

GLENEAGLE GREEN

HORIZONTAL PROPERTY REGIME NO. 26

HILTON HEAD ISLAND, SOUTH CAROLINA

MASTER DEED, BY-LAWS,  
RULES AND REGULATIONS

BEAUFORT COUNTY TAX MAP REFERENCE

Dist	Map	Block	Parcel
550	17		174A

MASTER DEED ESTABLISHING  
 GLENEAGLE GREEN HORIZONTAL PROPERTY REGIME NO. 26

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STATE OF SOUTH CAROLINA        )  
   )  
 COUNTY OF BEAUFORT            )     MASTER DEED ESTABLISHING  
   )     GLENEAGLE GREEN  
   )     HORIZONTAL PROPERTY REGIME NO. 26

WHEREAS, CALIBOGUE ASSOCIATES, LTD., a South Carolina Corporation, is the sole owner of the fee simple title to property located in the County and State aforesaid and desires to submit such of that property as specifically described herein to a Horizontal Property Regime according to the laws of the State aforesaid and subject to the conditions and restrictions contained herein;

NOW, THEREFORE, in consideration of the premise and the benefit expected to flow to it as a result of the submission of the property to a Horizontal Property Regime:

KNOW ALL MEN BY THESE PRESENTS that CALIBOGUE ASSOCIATES, LTD., a South Carolina Corporation, for itself, its successors and assigns, hereby submits the land and all improvements thereon, and to be constructed thereon, described in Exhibit A, attached hereto and, by reference, incorporated herein, to a Horizontal Property Regime according and subject to the terms, provisions and definitions of S. C. Code Ann., Sections 27-31-10 through 27-31-300 (1976), Horizontal Property Act (Act) as it is now constituted and as it may from time to time be amended; provided, however, that such submission shall be and is further subject to the conditions, provisions and restrictions contained herein, all of which shall run with the land.

1. NAME: The Property shall hereafter be named Gleneagle Green Horizontal Property Regime No. 26 (Regime).

2. DESCRIPTION OF PROPERTY AND BUILDING: The land is described in Exhibit A. The Building is described in the plans prepared by Lee and Partners, Architects, a copy of which is recorded in the Office of the Clerk of Court for Beaufort County, South Carolina as shown in Exhibit C attached hereto and, by reference, incorporated herein. There are three (3) multi-unit buildings containing four (4) apartments each (town houses) side by side, for a total of twelve (12) apartments. The buildings are divided into twelve (12) apartments and contain approximately 19,822 square feet divided into the twelve (12) apartments and general and limited common elements.

3. RESERVATION OF OPTION: Grantor hereby reserves to itself, its successors and assigns, the right to develop additional phases of this project on the land described in Exhibit B (the "Additional Property") and to include such additional phases as a portion of Gleneagle Green Horizontal Property Regime No. 26 according to the following general description of the plan of development.

A. The maximum number of additional phases which Grantor, its successor or successors in title, or a combination thereof, may develop as a portion of the Regime are two (2). Such phases, if developed,

shall be constructed on the property described in Exhibit B, and shall contain, at a maximum, eight (8) apartments. Each phase shall contain a minimum of three (3) apartments; however, two (2) or more phases may be combined in a declaration.

- B. Grantor shall elect to commence all or any part of the development of future phases on or before January 15, 1989. Should Grantor elect to proceed with all or any part of the development of future phases, it shall indicate such election by filing, prior to January 15, 1989, a declaration containing the information prescribed in paragraph "C" of this section. Such a declaration shall be filed for each phase to be included in the Regime. Should Grantor elect not to include any of the future phases in the Regime, it may indicate such irrevocable election by filing, prior to January 15, 1989, a declaration containing the information prescribed in paragraph "D" of this section. The failure of Grantor to file, prior to the Filing Date, either declaration specified in this paragraph will constitute an irrevocable decision not to include such additional property in the Regime. Failure to file either declaration shall in no way affect any provisions, conditions, restrictions, rights, duties or privileges, expressed or implied in the Master Deed and retained by or for the benefit of Grantor, its

successors and assigns, the Regime, its successors and assigns, or the Co-Owners, their respective heirs, successors and assigns.

- C. The declaration of Grantor's election to include all or any part of any future phases in the Regime shall include a statement from Grantor specifying the phase to be developed, a general description of the number and type of apartments to be included in such development, and a chart showing the percentage interest in the common elements each existing apartment owner will own at each phase of development if the future phases are developed. In addition, such declaration shall incorporate an amendment to this Master Deed, which amendment shall identify the property submitted to the Regime and include all information required by the S. C. Code, effective at such time as such amendment may be filed to be included within a Master Deed. Such amendment shall be clearly identified as such within the declaration.

- D. The declaration of Grantor's election not to include all or any part of the future phases in the Regime shall be substantially in the following form:

Ex Parte Grantor in Re: Gleneagle Green  
Horizontal Property Regime No. 26

Pursuant to the Master Deed establishing Gleneagle GreenVillas Horizontal Property Regime No. 26, recorded in the Office of the Clerk of Court for Beaufort County in Deed Book \_\_\_\_\_ at Page \_\_\_\_\_, and subject to all the provisions, conditions, restrictions, rights, duties, and privileges contained therein, Grantor being the sole owner, as Grantor under said Master Deed or successor in title to said Grantor, as shown by the deed recorded in the Office of the Clerk of Court for Beaufort County in Deed Book \_\_\_\_\_ at Page \_\_\_\_\_, of fee simple title to land described as Tract \_\_\_\_\_ in Exhibit A to such Master Deed, do hereby declare the irrevocable decision of Grantor, its successors and assigns, not to include PHASE \_\_\_\_\_ of Gleneagle Green Horizontal Property Regime No. 26 in such Regime. This declaration shall in no way affect any provisions, restrictions, conditions, rights, duties, or privileges, expressed or implied, in the Master Deed and retained by or for the benefit of either Grantor, its successors and assigns, Gleneagle Green Horizontal Property Regime No. 26, its successors and assigns, or the Co-Owners, their respective heirs, successors, and assigns.  
 This \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_. (SEAL)

- E. Any declaration filed pursuant to sub-paragraph "C" or "D" above shall be deemed ineffectual until it is filed in the official real estate records for Beaufort County, South Carolina, and it shall be indexed in the grantor index under the name of said Grantor or his successor in title (if any), and the Regime.
- F. Grantor makes the following stipulations regarding development of the above-mentioned future phases:
  - 1. The quality of apartments in any future phases shall be comparable to, or higher than, the quality of apartments in the present Regime;



2. The quality of construction of any future phases and the apartments therein shall be similar to, or better than, the quality of construction of the present Regime and the apartments therein;
3. The architectural style of any future phases will be compatible with the architectural style of the present Regime;
4. The owners of apartments in any future phases will be members of the Council and by acceptance of their deeds will agree to comply with the by-laws; and the administrative rules and regulations adopted pursuant thereto, of said Council;
5. Grantor will not develop all or any part of any future phases if, by including such development in the Regime, the proportionate amount of common expenses payable by Owners existing prior to such development is or will be substantially increased. Notwithstanding the rights of amendment hereof conferred in paragraph 24, neither the Council nor any Co-Owner shall have the right to approve or disapprove the inclusion of any portion of any future phase, developed or undeveloped, in the Regime;
6. The development of any future phase will affect the percentage interest each owner of an apartment in the present Regime enjoys in the

common elements as shown in Exhibit E, attached hereto and, by reference, incorporated herein.

4. DESCRIPTION OF GENERAL COMMON ELEMENTS: In addition to those defined in the Act, the following shall be general common elements:

(a) All lobbies, common storage areas, roads, drive-ways, parking areas, non-load bearing walls (except for those located entirely within an apartment), swimming pool, pool deck, pool equipment house, decks, (except for those portions of the decks hereinafter declared to be limited common elements), conference room and common mailbox facilities,

(b) Compartments for, and installations of, common telephone, television and/or cable television, sewer and/or irrigation lines and equipment, and swimming pool heater gas container;

5. DESCRIPTION OF LIMITED COMMON ELEMENTS: The limited common elements appurtenant to each apartment are as follows:

(a) The surface areas and railings of all decks accessible by normal means solely from the apartment;

(b) All material, including but not limited to, studs, sheetrock and plywood, attached to or on the inside surface of perimeter walls, floors and ceilings of the apartment;

(c) All doors, windows, screens, ventilation fans and vents located in the perimeter walls, floors or ceilings thereof;

(d) All air-handling units, condensers, ducts and components and all water, power, telephone, television and cable television, electricity, plumbing, gas lines (if applicable) and sewage lines located in the apartment, provided, however, that the portion of said lines located in a common compartment for, or installation of, such lines shall be general common elements as described above.

6. DESCRIPTION OF APARTMENTS: An apartment (as defined in the Act) is generally described and each type of apartment is specifically described in Exhibit D, attached hereto and, by reference, incorporated herein. The graphic description and area of each apartment is shown on Pages <sup>A-5 and A-6</sup> A-1, A-2, A-3, A-4, A-4a of Exhibit C. The location within the Building and number of each apartment is shown by Exhibit F, attached hereto and, by reference, incorporated herein.

7. PLOT PLANS AND FLOOR PLANS: The plot plan showing the location of the buildings, apartments and other improvements

is shown on a plat recorded in the Office of the Clerk of Court for Beaufort County, South Carolina in Plat Book 31 at Page 65. The floor plans showing the dimensions and area of each type of apartment are attached hereto as Pages A-1, A-2, A-3, A-4, A-4a <sup>A-5 and A-6</sup> of Exhibit C. The floor plans showing the dimensions, area and locations of general common elements affording access to each apartment are shown by Exhibit C.

8. PERCENTAGE OF OWNERSHIP: The value of each apartment, the value of all apartments and the percentage of ownership for purposes of ownership of the general common elements and liability for common expenses, assessments and voting are shown in Exhibit E, attached hereto and, by reference, incorporated herein. The stated individual value for each apartment indicated in Exhibit E shall not be deemed to establish or limit the price for which the Property or any apartment may be sold or exchanged. The percentage of ownership shall be reduced accordingly if and when an additional phase is included in the Regime. Upon the addition of any portion of the Additional Property to the Regime, Grantor shall execute and record an amendment to this Master Deed reallocating the undivided interests in the common elements, the liabilities for common expenses and the votes in the Council.

9. COUNCIL OF CO-OWNERS; LIEN FOR UNPAID ASSESSMENTS: The Horizontal Property Regime shall be administered by a Council

of Co-Owners (Council) which can be constituted as an eleemosynary corporation or ordinary corporation formed under the laws of South Carolina under a name designated by the Council of Co-Owners. The By-Laws of the Council are attached hereto as Exhibit G and, by reference, incorporated herein. If a lien for unpaid assessments is enforced by the Council, either by suit for damages or foreclosure, the Council shall be entitled to collect all costs of that action, including attorneys' fees. Should any first mortgage Lienholders take title to any apartment in the Regime by foreclosure or deed in lieu of foreclosure, the Lienholder shall not be liable for any unpaid or delinquent assessments attaching to such apartment, or for any assessments accruing during the Lienholder's ownership of the apartment, provided the Lienholder is actively attempting to sell the apartment. The Council of Co-Owners shall notify the first mortgage Lienholder of record, if any of unpaid assessments which have become liens against the apartment which is security for the first mortgage Lienholder.

10. FORECLOSURE: Where the mortgagee of any mortgage of record or other purchaser of an apartment obtains title at the foreclosure sale of such a mortgage, such acquirer of title, his successors and assigns, shall not be liable for the share of the common expenses or assessments by the co-owners chargeable to such apartment accruing after the date of recording such mortgage but prior to the acquisition of title to such apartment by such acquirer. Such unpaid share of common expenses or assessments

shall be deemed to be common expenses collectible from all of the apartment owners, including such acquirer, his successors and assigns.

11. INSURANCE:

(a) Hazard Insurance. The Board of the Council or the management agent if authorized by the Board pursuant to the By-Laws, shall be required to obtain and maintain, blanket property and flood insurance which shall insure for loss or damage due to fire, flood, lightning and wind damage, with extended coverage, in an amount equal to the maximum insurable replacement value of the Property. The Board shall have the authority to insure against other hazards and risks as it may deem desirable for protection of the Property. The hazard insurance shall cover all the buildings and improvements of the Property, including all of the Apartments, the interior partitions and painted surfaces, the carpeting within the Apartments, and the bathroom and kitchen fixtures initially installed therein by Grantor, (but not including drapes, wall-covering, fixtures, furniture, furnishings, or other personal property supplied or installed by the Co-Owners), together with all air conditioning equipment and other service machinery contained therein and covering the interests of the Regime, the Board of Directors and all Co-Owners and their mortgagees, as their interests may appear, each of the policies where appropriate shall contain a standard mortgagee clause in favor of each mortgagee of the

Apartment, which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Directors. Notwithstanding the foregoing, the hazard insurance policies shall be in the forms and amounts satisfactory to mortgagees holding first mortgages covering the Apartments, but without prejudice to the rights of the Co-Owners to obtain additional individual Apartment insurance at their own expense and for their own benefit. The flood insurance shall be the lessor of the maximum available under the National Flood Insurance Program or one hundred (100%) percent of the "current" replacement value of the property.

- (1) The carriers of the hazard and other property insurance must have a Best's Key Rating Guide of Class VI or better. All insurance policies must provide for at least ten (10) days prior notice of cancellation to be given to the Co-Owner and Mortgagee of the concerned property.
- (2) All hazard insurance policies obtained by the Board shall designate the Board as the named insured and as Insurance Trustee for the benefit of the Co-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.

- (3) All hazard insurance policies obtained by the Board shall provide for the issuance of Certificates of Insurance to each Co-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 Apartment is located. If an Apartment is mortgaged, a Certificate of Insurance shall be issued to the mortgagee(s) bearing a standard mortgagee endorsement, if requested.
- (4) If obtainable, all hazard insurance policies upon the Property shall include provisions waiving (i) any rights of the insurer to subrogation against the Council, its agents and employees, and against the individual Co-Owners and their servants, agents and guests, and (ii) any rights of the insurer to contribution from hazard insurance purchased by the Co-Owners upon the contents and furnishings of their Apartments.



(b) Public Liability Insurance. The Board shall obtain comprehensive public liability insurance in the minimum amount of \$1,000,000 and with other 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 Co-Owner and to liabilities of one Co-Owner to another Co-Owner.

(c) Fidelity Bonds. The Board may obtain fidelity bonds (or officers and directors insurance) for all officers, directors, trustees and employees of the Regime. If the Regime employs a management agent, it may also obtain a fidelity bond to cover the officers and employees of the agent who are responsible for the funds of the Regime. The Board shall use its best judgment to determine the amount of the fidelity bonds, however, the amount should not be less than the estimated maximum amount of funds and reserves.

(d) Insurance. The Board is authorized to obtain such additional insurance and for such additional purposes, including Workmen's Compensation if required by law or deemed advisable, to carry out its purposes and/or protect the Regime, the Co-Owners and their mortgagees.

(e) Premiums. All premiums upon insurance policies purchased by the Board may be assessed monthly as Common Expenses and be paid by the Board, unless the Board provides otherwise.

(f) Insurance by Co-Owner. Each Co-Owner shall be responsible for obtaining at his sole expense insurance covering the personal property, decorations and furnishings within his own Apartment, and the additions and improvements made by him to the Apartment. Each Co-Owner shall also be responsible for the safety of the premises within his Apartment. 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 Co-Owners as well as their agents, servants, employees, and guests, and (ii) any right of the insurer to contribution or proration because of the master hazard policy.

(g) 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.

12. RECONSTRUCTION AND REPAIR:

(a) Reconstruction. In the event of casualty loss or damage to the Property, the Board shall be responsible for the repair or reconstruction of the Property in accordance with the provisions of this Article and applying the proceeds of all

casualty insurance, if any, toward the repair work. Reconstruction or repair shall be mandatory unless two-thirds (2/3) or more of the Property is destroyed or substantially damaged. If two-thirds or more of the Property is destroyed or substantially damaged, unless the Co-Owners unanimously agree to reconstruction, the insurance proceeds received by the Board shall be distributed prorata to the Co-Owners and their mortgagees jointly in proportion to their respective interests in Common Elements. The remaining portion of the Property shall be subject to an action for partition at the suit of any Co-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 prorata among all Co-Owners and their mortgagees jointly in proportion to their respective interest in Common Elements. If less than two-thirds (2/3) of the Property is destroyed or substantially damaged, the Property shall be reconstructed or repaired in the following manner:

- 1) Any reconstruction or repair must follow substantially the original plans and specifications of the Property unless the Co-Owners holding seventy-five (75%) percent or more of the total interest in Common Elements vote to adopt different plans and specifications and all Co-Owners whose Apartments are affected by the alterations and all mortgagees holding first

mortgages covering the Apartments unanimously consent.

- 2) The Board shall promptly obtain estimates of the costs 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.
- 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 Co-Owners who units are directly affected by the damage in proportion to the value of their respective Apartments.
- 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 Co-Owners who paid special assessments in

proportion to their payments. Any balance remaining after such distribution shall be that of the Council.

(b) Insurance Trust. In the event of casualty loss to the 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 Co-Owners, and their respective mortgagees in the following shares:

- 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 Apartments.
- 2) Insurance proceeds paid on account of loss or damage to less than all of the Apartments, when the damage is to be restored, shall be held for the Co-Owners of the damaged Apartments in proportion to the costs of repairing each damaged Apartment.
- 3) Insurance proceeds paid when the Property is not to be restored shall be held for the benefit of

all Co-Owners, the share of each being equal to the undivided share in Common Elements appurtenant to his Apartment.

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

c) Adjustment. Each Co-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 Co-Owners.

13. EASEMENTS WITHIN REGIME:

(a) Each apartment and all general and limited common elements are hereby subjected to an easement for the repair, maintenance, expansion, reduction, inspection, removal, relocation or other service of or to all gas, electricity,

television, telephone, water, plumbing, sewer, utility, drainage or other lines or other common elements, whether or not the cause of any or all of those activities originates in the apartment in which the work must be performed.

(b) Each apartment owner shall have an easement in common with the other owners of all other apartments to use all pipes, wires, ducts, cables, conduits, public utility lines and other common facilities located in any of the other apartments and serving his apartment. Each apartment shall be subject to an easement in favor of the owners of all other apartments to use the pipes, ducts, cables, wires, conduits, public utility lines and other common facilities serving such other apartments and located in such apartment.

(c) The Board may hereafter grant easements or licenses for utility purposes for the benefit of the Property and Additional Property, including the right to install, lay, maintain, repair and replace water lines, pipes, sewer lines, gas mains, telephone and television wires and equipment and electrical conduits, and wires over, under, along and on any portion of the apartments and/or general and limited common elements; and each apartment owner hereby grants to the Board, or its designee, and irrevocable power of attorney to execute, acknowledge and record for and in the name of each apartment owner such instruments as may be necessary to effectuate the foregoing.

(d) In the event any Apartment or common element encroaches on any apartment or common element, a valid easement for the encroachment and maintenance of same is hereby created. No easement which may adversely effect the mortgagee interest of any first mortgage Lienholder shall be granted without the prior consent of such first mortgage Lienholder.

(e) So long as the option to add any portion of Additional Property to the Regime is unexpired or Grantor owns any Apartment primarily for the purpose of sale, Grantor and its duly authorized contractors, representatives, agents, and employees shall have an easement for the maintenance of signs and model Apartments on the Property, together with such other facilities as in the opinion of Grantor may be reasonably required, convenient or incidental to the completion, renovation, improvement, development, marketing and sale of the Apartments. Grantor, its successors and assigns, shall also have a transferable easement on, over, through, under and across the common elements for the purposes of (i) ingress and egress to and from the Property and the Additional Property; (ii) walking upon and driving and parking vehicles upon the Property, (iii) making improvements on the Property or on any portion of the Additional Property, including, without limitation, the installation, replacement, repair and maintenance of all utilities serving the Property or any portion of the Additional Property, and (iv) doing all things reasonably necessary and proper in connection



with making improvements on the Property or on any portion of the <sup>318</sup>  
Additional Property.

14. MAINTENANCE AND INSURANCE OF LIMITED COMMON ELEMENTS: Without limiting the insurance coverage carried by the Regime on limited common elements, the owner of an apartment shall be responsible for the maintenance, repair and replacement with comparable material of equal quality all limited common elements appurtenant to his apartment. The owner of an apartment may insure those limited common elements for his own interest. All parts of a condominium apartment shall be kept in good condition and repair by and at the expense of the owner. The apartment shall be maintained by the owner in a clean and safe condition, free of nuisance. Each apartment owner will promptly comply with any requirements of the insurance underwriters of the insurance for the common areas and facilities when so requested by the Board or its designated agent. If an owner fails to repair, maintain or replace any limited common element appurtenant to his apartment as may be required pursuant to the condominium documents or a determination by the board or its designated agent that such failure will endanger or impair the value of the common areas and facilities or any apartment belonging to another member or its common elements, said limited common elements may be repaired or replaced by the association at the expense of the apartment owner to be collected by special assessments as herein provided. Such assessments may include all costs, including attorneys' fees, the association incurred in the

abatement of any nuisance maintained by the apartment owner therein.

15. STRUCTURAL ALTERATIONS: Upon two-thirds vote of the Co-Owners, after submission to the Board of detailed plans and specifications and a fixed price contract for the proposed work at a duly called meeting of the Council, the board may be authorized to make, or have structural alterations made, in the general common elements and/or limited common elements; provided, however, that any structural alteration of all or part of the limited common elements shall be uniform. No Co-Owner may make any alteration in the general common elements or structural alteration of his apartment and/or the limited common elements appurtenant thereto without first having the plans and specifications therefor approved by the Board and depositing with said Board an amount of money sufficient, in the sole discretion of the Board, to defray all costs of modifying this Master Deed and recording said modification, including attorneys' fees. Notwithstanding any of the above provisions, no alteration or improvement of any of the common elements shall hinder or encroach upon the lawful rights of any Co-Owners or violate any provision of the South Carolina Horizontal Property Act.

16. RIGHT OF GRANTOR TO SELL OR LEASE AN APARTMENT OWNED BY IT AND RIGHT OF GRANTOR TO REPRESENTATION ON BOARD OF DIRECTORS: So long as the Grantor herein shall own an Apartment, it shall have the absolute right to lease, rent or sell any such

Apartment to any person, firm or corporation, upon any terms and conditions as it shall deem to be in its own best interests. Further, so long as Grantor is the owner of four (4) or more Apartments in the Regime, or has four (4) or more Apartments, which are located on either the Property or the Additional Property, for sale, it shall have the right to designate and select a majority of the persons who shall serve as members of the Board, and so long as Grantor is the owner of at least one (1) but not more than three (3) Apartments, or has one (1) but not more than three (3) Apartments, which are located on either the Property or the Additional Property for sale, it shall have the right to designate and select one (1) of the persons who shall serve as a member of the Board. Further, Grantor shall have the right to remove any person or persons selected by it to act and serve on said Board, and to replace such person or persons with another person or other persons to act and serve in place of any Director or Directors so removed for the remainder of the unexpired term of any Director or Directors so removed. Any Director designated and selected by Grantor need not be a Co-Owner or resident in the Regime.

The power of the Grantor to designate Directors, as above referred to, shall terminate on January 1, 1985. Any representative of the Grantor serving on the Board shall not be required to disqualify himself upon any vote, upon any management contract or other matter between the Grantor and the Council where Grantor may have a pecuniary or other interest. Similarly, Grantor, as

a member of the Council, shall not be required to disqualify itself in any vote which may come before the membership of the Council, upon any management contract or other matter between Grantor and the Council where Grantor may have a precuniary interest.

17. MANAGEMENT AGENT:

(a) Interim Management Agent and Assessments. From the date of the first conveyance of title by the Grantor to an owner until the date of the first Council meeting, the Grantor or its designee may serve as the Interim Management Agent with responsibility for coordinating all normal management services of the Council. During such period, the Interim Management Agent or its designee shall receive from each owner his monthly pro-rata share of the total projected operating expenses. During such period, the Grantor shall be responsible for all actual operating expenses above funds due from the owners.

(b) Regular Management Agent and Assessments. Upon selection by the Board of a Regular Management Agent and the adoption of the annual Regime budget by the Board, any excess of interim assessments over total actual operating expenses shall be deposited by Grantor to the account of the Council. The Interim Management Agent shall provide to the Regular Management Agent an accounting of operating revenues and expenses. After adoption of

the annual budget, the Grantor shall be subject to all assessments for any apartments still owned by it.

(c) Time of Payment. Each owner's pro-rata share of the operating expenses for the first month shall be payable at the time of conveyance of title to the owner. Subsequent payment shall be due on the first day of each month. Payments not received when due shall bear interest at the maximum legal rate. Any unpaid assessment or installment shall be a lien against the unpaying Co-Owner's Apartment and percentage interest in the Regime.

(d) Each apartment shall be exempt from the assessments created herein until such apartment is conveyed by the Grantor to an owner or an owner has occupied, whichever first occurs.

18. REGIME WORKING CAPITAL: At the time title is conveyed to an owner by the grantor, such owner shall contribute to the working capital reserve established by the Interim Management Agent an amount equal to two (2) monthly regime assessments. Such funds shall be used for initial operating and capital expenses of the Property, such as prepaid insurance supplies and the common space furnishings and equipment. At the time of selection of the Regular Management Agent, the Interim Management Agent shall pay to the account of the council all unused funds and shall provide an accounting of all revenues and

expenditures. The unused portion of the regime working capital shall become part of the reserve fund established for the Regime.

19. REGULATORY DOCUMENTS: The Regime shall be administered in accordance with the Master Deed, By-Laws of the Council and such other regulations as may from time to time be promulgated by the Council and/or Board.

20. RIGHT OF ACCESS: The association shall have the irrevocable right, to be exercised by its duly authorized officer or agent, to have access to each apartment and any common elements from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the common elements therein or accessible therefrom, and at any time for making emergency repairs therein necessary to prevent damage to the common elements or to another apartment or apartments.

21. AGREEMENTS BINDING UPON PROPERTY: All agreements and determinations lawfully made by the Council and Board of Directors in accordance with the voting percentages established in this Master Deed shall be deemed to be binding on all owners of apartments, their heirs, successors and assigns.

22. UNITS SUBJECT TO MASTER DEED AND RELATED DOCUMENTS: All present and future owners, tenants and occupants of apartments and their guests or invitees, shall be subject to, and

shall comply with, the provisions of the Master Deed and related documents as amended from time to time. The acceptance of a deed of conveyance or the entering into of a lease or the entering into occupancy of an apartment shall constitute an agreement that the provisions of the Master Deed and related documents are accepted and ratified by such owner, tenant or occupant; and all of such provisions shall be deemed and taken to be covenants running with the lands and shall bind any person having at any time any interest or estate in such apartment as though such provisions were made a part of each and every deed of conveyance or lease. Failure to comply with the provisions of those documents shall entitle the Council or any owner to seek legal and/or equitable relief.

23. AMENDMENT OF MASTER DEED: Except as to provisions required by the Act, this Master Deed may be amended by the vote of sixty-seven (67%) percent of the Co-Owners, and the approval of eligible holders holding mortgages on apartments which have at least sixty-seven (67%) percent of the votes of apartments subject to eligible mortgage holders, cast at a meeting duly held in accordance with the provisions of the By-Laws. No such amendment shall be effective until recorded in the Office of the Registrar of Deeds for the County wherein the Property is located. In no event may the Master Deed be amended so as to deprive the Grantor of any rights granted herein. Grantor reserves the right to make corrective changes in this Master Deed by recording an appropriate document.

24. ACTUAL LOCATION CONTROLS: In interpreting any and all provisions of this instrument, the exhibits attached hereto, and subsequent deeds and mortgages to individual apartments, the actual location of the apartment shall be deemed conclusively to be the property intended to be conveyed, reserved or encumbered notwithstanding any minor deviations, either horizontally or vertically, from the proposed locations as indicated on exhibits attached hereto. To the extent that such minor variations in location of the apartment shall exist, a valid easement therefor, and for the maintenance thereof, does and shall exist.

25. USE OF COMMON ELEMENTS: Each Co-Owner, tenant or occupant of an apartment may use the elements held in common in accordance with the purpose for which they are intended, without hindering or encroaching upon the lawful rights of the other Co-Owners, tenants or occupants.

26. AMENITIES AREA:

(a) The Regime is granted by this instrument a twelve twentieths (12/20) undivided interest in the "Amenities Area" described in Exhibit A. As additional phases of the Regime are developed, Grantor will convey additional interest, on a pro-rata basis, in the "Amenities Area" to the Regime. If for some reason twenty (20) apartments are not eventually built on the land described in Exhibit A and Exhibit B, Grantor reserves the right to convey whatever interest it has remaining in the "Amenities Area" to the Regime.



(b) Included in the "Amenities Area" is a swimming pool and deck area. Grantor, its successors and assigns, shall be responsible for its pro-rata share of the maintenance costs of the swimming pool and deck area and operating costs, such as pool chlorination and electricity, shall be paid by the Regime.

(c) Included also in the "Amenities Area" is a conference room which measures approximately 28 feet by 19 feet. The conference room shall have the following furnishings and equipment:

- 1) ice maker;
- 2) wet bar;
- 3) dishwasher;
- 4) conference table; and
- 6) 22 chairs.

It shall be the responsibility of the Regime to maintain the furnishings and equipment listed above in good working order. Any replacements of the above listed furnishings and equipment shall be with the same make or items of equal quality.

(d) The Regime Management Agent shall be responsible for reservations and maintenance for the conference room. The Board shall establish a reservation system for the conference room. Also, the Board may assess a clean-up fee against the users of the conference room. The rules and regulations established by the Board for the use of the conference room shall be sent by registered mail to each owner, after the adopting of the same or making any changes thereto.

27. INVALIDITY: The invalidity of any provisions of this Master Deed shall not impair or affect the validity and enforceability of the remainder of this Master Deed; and, in such event, all of the other provisions of this Master Deed shall continue in full force and effect as if such invalid provision had never been included.

28. WAIVER: No provisions contained in this Master Deed shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

29. LAW CONTROLLING: This Master Deed and the By-Laws attached hereto shall be construed under and controlled by the laws of the State of South Carolina.

30. WARRANTIES: THE ACCEPTANCE OF CONVEYANCE OF TITLE OR OCCUPANCY OF THE APARTMENT SHALL CONSTITUTE AN ACKNOWLEDGMENT BY THE APARTMENT OWNER THAT GRANTOR MAKES NO IMPLIED OR EXPRESS WARRANTIES RELATING TO THE APARTMENT OR THE COMMON AREAS AND FACILITIES, EXCEPT FOR SUCH WARRANTIES AS ARE SET FORTH IN THE GENERAL WARRANTY DEED TO THE APARTMENT AND AS MAY HAVE BEEN MADE IN AN INDIVIDUAL PURCHASE AGREEMENT BETWEEN GRANTOR AND A CO-OWNER.

IN WITNESS WHEREOF, Calibogue Associates, Ltd., a South Carolina Corporation, by the Hands and Seals of its corporate officers, has set its Hand and Seal this 1<sup>st</sup> day of March, 1983.

WITNESSES:

[Signature]  
Ellen Lewis

CALIBOGUE ASSOCIATES, LTD.,  
a South Carolina Corporation

BY: [Signature]  
Its President

ATTEST: [Signature]  
Its Secretary

**EXEMPT**

The development plan shown hereon is exempt from the requirements of the Beaufort County Development Standards

Ordinance according to the provisions in Article 2,  
Section 2.2 (5)

Certified by [Signature]

Date March 9, 1983

Beaufort County Joint Planning Commission

STATE OF SOUTH CAROLINA  
COUNTY OF CHARLESTON

PROBATE

323

PERSONALLY APPEARED before me Peggy Vonce,  
and made oath that s/he saw the within-named CALIBOGUE  
ASSOCIATES, LTD., a South Carolina Corporation, by J. B. Fraser,  
Jr., its President and attested by J. Simon Fraser, its Secretary  
sign, seal and, as its act and deed, deliver the within-written  
Master Deed for the uses and purposes therein mentioned and that  
s/he with To Ellen Lewis, witnessed the  
execution thereof.



SWORN TO BEFORE ME THIS  
15<sup>th</sup> day of MARCH, 1983.

To Ellen Lewis (SEAL)  
Notary Public for South Carolina  
My Commission Expires: 10/1/89

## EXHIBIT "A"

330

Gleneagle Green  
Horizontal Property Regime No. 26

PROPERTY DESCRIPTION

All that certain piece, parcel or tract of land, situate, lying and being in Sea Pines Plantation on Hilton Head Island, Beaufort County, South Carolina, and being more particularly shown and described as Tract "A", 1.279 Acres on a plat of "2.718 Acres, Sea Pines Service Area, A Section of Sea Pines Plantation", dated March 8, 1982 and revised June 16, 1982, and June 28, 1982 prepared by Jerry L. Richardson, S.C. Reg. L.S. No. 4784 of Coastal Surveying Co., Inc. and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina in Plat Book 30 at Page 134, and more particularly described as follows:

Commencing at the POINT OF COMMENCING as designated on the above-referenced plat, thence S 26° 53'00" W for a distance of 89.88 feet to a point, thence S 60°05'01"W for a distance of 112.39 feet to a point, thence N 34°08'00" W for a distance of 120.68 feet to a point, thence S 55°52'00" W for a distance of 445.84 feet to an iron pin, thence continuing S 55°52'00" W for a distance of 100.00 feet to an iron pin, which is the POINT OF BEGINNING, thence S 03°43'28" W for a distance of 398.97 feet to an iron pin, thence S 55° 52'00" W for a distance of 166.70 feet to an iron pin, thence N 01°21'00" E for a distance of 386.84 feet to an iron pin, thence N 55°52'00" E for a distance of 187.00 feet to an iron pin, which is the POINT OF BEGINNING.

ALL that certain piece, parcel or tract of land, situate, lying and being in Sea Pines Plantation on Hilton Head Island, Beaufort County, South Carolina, and being more particularly shown and described as Parcel 1, 0.115 Acres on a plat of "1.439 Acres, Sea Pines Service Area, A Section of Sea Pines Plantation", dated March 8, 1982 and revised June 16, 1982, June 28, 1982, and July 19, 1982, prepared by Jerry L. Richardson, S.C. Reg. L.S. No. 4784 of Coastal Surveying Co., Inc. and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina in Plat Book 30 at Page 144, and more particularly described as follows:

Commencing at the POINT OF COMMENCING as designated on the above-referenced plat thence S 26° 53'00" W for a distance of 89.88 feet to a point, thence S 60°05'01"W for a distance of 112.39 feet to a point, thence N 34°08'00" W for a distance of 120.68 feet to a point, thence S 55°52'00" W for a distance of 445.84 feet to an iron pin, thence continuing S 55° 52'00" W for a distance of 100.00 feet to an iron pin, which is the POINT OF BEGINNING, thence S 55°52'00" W for a distance of 187.00 feet to an iron pin, thence N 01°21'00" E for a distance of 66.00 feet to an iron pin, thence N 75°44'19" E for a distance of 158.10 feet to an iron pin, which is the POINT OF BEGINNING.

Together with all rights of Calibogue Associates, Ltd., under that certain Easement covering the Amenities Area as designated on the above-reference plat entitled "1.439 Acres, Sea Pines Service Area, A Section of Sea Pines Plantation", prepared by Jerry L. Richardson, R.L.S., said rights being created by Calibogue Associates, Ltd. under said Easement dated July 20, 1982, to be recorded along with this Mortgage.

EXHIBIT "A" (Continued)

Expressly included within this conveyance is a twelve-twentieths (12/20) undivided interest in the Amenities Area shown and described as "Amenities Area, 0.308 Ac." on a plat of "1.439 Acres, Sea Pines Service Area, A Section of Sea Pines Plantation", dated March 8, 1982 and revised June 16, 1982, June 28, 1982, and July 19, 1982, prepared by Coastal Surveying Co., Inc. and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina in Plat Book 30 at Page 144.

ALSO, Grantor expressly grants within this conveyance an non-exclusive easement for ingress and egress over all roadways, walkways and parking areas presently and hereinafter constructed over and across the property designated as "Parcel 2, 1.016 Ac." on the above described plat recorded in Plat Book 30 at Page 144.

The within property is conveyed subject to all easements, covenants, restrictions, etc. of record in the Office of the Clerk of Court for Beaufort County, South Carolina and is further conveyed subject to a certain Easement recorded in said Clerk's Office in Deed Book 351 at Page 991.

FURTHER amplification and not in limitation of the above provisions, the within property is conveyed subject to all covenants, restrictions, easements, assessments and other provisions as recorded in said Clerk's Office in Deed Book 124 at Page 35 and as may be amended, Deed Book 224 at Page 1036 and as may be amended, Deed Book 244 at Page 1222 as modified by Deed Book 351 at Page 968, Deed Book 144 at Page 155, Deed Book 351 at Page 989.

Grantor expressly SAVES AND EXCEPTS unto itself, its successor and assigns, and its grantees, their heirs, successors and assigns, the non-exclusive easements referenced in Paragraph 13(e) of the Master Deed.

[REDACTED SECTION]

*[Handwritten mark]*

STATE OF SOUTH CAROLINA ) FIRST AMENDMENT TO MASTER DEED  
 ) ESTABLISHING GLENEAGLE GREEN  
COUNTY OF BEAUFORT ) HORIZONTAL PROPERTY REGIME NO. 26

WHEREAS, CALIBOGUE ASSOCIATES, LTD, a South Carolina Corporation, is the sole owner of the fee simple title to property located in the County and State aforesaid and desires to submit such of that property as specifically described herein to a Horizontal Property Regime according to the laws of the State aforesaid and subject to the conditions and restrictions contained herein; and

WHEREAS, CALIBOGUE ASSOCIATES, LTD. has already established the Gleneagle Green Horizontal Property Regime No. 26 by a Master Deed dated March 1, 1983, and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina on March 9, 1983 in Deed book 365 at Page 294; and

WHEREAS, Paragraph 3 of said Master deed contains provisions whereby CALIBOGUE ASSOCIATES, LTD. ("Grantor") can elect to submit Phase II of Gleneagle Green to the Gleneagle Green Horizontal Property Regime No. 26.

NOW THEREFORE, in consideration of the premises and the benefit expected to flow to it as a result of the submission of the property to the Gleneagle Green Horizontal Property Regime No. 26;

KNOW ALL MEN BY THESE PRESENTS that CALIBOGUE ASSOCIATES, LTD., for itself, its successors and assigns, hereby submits Phase II and the land and all improvements thereon, and to be constructed thereon, described in Exhibit A, attached hereto and, by reference, incorporated herein, to the Gleneagle Green Horizontal Property Regime No. 26 according and subject to the terms, provisions, covenants and restrictions contained in said Master Deed Establishing Gleneagle Green Horizontal Property Regime No. 26, and the S.C. Code Ann. (1976), ss 27-31-10 through 27-31-300, Horizontal Property Act (Act) as it is now constituted and as it may from time to time be amended; provided, however, that such submission shall be and is further subject to the

conditions, provisions and restrictions contained herein, all of which shall run with the land.

1. NAME: The property described herein shall hereafter be part of the Gleneagle Green Horizontal Property Regime No. 26 (Regime).

2. DESCRIPTION OF PROPERTY AND BUILDING: The land is described in Exhibit A. The building is described in the plans prepared by Lee, McCleskey, Miller, Inc., Architects, a copy of which is recorded in the Office of the Clerk of Court for Beaufort County South Carolina as shown in Exhibit "C", attached hereto and, by reference, incorporated herein. There exists on the Phase II property three (3) multi-unit buildings, two of which contain two (2) apartments (townhouses) each and one (1) building which contains four (4) apartments (townhouses), for a total of eight (8) apartments. The apartments contain approximately 12,278 square feet.

3. GENERAL COMMON ELEMENTS: All portions of the Regime that are not apartments are Common Elements. Those portions of the Common Elements that are not assigned to certain Apartment or Apartments as set forth below, are hereby designated General Common Elements. In addition to those defined in the Act, the following shall be General Common Elements:

(a) All lobbies, common storage areas, roads, driveways, parking areas, non-load bearing walls (except for those located entirely within an Apartment), swimming pool, pool deck, pool equipment house, decks (except for those portions of the decks hereinafter declared to be Limited Common Elements), conference room (including plumbing, heating, and ventilation equipment located in or serving such building) and any common mailbox facilities, signs and grounds.

(b) Compartments for, and installations of, common telephone, television and/or cable television, sewer and sewer lift stations and equipment, irrigation lines trash disposal facilities.



4. LIMITED COMMON ELEMENTS: The Limited Common Elements appurtenant to each Apartment are hereby designated Limited Common Elements and reserved for the exclusive use of said Apartment or Apartments. The Limited Common Elements are as follows:

(a) The surface areas and railings of all decks and porches accessible by normal means solely from a specific Apartment;

(b) All material, including but not limited to, studs, sheetrock and plywood, attached to or on the inside surface of perimeter walls, floors and ceilings of a specific Apartment;

(c) All doors, windows, screens, ventilation fans and vents located in the perimeter walls, floors or ceilings of a specific Apartment; and

(d) All air-handling units, condensers, ducts and components serving a specific Apartment and all water, power, telephone, television and cable television, electricity, plumbing, gas (if applicable) and sewer lines located in an Apartment or in the walls thereof; provided, however, that the portion of said lines located in a common compartment for, or installation of, such lines shall be General Common Elements as described above.

Such Limited Common Elements may be reassigned at any time and from time to time, provided that any and all such reassignments shall be made in accordance with the provisions of the Act and the Master Deed. A Common Element not previously assigned as a Limited Common Element may be so assigned upon (i) written application to the Council by the Apartment Owner, or Apartment Owners for whose exclusive use of such Limited Common Elements is requested, (ii) the approval of Apartment Owners to which at least sixty-seven percent (67%) of the voting percentage of the Council is allocated, (iii) the consent of the First Mortgagees holding mortgages on the Apartments to which fifty-one percent (51%) of the votes appertaining to Apartments subject to first-in-priority mortgages appertain. Upon such application, approval and consent, the Board shall prepare and execute an

Amendment to the Master Deed assigning the rights and obligations with respect to such Limited Common Element. Such amendment shall be delivered and become effective in accordance with the provisions of the Act.

5. DESCRIPTION OF APARTMENTS: An Apartment (as defined in the Act) is generally described and each type of Apartment is specifically described in Exhibit D, attached hereto and, by reference, incorporated herein. The graphic description and area of each Apartment is shown in Exhibit C. The location within the building and number of each Apartment is shown in Exhibit F, attached hereto and, by reference, incorporated herein.

6. PLOT PLANS AND FLOOR PLANS: The plot plan showing the location of the Building and improvements is recorded in the Office of the Clerk of Court for Beaufort County, South Carolina in Plat Book \_\_\_\_\_ at Page \_\_\_\_\_. The floor plans showing the dimensions and area of each type of Apartment are shown by Exhibit C. The floor plans showing the dimensions, areas and locations of General Common Elements affording access to each Apartment are identified by Exhibit C.

7. PERCENTAGE OF OWNERSHIP: The value of each Apartment, the value of all Apartments and the percentage of ownership for purposes of ownership of the General Common Elements and liability for Common Expenses, assessments and voting are shown in Exhibit E, attached hereto and, by reference, incorporated herein. This Amendment and Exhibit E attached hereto shall also serve as a corrective amendment to the Master Deed and Exhibit E therein. The Co-owner percentage interest in the Common Elements shown in Exhibit E attached hereto shall be controlling.

8. This Amendment to the Master Deed establishing Gleneagle Green Horizontal Property Regime No. 26 shall subject Phase II of Gleneagle Green to all the rights, benefits and limitations of the covenants, restrictions and warranties contained in the Master Deed.

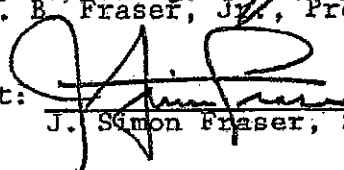
9. This Amendment shall also serve as the Declaration described in Paragraph 3(B) of the Master Deed establishing Gleneagle Green Horizontal Property Regime No. 26.

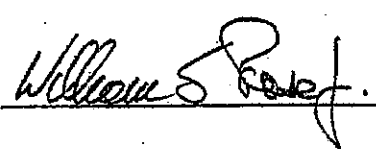
10. The architect's certificate of substantial completion (Exhibit C) for apartment numbers 2538, 2537, 2532 and 2531 shall be submitted at a later time by an amendment to the Master Deed.

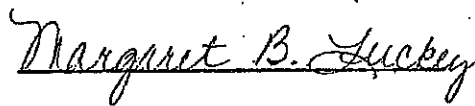
IN WITNESS WHEREOF, CALIBOGUE ASSOCIATES, LTD., a South Carolina Corporation, by the Hands and Seals of its Officers, has set its Hand and Seal this 4<sup>th</sup> day of May, 1984.

CALIBOGUE ASSOCIATES, LTD,  
A South Carolina Corporation

By:   
J. B. Fraser, Jr., President

Attest:   
J. Simon Fraser, Secretary





STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF BEAUFORT )

PROBATE

PERSONALLY APPEARED before me William S. Rose, Jr.  
and made oath that s/he saw the within-named CALIBOGUE ASSOCIATES,  
LTD., by J. B. FRASER, JR., its President, and J. SIMON FRASER,  
its Secretary sign, seal and, as its act and deed, deliver the  
within-written Master Deed Amendment for the uses and purposes  
therein mentioned and that s/he with Margaret B. Luckey witnessed  
the execution thereof.

William S. Rose, Jr.

SWORN TO BEFORE ME THIS 4<sup>th</sup>  
day of May, 1984.

Margaret B. Luckey (SEAL)  
Notary Public for South Carolina

My Commission Expires: 3/2/88

EXHIBIT A

GLENEAGLE GREEN  
HORIZONTAL PROPERTY REGIME NO. 26

PROPERTY DESCRIPTION

ALL that certain piece, parcel or tract of land, situate, lying and being in Sea Pines Plantation on Hilton Head Island, Beaufort County, South Carolina, and being more particularly shown and described as Parcel 2, 1.016 Acres on a plat of "1.439 Acres, Sea Pines Service Area, A Section of Sea Pines Plantation," dated March 8, 1982, and revised June 16, 1982, June 28, 1982, and July 19, 1982, prepared by Jerry L. Richardson, S. C. Reg. L.S. No. 4784 of Coastal Surveying Co., Inc. and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina in Plat Book 30 at Page 144, and more particularly described as follows:

Commencing at the POINT OF COMMENCING as designated on the above-referenced plat thence S26°53'00"W for a distance of 89.88 feet to a point, thence S60°05'01"W for a distance of 112.39 feet to a point, thence N34°08'00" W for a distance of 120.68 feet to a point, thence S55°52'00"W for a distance of 100.00 feet to an iron pin, which is the POINT OF BEGINNING, thence N09°22'W for a distance of 271.35 feet to an iron pin; thence N88°56'05"W for a distance of 33.48 feet to an iron pin; thence S70°58'00"W for a distance of 150.00 feet to an iron pin; thence S19°02'00"E for a distance of 207.63 feet to an iron pin; thence S0°21'00"W for a distance of 62.12 feet to an iron pin; thence N75°44'19"E for a distance of 158.10 feet to the POINT OF BEGINNING.

Together with all rights of CALIBOGUE ASSOCIATES, LTD., under that certain Easement covering the Amenities Area as designated on the above referenced plat entitled "1.439 Acres, Sea Pines Service Area, A Section of Sea Pines Plantation," prepared by Jerry L. Richardson, R.L.S., dated July 20, 1982, and recorded in Deed Book 351 at Page 991 in the Office of the Clerk of Court for Beaufort County, South Carolina.

Together with that certain Perpetual Non-exclusive Easement shown as Easement No. 1, 0.518 acre on a plat dated September 3, 1982, and entitled "Sea Pines Center, 2.382 Acres, Various Easements, a Section of Sea Pines Plantation," prepared by Jerry L. Richardson, S.C. R.L.S. No. 4784, said plat being recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Plat Book 31 at Page 4, and as may be amended.

Expressly included within this conveyance is an eight-twentieths (8/20) undivided interest in the Amenities Area shown and described as "Amenities Area, 0.308 Ac." on a plat of "1.439 Acres, Sea Pines Service Area, A Section of Sea Pines Plantation," dated March 8, 1982 and revised June 16, 1982, June 28, 1982, and July 19, 1982, prepared by Coastal Surveying Co., Inc. and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina in Plat Book 30 at Page 144.

The within property is conveyed subject to all easements, covenants, restrictions, etc. of record in the Office of the Clerk of Court for Beaufort County, South Carolina and is further conveyed subject to a certain Easement recorded in said Clerk's Office in Deed Book 351 at Page 991.

EXHIBIT "B"

332

GLENEAGLE GREEN  
HORIZONTAL PROPERTY REGIME

LEGAL DESCRIPTION OF ADDITIONAL PROPERTY NO. 26

The Additional Property on which all future phases of the Regime may be built and incorporated into Gleneagle Green Horizontal Property Regime No. 26 pursuant to the provisions in Article III of the Master Deed, is as follows:

ALL that certain piece, parcel or tract of land, situate, lying and being in Sea Pines Plantation on Hilton Head Island, Beaufort County, South Carolina, and being more particularly shown and described as "Parcel 2, 1.016 Ac." on "a plat of 1.439 Acres, Sea Pines Service Area, A Section of Sea Pines Plantation", dated March 8, 1982 and revised 6/16/82, 6/28/82, and 7/19/82, prepared by Coastal Surveying Co., Inc. and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina in Plat Book 30 at Page 144.

EXHIBIT "C"

GLENEAGLE GREEN

HORIZONTAL PROPERTY REGIME NO. 26

See Plans on record in the Office of the Clerk of Court for Beaufort County in Plat Book 31 at Page 65, and Plat Book N/A at Page N/A.

The undersigned, Lee, McCleskey, Miller, Inc., formerly Lee and Partners, Architects, authorized and licensed in the State of South Carolina hereby certifies that the Plans of Gleneagle Green Horizontal Property Regime No. 26, identified above, fully and accurately, within reasonable construction tolerances, depicts the layout and dimensions of Phase I, Apartments 2539 through 2550, and its common elements, limited common elements, and apartments shown therein.

LEE, MCCLESKEY, MILLER, INC.

By: Samuel L. McCleskey

Its: partner / Vice-President

Robert S. Johnson  
J. Simon Fresa

STATE OF SOUTH CAROLINA )  
COUNTY OF BEAUFORT )

PROBATE

PERSONALLY appeared before me Robert S. Johnson who made oath that s/he saw the within-named LEE, MCCLESKEY, MILLER, INC., by Samuel L. McCleskey, its Vice-President, sign, seal and as its act and deed, deliver the foregoing certificate and that s/he with J. Simon Fresa witnessed the execution thereof.

Robert S. Johnson

SWORN TO BEFORE ME THIS 1<sup>st</sup> day of March, 1983.

J. Simon Fresa (SEAL)  
Notary Public for South Carolina  
My Commission Expires: 6/21/89

GLENEAGLE GREEN  
HORIZONTAL PROPERTY REGIME NO. 26

The apartments include (a) the space enclosed by the unfinished surfaces of perimeter and interior walls, ceilings and floors thereof, including vents, doors, windows and such other structural elements that ordinarily are regarded as enclosures of space; (b) all interior dividing walls and partitions (including the space occupied by such walls or partitions); and (c) the decorated inner surfaces of said perimeter and interior walls (including the decorated inner surfaces of all load-bearing walls) and floors, ceilings, consisting (as the case may be) of paint, gypsum board, carpeting, tiles and all other furnishing materials and fixtures affixed or installed and for the sole and exclusive use of any dwelling space, commencing at the point of disconnection from the structural body of the building and from utility lines, pipes or systems serving the dwelling space. No pipes, wires, conduits or other public utility lines or installations constituting a part of the overall systems designed for the service of any particular dwelling space of a building, nor any property of any kind, including fixtures and appliances within any apartment, which are not removable without jeopardizing the soundness, safety or usefulness of the remainder of the building shall be deemed to be a part of any apartment.

The Gleneagle Green Villas Buildings A, B, & C contain twelve (12) apartments, Six (6) of which are two-bedroom townhouses (2540, 2541, 2544, 2545, 2548, 2549) and six (6) of which are three bedroom townhouses (2539, 2542, 2543, 2546, 2547, 2550).

Two Bedroom Townhouses

There are six two-bedroom townhouses; all are located at the center portion of each of the three, four unit buildings. All are essentially separate. The south end apartments being mirror images of the north end apartments in each building. Each apartment contains approximately 1452.34 Square Feet, plus a partially covered entry deck and two partially covered exterior decks accessible from the living area and breakfast area.

The apartment is entered from an open air entry deck which contains approximately 30 square feet. Entry into the unit itself is made into a foyer which contains approximately 67 square feet which connects to a hall which contains approximately 70 square feet. Toward the front of the apartment, off hall # 1 is a closet with approximately 7.75 square feet, a powder room with approximately 33.35 sq. ft. and a kitchen with approximately 85.36 sq. feet. The kitchen is furnished with, dishwasher, disposal, refrigerator with ice maker, cook top stove, double ovens, all of which are all-electrical. To the rear of the kitchen is a breakfast area with approximately 53.36 square feet. Just off of the breakfast area is a laundry containing a washer and dryer, both electric, with approximately 40 sq. ft. and off the laundry is a pantry closet with 12 sq. ft. Also, off the breakfast area is a breakfast deck which contains approximately 64 sq. ft.

Toward the back of the apartment, off of hall # 1, is the dining area with approximately 88 square feet. At the end of the hall is the living area with approximately 306 square feet. Off of this living area is a deck and stairs down to grade level which have approximately 100 sq. ft. and 20 sq. ft. respectively.

Opposite the dining area, across hall # 1 is an owners closet with approximately 15 square feet which (contains the water heater) and a stairwell up to the 2nd level with approximately 60 sq. ft.



The second level contains a connecting bridge between the two bedrooms and bath. The bridge has approximately 43 square feet. The bridge overlooks the dining area on one side and the entry foyer to the other side. Bedroom # 2 is located toward the front of the apartment and contains approximately 163 square feet. Off of Bedroom # 2 is a walk-in closet and a bath # 2 with approximately 26.65 sq. ft. and 50.47 square feet respectively.

Toward the back of the apartment, opposite bedroom # 2, down the bridge, up two risers, is the master bedroom with approximately 218.23 sq. ft. with two closets either side of the master bath entry, one closet contains approximately 11.65 sq.ft. and the other contains approximately 15.91 sq. ft.

Off of the master bedroom between the two closets is the entry to the main portion of the master bedroom with approximately 60 sq. ft. Just off the main portion of the master bedroom is a separate compartment with shower and toilet with approximately 28.25 sq. ft.

### Three Bedroom Townhouses

There are six three bedroom townhouses. All are located at the ends of each of the three bedroom separate four unit buildings. All are essentially identical, with the exception that the three bedroom townhouse at the south end of Building A was modified with the addition of a masonry fireplace in the living room and a wet bar off of the dining area hall. The sound end apartments being mirror images of the north end apartments, in each building. Each apartment contains approximately 1661.42 sq. ft. plus a partially covered entry deck and two partially covered exterior decks accessible from the living area and breakfast area.

The apartment is entered from an open air entry deck which contains approximately 40 sq. ft. Entry into the unit itself is made into foyer which contains approximately 50.23 sq. feet., a closet is off the foyer which contains approximately 7.76 square ft., which connects to a hall which has approximately 44 square feet.

Off of hall # 1 is the kitchen with approximately 85.36 sq. feet. The kitchen is furnished with, dishwasher, disposal, referigerator with ice maker, cook top stove, double ovens, all of which are all-electric. To the rear of the kitchen is a breakfast area with approximately 53.36 square feet. Just off of the breakfast area is a breakfast deck which contains approximately 64 sq. ft.

Opposite the kitchen entrance off of hall # 1 is bedroom # 3 with approximately 161.89 sq. ft. and a closet with approximately 12.66 sq. ft. off of bedroom # 3 and hall # 1 is bath # 3 which has approximately 47 sq. ft.

Also off of hall # 1 toward the back of the apartment is the dining area with approximately 88 square feet. At the end of the hall is the living area with approximately 306 sq. ft. Just off this living area is a deck and stairs down to grade level which have approximately 182 square feet and 20 square feet respectively.

Opposite the dining area across hall # 1 is an owners closet with approximately 15 sq. feet (which contains the water heater) and a stairwell up to the second level with approximately 60 sq. feet.

The second level contains a connecting bridge between the two bedrooms and baths a laundry. The bridge has approximately 43 square feet and overlooks the dining area on one side. The laundry is located at the top of the stair off the bridge. The laundry has approximately 39 sq. ft. with a closet of approximately 10 sq. feet.

Bedroom # 2 is located toward the front of the apartment and contains approximately 163 square feet. Off of bedroom # 2 is a walk-in closet and a bath # 2 with approximately 25.65 sq.ft and 50.47 square feet respectively.

Toward the back of the apartment, opposite bedroom # 2, down the bridge, up two risers, is the master bedroom with approximately 218.23 sq. ft. with two closets either side of the master bath entry, one closet contains approximately 11.65 sq.ft. and the other contains approximately 15.91 sq. ft.

Off of the master bedroom between the two closets is the entry to the main portion of the m. bathroom with approximately 60 sq. ft. Just off the main portion of the master bedroom is a separate compartment with shower and toilet with approximately 28.25 sq. ft.

GLENEAGLE GREEN

HORIZONTAL PROPERTY REGIME 26

CO-OWNER PERCENTAGE INTEREST IN THE COMMON ELEMENTS

<u>APT. NO.</u>	<u>VALUE</u>	<u>% INTEREST AFTER PHASE I</u>	<u>% INTEREST AFTER PHASE II</u>	<u>% INTEREST AFTER PHASE III</u>
2539	\$ 230,000	8.814%	6.609%	5.287%
2540	205,000	7.853%	5.891%	4.713%
2541	205,000	7.853%	5.891%	4.713%
2542	230,000	8.814%	6.609%	5.287%
2543	230,000	8.814%	6.609%	5.287%
2544	205,000	7.853%	5.891%	4.713%
2545	205,000	7.853%	5.891%	4.713%
2546	230,000	8.814%	6.609%	5.287%
2547	230,000	8.814%	6.609%	5.287%
2548	205,000	7.853%	5.891%	4.713%
2549	205,000	7.853%	5.891%	4.713%
2550	230,000	8.824%	6.609%	5.287%
	<u>\$2,610,000</u>	<u>100.00%</u>	<u>75.00%</u>	<u>60.00%</u>

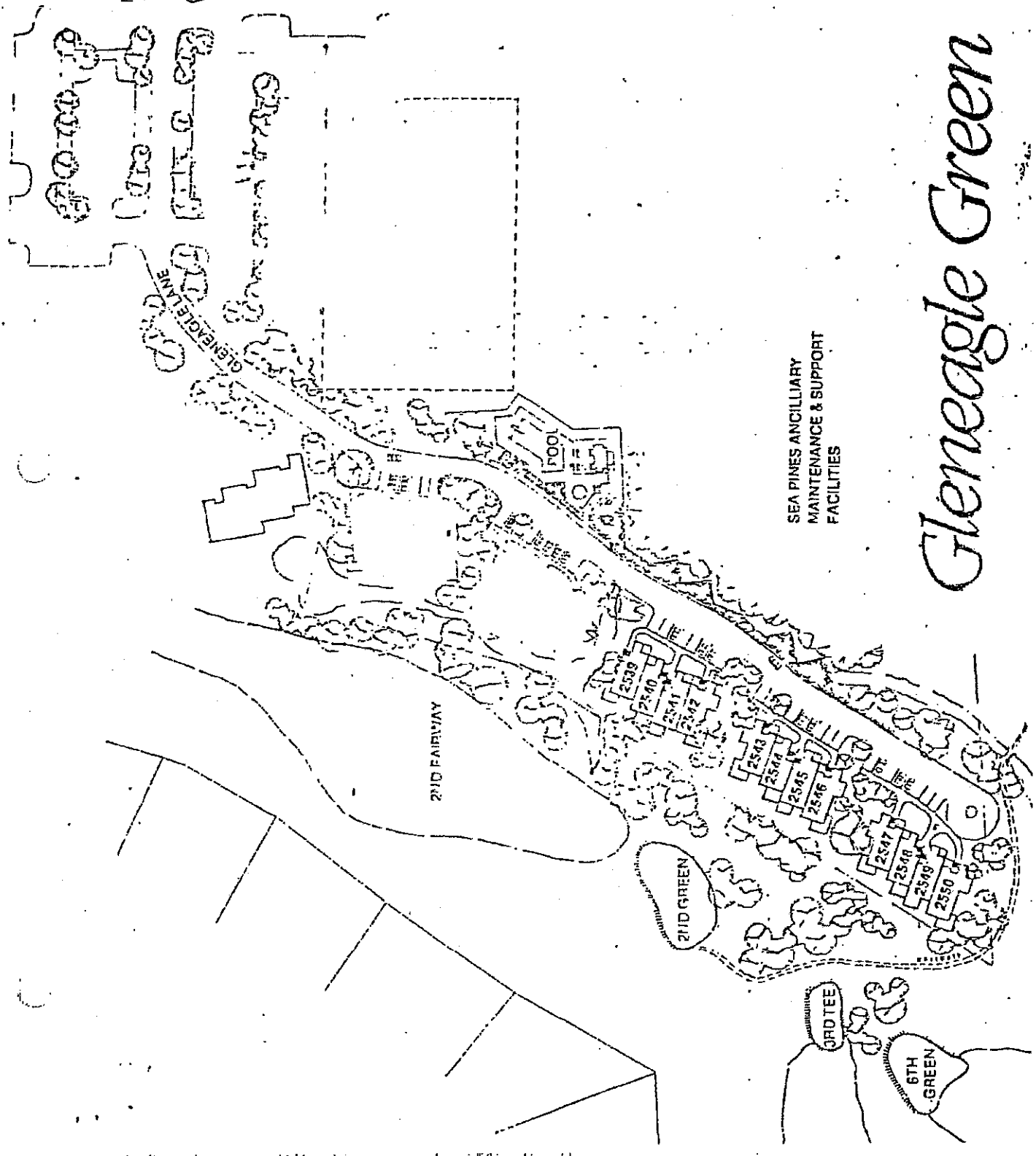
TO HARBOUR TOWN

LIGHTHOUSE RUN

EXHIBIT "F"

GLENEAGLE GREEN  
HORIZONTAL PROPERTY REGIME NO. 26

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*Gleneagle Green*

*MAUREEN MAEVID*

## EXHIBIT "G"

## BY-LAWS OF GLENEAGLE GREEN

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## HORIZONTAL PROPERTY REGIME NO. 26

ARTICLE I

## PLAN OF APARTMENT OWNERSHIP

Section 1. Horizontal Property Regime. The Property (the term "Property" as used herein means and includes the land, the buildings, all improvements and structures thereto) located on Hilton Head Island, Beaufort County, South Carolina, known as GLENEAGLE GREEN HORIZONTAL PROPERTY REGIME NO. 26 has been submitted, by Master Deed, to the provisions of the Horizontal Property Act of South Carolina, and is to be henceforth known as "GLENEAGLE GREEN HORIZONTAL PROPERTY REGIME NO. 26" (hereinafter referred to as the "Regime").

Section 2. By-Laws Applicability. The provisions of these By-Laws are applicable to the Property and the Regime.

Section 3. Personal Application. All present or future Co-Owners, tenants, future tenants, or their employees, or any other person that might use the facilities of the Property in any manner, are subject to the regulations set forth in these By-Laws in the Master Deed establishing said Regime. For the purpose of this document, a "Co-Owner" is defined and shall mean an owner or owners of an individual Apartment within the Regime. The mere

## EXHIBIT "F"

## GLENEAGLE GREEN

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## HORIZONTAL PROPERTY REGIME NO. 26

## BY-LAWS

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acquisition or rental of any of the Apartments (also referred to herein as " Dwelling Unit(s)" or " Dwelling(s)") as defined in the Master Deed of the Property or the mere act of occupancy of any of said Apartments will signify that these By-Laws, the provisions of the Master Deed and the provisions of the Declaration of Restrictions will be complied with.

## ARTICLE II

### VOTING, MAJORITY OF CO-OWNERS, QUORUM, PROXIES

Section 1. Voting. Voting shall be on a percentage basis and the percentage of the vote to which the Co-Owner is entitled is the percentage assigned to the Apartment or Apartments in the Master Deed.

Section 2. Majority of Co-Owners. As used in these By-Laws, the term "majority of Co-Owners" shall mean those Co-Owners holding 51% or more of the total value of the Property, in accordance with the percentages assigned in the Master Deed.

Section 3. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a majority of Co-Owners as defined in Section 2 of this Article shall constitute a Quorum. Any motion shall carry if it received the affirmative vote of a majority of Co-Owners at a duly called meeting, unless a different majority is specified in the Master Deed or in the By-Laws.



Section 4. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

### ARTICLE III

#### ADMINISTRATION

Section 1. Council Responsibilities. The Co-Owners of the Apartments will constitute the Council of Co-Owners (hereinafter usually referred to as "Council") who will have the responsibility of administering the Property, approving the annual budget, establishing and collecting periodic assessments and arranging for the management of the Property pursuant to an agreement, containing provisions relating to the duties, obligations, removal and compensation of the management agent. Except as otherwise provided, decisions and resolutions of the Council shall require approval by a majority of Co-Owners.

Section 2. Place of Meetings. Meetings of the Council shall be held at such place, convenient to the Co-Owners as may be designated by the Council.

Section 3. Annual Meetings. The annual meetings of the Council shall be held at the call of the Regime President once a year. Annual meeting date shall be established at the original meeting.

At such meetings there shall be elected by ballot of the Co-Owners a Board of Directors in accordance with the requirements of Section 4 of Article IV of these By-Laws. The Co-Owners may also transact such other business of the Council as may properly come before them.

Section 4. Special Meetings. It shall be the duty of the Regime President to call a special meeting of the Co-Owners as directed by resolution of the Board of Directors or upon a petition signed by a majority of Co-Owners and having been presented to the Regime Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths of the votes present, either in person or by proxy.

Section 5. Notice of Meetings. It shall be the duty of the Regime Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Co-Owner of record and to each first mortgage Lienholder of record, at least ten but not more than thirty days prior to such meeting. The mailing of a notice in the manner provided in this Section shall be considered notice served.

Section 6. Adjourned Meeting. If any meeting of the Council cannot be organized because a quorum has not attended, the

Co-Owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 7. Order of Business. The order of business at meetings of the Council shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Reports of committees.
- (f) Review financial statement and monthly Regime charges.
- (g) Election of administrators.
- (h) Election of Management Agent.
- (i) Unfinished business.
- (j) New business.

The order of business at all special meetings of the Council shall include items (a) through (d) above, and thereafter, the agenda shall consist of the items specified in the notice of meeting.

Section 8. Incorporation. The Council of Co-Owners shall be incorporated as a non-profit corporation under the laws of the

State of South Carolina. The name of the corporation shall be "Gleneagle Green Horizontal Property Regime, Inc."

ARTICLE IV

BOARD OF DIRECTORS

Section 1. Number and Qualification. The affairs of the Council shall be governed by a Board of Directors (hereinafter referred to as the "Board") comprised of five (5) persons, all of whom must be Co-Owners of Apartments in the Property, except as otherwise provided in the Master Deed. The Council can increase or decrease the number of Directors and set their terms by a majority vote at a duly called regular or special meeting.

Section 2. General Powers and Duties. In addition to duties imposed by these By-Laws or by resolutions of the Council, the Board shall be responsible for the following.

- (a) Compliance with all of the terms and conditions of the Master Deed and enforcement of same.
- (b) Care, upkeep and surveillance of the Property and the common elements.
- (c) Collection of assessments from the Co-Owners.
- (d) Employment, dismissal and control of the personnel necessary for the maintenance and operation of the common elements.
- (e) Representing the Council of Co-Owners in any legal or administrative action, including

condemnation proceedings, against the Regime,  
Council of Co-Owners or Board of Directors.

Section 3. Management Agent. The Board may employ a Management Agent at a compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section 3 of this Article.

Section 4. Election and Term of Office. At the first Annual meeting of the Council, the initial term of office of two members of the Board shall be fixed at three (3) years. The term of office of two members of the Board shall be fixed at two (2) years, and the term of office of one member of the Board shall be fixed at one (1) year. At the expiration of the initial term of office of each member of the Board, his successor shall be elected to serve a term of three (3) years. The members of the Board shall hold office until their successors have been elected and hold their first meeting.

Section 5. Vacancies. Vacancies in the Board of Directors caused by reason other than the removal of a member of the Board by a vote of the Council shall be filled by a vote of the majority of the remaining members, even though they may constitute less than a quorum; and each person so elected shall be a member of the Board until a successor is elected at the next meeting of the Council.

Section 6. Removal of Members of the Board. At any regular or special meeting of the Council duly called, any one or more of the members of the Board may be removed with or without cause by a majority of Co-Owners and a successor may then and there be elected to fill the vacancy thus created. Any member of the Board whose removal has been proposed to the Council shall be given an opportunity to be heard at the meeting.

Section 7. Organization Meeting. The first meeting of a newly elected Board shall be held within (10) days of election at such place as shall be fixed by the Board at the meeting at which such Board members were elected by Council, and no notice shall be necessary to the newly elected Board members in order legally to constitute such meeting, providing a majority of the Board shall be present.

Section 8. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Board, but at least one such meetings shall be held during each fiscal year. Notice of regular meetings shall be given by the Secretary-Treasurer, or other designated person, to each Board member, personally or by mail, telephone or telegraph at least ten (10) days prior to the day named for such meeting.

Section 9. Special Meetings. Special meetings of the Board may be called by the President on three days notice to each Board

member, given personally or by mail, telephone, or telegraph, which notice shall state the time, place (as hereinabove promised) and purpose of the meeting. Special Meetings of the Board shall be called by the President or Secretary-Treasurer in like manner and on like notice on the written request of at least two Board members.

Section 10. Waiver of Notice. Before or at any meeting of the Board, any Board member may, in writing waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Board member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Board member at any meeting of the Board shall be a waiver of notice by him of the time, place and purpose thereof. If all the members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Board Quorum. At all meetings of the Board, a majority of the Board members shall constitute a quorum for the transaction of business, and the acts of the majority of the members present at a meeting at which a quorum is present shall be the acts of the Board. If, at any meeting of the Board, there is less than a quorum present, the majority of the Board members present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted

at the meeting as originally called may be transacted without further notice.

Section 12. Fidelity Bonds. The Board may require that any and all officers and employees of the Regime handling or responsible for Regime funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Regime.



ARTICLE V

## OFFICERS

Section 1. Designation. The principal officers of the Regime shall be a President, Vice President, and Secretary-Treasurer; all of whom shall be elected by and from the Board. The Board may appoint an Assistant Treasurer and an Assistant Secretary and such other officers as in their judgment may be necessary.

Section 2. Election of Officers. The officers of the Regime shall be elected annually by the Board at the organization meeting of each new Board and shall hold office at the pleasure of the Board.

Section 3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board, any officer may be removed; either with or without cause, and his successor elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose.

Section 4. Officers

(a) President. The President shall be the chief executive officer of the Regime. He shall preside at all Council meetings of the Regime and of the Board. He shall have all of the general powers and duties which are usually vested in the office of a President of a Regime, including but not limited to, the power to appoint committees from among the Co-Owners from

time to time as he may in his discretion decide are appropriate to assist in the conduct of the affairs of the Council.

(b) Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board.

(c) Secretary-Treasurer. The Secretary-Treasurer shall keep the minutes of all meetings of the Board and the minutes of all meetings of the Council; he shall have charge of such books and papers as the Board may direct; and he shall have responsibility for Regime funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Regime. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Regime in such depositories as may from time to time be designated by the Board. He shall, in general, perform all the duties incident to the offices of Secretary and Treasurer.

ARTICLE VIOBLIGATIONS OF THE CO-OWNERSSection 1. Assessments.

(a) Upon notice from the Board, all Co-Owners are obligated to pay periodic assessments imposed by the Regime to meet all Regime expenses, which may include a liability insurance policy premium and an insurance premium for a policy to cover repair and reconstruction work in case of hurricane, fire, earthquake, and other hazards. The assessments shall be made pro-rata according to the value of the Apartment owned, and as stipulated in the Master Deed.

(b) If the assessments are not paid on the date when due (being the date specified by the Board), then such assessment shall become delinquent and shall (together with the cost of collection as hereinafter provided) become a charge and continuous lien on the property, against which each such assessment is made. If the assessment is not paid when due, the Association may bring an action at law against the Co-Owners personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment a reasonable attorney's fee and in the event a judgment is obtained, such judgment shall include a reasonable attorney's fee to be fixed by the Court together with the costs of the action. The Board of Directors shall notify the first mortgage Lienholder, if any, of liens for unpaid assessments against the

apartment which is the security for the first mortgage Lienholder.

(c) The transfer of ownership of an individual Apartment within the Regime carries with it the proportionate equity of that Apartment Ownership in the Regime Escrow Account. Each Apartment will be assessed for the Regime Escrow Account in accordance with a set schedule in order to provide for a contingency fund for maintenance and repair of Regime Property.

Section 2. Maintenance and Repair.

(a) Every Co-Owner must perform promptly all maintenance and repair work within his own Apartment, which if omitted would affect the Property in its entirety or in a part belonging to the other Co-Owners being expressly responsible for the damages and liabilities that his failure to do so may engender.

(b) All the repairs of internal installations of the Apartment, such as water, lights, gas, power, sewage, telephone, air conditioning, sanitary installations, doors, windows, lamps, and all other accessories belonging to the Apartment shall be the expense of the Co-Owners.

(c) A Co-Owner shall reimburse the Regime for any expenditures incurred in repairing or replacing any common elements damaged through his fault.

Section 3. Use of Apartments - Internal Changes.

(a) All Apartments shall be utilized for residential purposes only.

(b) A Co-Owner shall not make structural modifications or alterations in his Apartment or installations located therein without previously notifying the Regime in writing, through the management agent if any, or through the President if no management agent is employed. The Regime shall have the obligation to answer within thirty (30) days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.

Section 4. Use of Common Elements. A Co-Owner shall not place or cause to be placed in the passages, hallways or roads any furniture, packages or obstructions of any kind. Such areas shall be used for no other purpose than for normal transit through them.

Section 5. Right of Entry.

(a) A Co-Owner shall grant the right of entry to the management agent or to any other person authorized by the Board in case of any emergency originating in or threatening his Apartment, whether the Co-Owner is present at the time or not.

(b) A Co-Owner shall permit the other Co-Owner or their representative when so required, to enter his Apartment for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, provided that requests

for entry are made in advance and that such entry is at a time convenient to the Co-Owners. In case of an emergency, such right of entry shall be immediate.

Section 6. Rules of Conduct.

No Co-Owner, or occupant of any portion of the Regime shall act so as to interfere unreasonably with the peace and enjoyment of the Co-Owners or occupants of the other Apartments in the Regime, and each Co-Owner or occupant shall comply with the Rules and Regulations attached hereto as Exhibit One as the same may be modified, amended, supplemented, and otherwise added to by the Board from time to time.

ARTICLE VII

AMENDMENTS

Section 1. By-Laws. These By-Laws may be amended by the Council in a duly constituted meeting held for such purpose, and no amendment shall take effect unless approved by Co-Owners representing at least sixty-seven (67%) percent of the total value of the Property as shown in the Master Deed and the approval of eligible holders holding mortgages on apartments which have at least sixty-seven (67%) percent of the votes of apartments subject to eligible mortgage holders.

ARTICLE VIII

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MORTGAGES

Section 1. Notice to Board. A Co-Owner who mortgages his Apartment shall notify the Board through the management agent, if any, or the President if there is no management agent of the name and address of his mortgagee; and the Regime shall maintain such information in a book entitled "Mortgagee of Apartments."

Section 2. Notice of Unpaid Assessments. The Board shall, report to first mortgage Lienholders any unpaid assessments due to the Regime from the Co-Owner of such Apartment.

Section 3. Regime Records. The Board shall, at the request of a first mortgage Lienholder, allow any first mortgage Lienholder of an apartment in the Regime to review the articles of incorporation, Master Deed and By-laws and other books and records of the regime.

ARTICLE IX

COMPLIANCE

These By-Laws are intended to comply with the requirements of the Horizontal Property Act of South Carolina. In case any of these By-Laws conflict with the provisions of said Statute, it is hereby agreed and accepted that the provisions of the Statute will control.

RULES AND REGULATIONS  
ATTACHED AS EXHIBIT "ONE" TO BY-LAWS

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1. Single Family Residential Use

All Apartments are restricted exclusively to single-family residential use. No Apartment or Limited Common Elements shall, at any time, be used for any commercial, business or professional purpose. However, the developer of Gleneagle Green may conduct development, sales, and promotional activities on the Property, and use any Apartments owned or leased by it for such purposes.

2. Rental of Apartments

The use of Apartments for residential rental purposes is permitted. Rental agreements related to any Apartment shall be in writing and shall specifically provide that they are made subject to all provisions of the Regime Master Deed, By-Laws, and the Rules and Regulations then in effect. Each Apartment Owner has the responsibility of causing the lessees and other occupants of his Apartment to comply with and abide by all such provisions, and failure to do so may be the basis for the imposition of a charge or fine against the Apartment Owner.

3. Restrictions

No Resident or lessee of an Apartment shall:

(a) post any advertisements or any signs in or on the property or on any vehicle on the Property except as authorized by the Regime;

(b) hang garments, rugs, beach towels, or similar objects, from the windows or from any of the facades of the Property;

(c) leave garbage or trash outside the disposal installations provided for such purposes in the service areas.

(d) cause unnecessary noise resulting from the use of musical instruments, radios, televisions, and amplifiers, etc. that may disturb other residents.

(e) act so as to interfere unreasonably with the peace and enjoyment of the Residents of the other Apartments in the Property.

4. Exterior Appearances

In order to preserve the architectural appearance of the Apartment, no construction, painting, or other changes or additions to any structure whatsoever shall be made by any Apartment Owner with respect to the exterior of any Apartment or



any portion of the Common Elements, including the Limited Common Elements, without the prior written consent of the Board of Directors.

5. Security

*New*  
The Regime Management Agent should be notified immediately if any suspicious people or unusual activities are seen on the Property. The Agent should also be notified if an Apartment is to be unoccupied for an extended period. If an Owner plans to sell his Apartment, he must so advise the Management Agent and supply him with the name of the selling agent.

6. Parking

Vehicles must be parked within the painted lines. No vehicles shall be repaired on the Property. Boats, campers, trucks, trailers, and motorcycles are not permitted on the Property. Non-operative vehicles are not permitted on the Property. Any such non-operative vehicle may be removed by the Regime Management Agent at the expense of the Owner, and Owner shall have no right to recourse against such Agent therefor.

7. Storm Precautions

To prevent damage from sudden storms, windows should be closed in an Apartment that is left vacant. An Owner planning to be absent from his Apartment for prolonged periods should remove all furniture, plants and other objects from any decks.

8. Right of Access

The Council of Owners shall have the irrevocable right, to be exercised by its duly authorized officer or agent, to have access to each Apartment and any Common Elements from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any Common Elements and at any time for making emergency repairs in the Apartment necessary to prevent damage to the Common Elements or to another Apartment or Apartments. No door or window lock shall be added to or replaced in the Apartment unless a duplicate key is provided to Management.

9. Hallways and Porches

Hallways and steps should be kept clear at all times. Items such as trash, cans, toys, laundry, fishing gear, bicycles, beach towels, beach gear, etc. should not be left in those areas. Use of cooking grills is not permitted in the hallways or on the steps. Decks must not be used for storage, drying of clothes or other unsightly uses.

10. Fire Protection

Each Owner is encouraged to provide a fire extinguisher in his Apartment. Notification of a fire should first be made to the Fire Department and then to the Regime Management Agent. No goods or materials of any kind or description which are combustible or would increase fire risks shall be taken or placed in storage areas.

11. Garbage

Garbage must be delivered in bags to the service yard area and placed in the trash cans provided by the Owner. Trash can lids should be tightly secured after the garbage is placed inside at all times. The Owners of each Apartment shall provide two (2) garbage cans to be placed in the service yard area provided for the same.

12. Swimming Pool Area

Swimming in the pool is permitted between 8:00 a.m. and 9:00 p.m. Since the pool will not have a lifeguard, persons using this facility do so at their own risk, and children under ten years of age must be accompanied by a responsible adult.

- (a) Running in the general area is not permitted.
- (b) Pool furniture is not to be removed from the pool area.
- (c) Children in diapers are not permitted in the pool.
- (d) In the pool area, beverages are allowed only in nonbreakable containers. At no time should glass be brought to the pool area.

13. Bicycles

No bicycles may be kept in driveways, or walkways.

14. Enforcement and Future Changes in the Rules and Regulations

The Board of Directors shall have the right and power to enforce the Rules and Regulations then in effect and to make final decisions regarding violations or disputes concerning them. The Board may change the Rules and Regulations by means of additions and deletions from time to time.

GLENEAGLE GREEN

RULES AND REGULATIONS FOR CONFERENCE ROOM

I. RESERVATIONS.

The management agent for the Regime shall be responsible for coordinating reservations for the use of the conference room. Reservations for the conference room may be made up to three (3) months in advance.

Telephone Number for Reservations is 803-671-2231.

II. LENGTH OF USE.

The conference room may be reserved for up to eight (8) hours a day. The conference will be available from 8:00 a.m. to 12:00 p.m. each day.

III. USER'S FEE.

A user's fee shall be charged for each reservation. The amount of the user's fee will depend on whether food (other than coffee, other drinks and snacks) is being served. The fee will be used as a clean-up fee.

User's Fee (no food)	\$20.00	
User's Fee (food/meals)	\$25.00	35.00

IV. CLEAN-UP.

Please remove trash, etc. from the conference room and place in trash receptacles. Also, please place any cups, plates, etc. in the dishwasher.

V. KEYS.

The key for the conference room shall be kept by the regime management agent - Sea Pines Plantation Company. A key may be picked up by the user the day before his reservation. The management agent is presently located in the Sea Pines Service Area. The management agents office will move to the Sea Pines Center upon the Center's completion.

Telephone Number - 803-671-2231

Please return the key once you have finished using the conference room.

VI. CATERING/VISUAL AIDS.

Sea Pines Group Sales (803-785-3333) is available to help with any group meetings. Please call Group Sales directly to make arrangements.

Sea Pines Catering (803-785-3333) along with other Island businesses, are also available for your needs.

VII. WHO MAY USE THE CONFERENCE ROOM.

The Conference room may be reserved by owners, guests of owners staying in Gleneagle Green and tenants renting villas in Gleneagle Green.