931
214	101,500		1.572	1.062
THIRD FLOOR				
307	79,000		1.224	.826
308	81,000		1.255	.847
309	98,000		1.518	1.025
310	97,000		1.502	1.014
311	54,500		.844	.570
312	52,500		.813	.549

(2)

EXHIBIT "B"

The percentage of undivided interest in the Common Elements appurtenant to each apartment now or hereafter made subject to this Haster Deed, including Grantor's right to change or modify same, is as follows:

<u>UNIT NUMBER</u>	<u>VALUE</u>	<u>PHASE I %</u>	<u>PHASE I & II %</u>	<u>PHASE I, II, & III %</u>
<u>FIRST FLOOR</u>				
115	\$ 69,500	2.051	1.077	.727
116	69,500	2.051	1.077	.727
117	58,500	1.727	.906	.612
118	64,500	1.903	.999	.675
119	86,500	2.553	1.340	.905
120	100,500	2.966	1.557	1.051
121	86,500	2.553	1.340	.905
122	95,500	2.818	1.479	.999
123	96,500	2.848	1.495	1.009
<u>SECOND FLOOR</u>				
215	69,500	2.051	1.077	.727
216	69,500	2.051	1.077	.727
217	58,500	1.727	.906	.612
218	64,500	1.903	.999	.675
219	86,500	2.553	1.340	.905
220	96,000	2.833	1.487	1.004
221	86,500	2.553	1.340	.905
222	101,500	2.996	1.572	1.062
223	96,500	2.848	1.495	1.009
<u>THIRD FLOOR</u>				
315	69,500	2.051	1.077	.727
316	69,500	2.051	1.077	.727
317	58,500	1.727	.906	.612
318	64,500	1.903	.999	.675
319	87,500	2.582	1.355	.915
320	97,000	2.863	1.502	1.014
321	87,500	2.582	1.355	.915
322	97,000	2.863	1.502	1.014
323	99,500	2.936	1.541	1.041

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UNIT NUMBER	VALUE	PHASE I %	PHASE I & II %	PHASE I, II, & III
313	\$ 90,000		1.394	.941
314	102,500		1.588	1.072
FOURTH FLOOR				
410	99,500		1.541	1.041
411	105,000		1.626	1.098
412	108,000		1.642	1.109
413	108,000		1.673	1.130
414	95,000		1.471	.994
415	90,000		1.394	.941
416	48,000		.743	.502
417	55,000		.867	.585
418	88,000		1.363	.920
419	90,000		1.394	.941
420	108,000		1.642	1.109
421	108,000		1.673	1.130
100.00 %				
FIRST FLOOR				
100	100,500			1.051
101	96,500			1.009
102	100,500			1.051
103	104,000			1.088
104	87,500			.915
105	104,000			1.088
106	80,000			.837
SECOND FLOOR				
200	86,500			.905
201	96,500			1.009
202	101,500			1.062
203	105,000			1.098
204	88,500			.925
205	105,000			1.098
206	81,000			.847
THIRD FLOOR				
300	102,500			1.072
301	96,500			1.009
302	102,500			1.072
303	96,500			.905
304	89,500			.936

232

<u>UNIT NUMBER</u>	<u>VALUE</u>	<u>PHASE I %</u>	<u>PHASE I & II %</u>	<u>PHASE I, II, & III</u>
305	\$ 86,500			.905
306	82,000			.858
FOURTH FLOOR				
400	118,000			1.234
401	115,000			1.202
402	117,000			1.224
403	95,000			.994
404	122,000			1.276
405	110,000			1.150
406	125,000			1.307
407	113,000			1.182
408	120,000			1.255
409	87,000			.910
				<u>100.00 %</u>

(4)

EXHIBIT "C"

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Exhibit "C" consists of the Plat and Plans referred to herein which are recorded elsewhere in the Office of the Clerk of Court for Beaufort County, South Carolina, but made a part hereof by this reference thereto.