

**HORRY COUNTY REGISTER OF DEEDS
TRANSMITTAL SHEET**

**TO BE FILED WITH EACH INSTRUMENT PRESENTED ELECTRONICALLY FOR RECORDING.
HORRY COUNTY REGISTER OF DEEDS, 1301 SECOND AVENUE POST OFFICE BOX 470 , CONWAY ,
SOUTH CAROLINA 29526**

DOCUMENT TYPE OF INSTRUMENT BEING FILED: Restrictions

DATE OF INSTRUMENT: .

DOCUMENT SHALL BE RETURNED TO:

NAME: McCutchen Mumford

ADDRESS:

4610 Oleander St. (Suite 203)

Myrtle Beach, SC 29577

TELEPHONE: (843) 449-3411

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E-MAIL ADDRESS: fmj@lawyersatthebeach.com

Related Document

(s):

PURCHASE PRICE / MORTGAGE AMOUNT: \$.

BRIEF PROPERTY DESCRIPTION: master deed of atlantis villas horizontal property regime recorded june 30 2005 in deed
book 2835 at page 755 as amended

TAX MAP NUMBER (TMS #), / PIN NUMBER: .

GRANTOR / MORTGAGOR / OBLIGOR / MARKER (FROM WHO):

FULL BUSINESS NAME

1. ATLANTIS VILLAS OWNERS ASSOCIATION INC

GRANTEE / MORTGAGEE / OBLIGEE (TO WHO):

FULL BUSINESS NAME

1. ATLANTIS VILLAS OWNERS ASSOCIATION INC

ATLANTA VILLAS MASTER DEED

shelves. To the right of the hallway is a bath. Through the hallway is a combination dining/living area that opens onto a private balcony.

- (iii) Unit 302 is located in the south detached Building. This eight (8) bedroom unit has approximately 3904 square feet of heated area. The kitchen contains a refrigerator, microwave, stove/oven, sink, cabinets, and shelves. To the left of the hallway is a bath. Through the hallway is a combination dining/living area that opens onto a private balcony.

Section 3.4 Boundaries of Units. Each Unit is composed of the interior cubic space, fixtures, appliances, furnishings, walls, floors, ceilings, and building materials enclosed within the following boundaries:

- a. The upper boundaries of the Unit shall extend to the unfinished interior surfaces of the unfinished sheet rock or other ceiling. The lower boundary of the Unit shall extend to the unfinished surface of the structural slab constituting the floor.
- b. The perimetrical boundaries of the Unit shall extend to the unfinished interior surfaces of the perimeter walls of the Unit excluding load bearing structural interior walls or components.
- c. Each Unit shall also encompass and include, and each Co-Owner shall be responsible for maintenance and repair of the following: (i) the doorways, windows, vents, and other non-structural elements in the walls, floor, and ceilings of the Unit which are regarded as enclosures of space; (ii) the doors (including any screen doors) opening into the Unit and into any storage area integral to the Unit, including the frames, casings, hinges, handles, and other fixtures which are part of the doors; (iii) the window glasses, screens, frames, and casings which are part of the window openings of the Unit; (iv) the plumbing, wiring, and mechanical vents that exclusively serve the Unit; (v) the appliances, hot water heaters, lavatories, bathtubs, toilets, carpeting, floor covering, trim finished surface of ceilings and walls, wiring, insulation, and other fixtures, furnishings, and building materials which are part of the Unit when delivered to the initial Co-Owner; (vi) the lock on the entrance door and the lock on the sliding glass door; and (vii) all appurtenances which are integral and exclusive to the Unit, including, but not limited to, lamps attached to the exterior of the Unit and water and sewer pipes within the Unit and exclusively serving the Unit.

Section 3.5 Common Elements. The Common Elements include all of the Property submitted to condominium ownership that is not included within the Units. The Regime Pool Amenities, the elevator, and the stairwells are Common Elements. The Plot Plan and the Plans graphically depict, to the extent reasonably possible, the areas encompassing the Common Elements.

- a. General Common Elements. The General Common Elements shall include, without limitation, the following:

The original Master Deed has been re-recorded to replace a copy which was mistakenly retained for filing.

COPY

**MASTER DEED
OF
ATLANTIS VILLAS
HORIZONTAL PROPERTY REGIME**

FILED
HORRY COUNTY, S.C.
2005 JUN 30 AM 10:45
BALLERY V. SKIPPER
REGISTRAR OF DEEDS

THIS MASTER DEED (the "Master Deed") is made, published, and declared this 24th day of June, 2005 by Atlantis, LLC, a limited liability company (the "Grantor") pursuant to the Act (words printed with initial capitalization throughout this Master Deed are defined in Section 2.1) for the purpose of creating a horizontal property regime and establishing certain easements, covenants, and restrictions to run with the Land.

FILED
HORRY COUNTY, S.C.
JUL -6 PM 4:15
BALLERY V. SKIPPER
REGISTRAR OF DEEDS

ARTICLE I

ESTABLISHMENT OF HORIZONTAL PROPERTY REGIME

Section 1.1 Creation of Regime. The purpose of this Master Deed is to establish, pursuant to the Act, a horizontal property regime to be known as Atlantis Villas Horizontal Property Regime. Grantor, by filing of record this Master Deed, publishes and declares that the real property described on Exhibit A attached hereto is submitted to the Act and shall be hereafter owned, held, transferred, sold, conveyed, used, occupied, mortgaged, or otherwise encumbered subject to all the easements, terms, provisions, covenants, obligations, liens, and restrictions of the Master Deed, the Permitted Encumbrances, the Restrictions, the Bylaws, and the Act.

Section 1.2 Concise Description of the Regime. Briefly described, the Regime consists of (i) the real estate described on Exhibit A attached hereto; (ii) three (3) buildings constructed on the Land containing, in the aggregate, twelve (12) residential condominium units; (iii) an outdoor pool, an outdoor pool type spa, an outdoor pool deck, and dune crossovers (all of the pools, decking and other amenities described in this subsection (iii) are sometimes referred to herein as the "Regime Pool Amenities"); (iv) one (1) elevator; (v) landscaping, paving, signs, other improvements around the Building, together with all other rights appurtenant to the Land. The general location of the Buildings and the Regime Pool Amenities are shown on the Plot Plan.

ARTICLE II

DEFINITIONS

Section 2.1 Definitions. Unless the context requires otherwise, the following shall apply in this Master Deed:

- a. "Act" shall mean and refer to the Horizontal Property Act of South Carolina, Chapter 31, Title 27, Code of Laws of South Carolina (Law). Co-op 1991, as amended). Act shall also refer to any successor statute to the Horizontal Property Act.

2935-755

- b. "Apartment" or "Apartments" shall have the meaning given in the Act.
- c. "Articles of Incorporation" or "Articles" shall mean and refer to the Articles of Incorporation of Atlantis Villas Owners Association, Inc., and filed with the South Carolina Secretary of State. A copy of the initial proposed Articles is attached as Exhibit D.
- d. "Assessment" or "Assessments" shall mean and refer to an Owner's share of the Common Expenses assessed against such Owner and his or her Unit from time to time in the manner hereinafter provided.
- e. "Board of Directors" or "Board" shall mean and refer to the Board of Directors of Atlantis Villas Owners Association, Inc.; and "Director" or "Directors" shall mean a member or members of the Board.
- g. "Building" shall mean and refer to the buildings constructed on the Land and containing the Units, Common Elements, and other improvements described in this Master Deed. The Building is more fully described in Section 3.2.
- h. "Bylaws" shall mean and refer to the bylaws, as amended, specifying the system of administration of the Owners Association of Atlantis Villas Horizontal Property Regime and specifying the system for administration of the Regime Property, which shall be a corporate form of organization in the name of Atlantis Villas Owners Association, Inc. A copy of the initial Bylaws is attached as Exhibit E.
- i. "Common Elements" shall mean and refer to both the General Common Elements and Limited Common Elements and all portions of the Regime Property not included within the Units; Common Elements is more fully defined in Section 3.7.
- j. "Common Expenses" shall mean and refer to actual and estimated common expenses as set forth in Section 6.1.
- k. "Owner" shall mean and refer to persons, firms, corporations, partnerships, limited liability companies, associations, trusts, or other legal entities, or any combination thereof, who or which own a Unit of record.
- l. "Owners Association" or "Association" shall mean the Atlantis Villas Owners Association, Inc., a non-profit corporation, which shall be formed pursuant to the Articles.

- m. "Exhibit" means an exhibit attached to this Master Deed.
- n. "General Common Elements" shall mean and refer to all Regime Property exclusive of Units and Limited Common Elements; General Common Elements is more fully defined in Subsection 3.7.a.
- o. "Grantor" shall mean and refer to Atlantis, LLC, a limited liability company organized under the laws of the State of South Carolina, and any person or entity it may designate of record as the successor Grantor to it.
- p. "Land" shall mean and refer to the real property described on Exhibit A, as the same may be amended from time to time.
- q. "Limited Common Elements" shall mean and refer to those special Common Elements designated as appurtenant to and reserved for the exclusive use of a specific Unit, or several specific Units, and are more fully defined in Subsection 3.7.b.
- r. "Manager" shall mean and refer to the agent retained by the Board pursuant to Article IV of the Bylaws.
- s. "Master Deed" shall mean and refer to this Master Deed with all Exhibits, easements, restrictions, attachments, and other matters incorporated herein, and shall also mean, include and refer to all amendments to this Master Deed.
- t. "Of record" shall mean to record in accordance with the provisions of Title 30, Code of Laws of South Carolina (Law. Co-op. 1991), as amended, or other applicable recording statutes.
- u. "Percentage Interest" shall mean and refer to the percentage of undivided interest each Owner owns as a tenant in common in the Common Elements. The Percentage Interest for each of the Units is set forth on Exhibit C, unless changed pursuant to Section 1.3 and Section 14.4.
- v. "Permitted Encumbrances" shall mean and refer to the matters set forth on Exhibit B.
- w. "Plans" shall mean and refer to the set of floor plans and elevations more fully described on Exhibit G.
- x. "Plot Plan" shall mean and refer to that certain plat entitled "Boundary Survey/As Built Survey" prepared, recorded in Plat Book 206 at Page 9, records of Horry County, a copy of which is attached hereto as Exhibit F.
- y. "Property" or "Regime Property" shall have the meaning set forth in Section 3.1.
- z. "Regime" or "Atlantis Villas Horizontal Property Regime" means and includes the property in Section 1.2 and means a "horizontal

property regime" as that term is used in the Act.

- aa. "Regime Pool Amenities" shall have the meaning set forth in Section 1.2.
- bb. "Regime Sign" shall mean the ground level sign identifying the Building.
- cc. "Regime Property" shall have the meaning set forth in Section 3.1.
- dd. "Residential Unit" shall mean one of the twelve (12) Apartments reserved exclusively for residential use and more fully described in Section 3.3. A Residential Unit shall be referenced to by using the word "Unit" followed by the number assigned to that unit in Section 3.3.
- ee. "Section" means a section of this Master Deed unless otherwise stated.
- ff. "Unit" shall mean and refer to an Apartment and shall mean a part of the Regime Property intended for independent use.

ARTICLE III

THE REGIME PROPERTY

Section 3.1 Regime Property. The term "Regime Property" shall mean and refer to all of the property of the Regime. The land, easements, and certain other real property made a part of the Regime are described and identified on Exhibit A. The Building is described in Section 3.2. The Plot Plan shows the location and design of the Regime Pool Amenities and of the other general improvements on the ground level of the Regime. Regime Property shall be acquired and held subject to the Master Deed, the Permitted Encumbrances, the By Laws, and the Act.

Section 3.2 Buildings. The Plot Plan and the Plans show the horizontal and vertical location of the Buildings. The Plans show graphically the dimensions, area, and location of each Unit within the Buildings, and the dimension, area, and location of Common Elements affording access to each Unit. In addition to the ground level, the Buildings have four levels. The Buildings have above and below ground foundations, a roof over the fourth floor of each Building, two sets of stairs in stairwells that serve each floor of the ten (10) unit Building, one elevator, corridors on each floor of the ten (10) unit Building, a trash dumpster on the ground level of the Regime Property. Access to the Units is by way of two (2) stairwells or one (1) elevator. The two (2) stairwells in the ten (10) unit Building are located one on the northeast end of the Building and the other on the southwestern end of the ten (10) unit Building. Both stairwells can be accessed on the ground level via the common corridor that runs behind the elevator lobby along the entire northwestern length of the Building. Each stairwell is accessed on the ground level and an entry door on each floor of the ten (10) unit Building. The first through fourth floors have a common corridor that leads from the elevator on the northwestern end of the Building. Access to each of the respective Units on the first through fourth floors

(inclusive) of the ten (10) unit Building is by this common corridor that can be accessed by both stairwells and the elevator. The Units are located on the floors 1 and 3 of the Building. Beginning at the northeastern end ground level of each Building and moving southwesterly floor by floor, the Units are located as follows:

Floor	UNITS
Ground Level	No Residential Units are on the Ground Level.
First Floor	Residential Units are located north to south as follows: 101, 102, 103, 104, and 105.
Third Floor	Residential Units are located north to south as follows: 201, 202, 203, 204, and 205.

Residential Unit 301 is located in the northeastern detached Building.

Residential Unit 302 is located in the southwestern detached Building.

Section 3.3 Residential Units. There are twelve (12) Residential Units in the Buildings individually designated, located, and shown on the Plans. Beginning at the north end of the main Building and moving vertical stack by vertical stack southward, the Residential Units appear on the Plans as follows:

- (i) Units 101, 201, 102, 202, 103, 203, 104, 204, 105, and 205 are six (6) bedroom Units and are located on floors one through four (inclusive) in the Main Building. These six (6) bedroom units have approximately 2800 square feet of heated area. Entry is by a doorway at the southeastern end of the main corridor. The doorway opens to a small hallway. There are two rear bedrooms on either side of this hallway. The rear bedroom on the right is accessed from a doorway on the right side of the hall. The rear bedroom on the left is entered from a doorway on the left side of the hallway. Beyond the two rear bedrooms, the hallway accesses a bath on the left and a full kitchen, also on the left. Opposite the kitchen is stairs. The kitchen opens to a combination dining/living area that also opens to the private balcony. There are four bedrooms located on the second level of the Unit, as well as a Game Room, and three (3) bathrooms.
- (ii) Unit 301 is located in the northeastern detached Building. This eight (8) bedroom unit has approximately 3888 square feet of heated area. The kitchen contains a refrigerator, microwave, stove/oven, sink, cabinets, and

shelves. To the right of the hallway is a bath. Through the hallway is a combination dining/living area that opens onto a private balcony.

- (iii) Unit 302 is located in the south detached Building. This eight (8) bedroom unit has approximately 3904 square feet of heated area. The kitchen contains a refrigerator, microwave, stove/oven, sink, cabinets, and shelves. To the left of the hallway is a bath. Through the hallway is a combination dining/living area that opens onto a private balcony.

Section 3.4 Boundaries of Units. Each Unit is composed of the interior cubic space, fixtures, appliances, furnishings, walls, floors, ceilings, and building materials enclosed within the following boundaries:

- a. The upper boundaries of the Unit shall extend to the unfinished interior surfaces of the unfinished sheet rock or other ceiling. The lower boundary of the Unit shall extend to the unfinished surface of the structural slab constituting the floor.
- b. The perimetrical boundaries of the Unit shall extend to the unfinished interior surfaces of the perimeter walls of the Unit excluding load bearing structural interior walls or components.
- c. Each Unit shall also encompass and include, and each Co-Owner shall be responsible for maintenance and repair of the following: (i) the doorways, windows, vents, and other non-structural elements in the walls, floor, and ceilings of the Unit which are regarded as enclosures of space; (ii) the doors (including any screen doors) opening into the Unit and into any storage area integral to the Unit, including the frames, casings, hinges, handles, and other fixtures which are part of the doors; (iii) the window glasses, screens, frames, and casings which are part of the window openings of the Unit; (iv) the plumbing, wiring, and mechanical vents that exclusively serve the Unit; (v) the appliances, hot water heaters, lavatories, bathtubs, toilets, carpeting, floor covering, trim finished surface of ceilings and walls, wiring, insulation, and other fixtures, furnishings, and building materials which are part of the Unit when delivered to the initial Co-Owner; (vi) the lock on the entrance door and the lock on the sliding glass door; and (vii) all appurtenances which are integral and exclusive to the Unit, including, but not limited to, lamps attached to the exterior of the Unit and water and sewer pipes within the Unit and exclusively serving the Unit.

Section 3.5 Common Elements. The Common Elements include all of the Property submitted to condominium ownership that is not included within the Units. The Regime Pool Amenities, the elevator, and the stairwells are Common Elements. The Plot Plan and the Plans graphically depict, to the extent reasonably possible, the areas encompassing the Common Elements.

- a. General Common Elements. The General Common Elements shall include, without limitation, the following:

1. Except for such portion reserved as Limited Common Elements, all land within the boundaries of the Regime Property; together with all easements, rights, and hereditaments appurtenant thereto.

2. All improvements, exclusive of the Units and Limited Common Elements erected upon the land described on Exhibit A, including, without limitation, those shown on the Plans as: (a) the roof or roof elements covering the Buildings; (b) the exterior surfaces of the Building, including all stucco, whether over reinforced concrete masonry or otherwise, including those limited exterior areas having plywood or other materials over masonry or aluminum studs; (c) the pipes, wires, electric panels, conduits, pumps, motors, air handling vents, air conditioning, and heating units, (including the condenser and all piping, wiring and attachments), louvers, materials, and equipment, and other equipment installed to provide utility service to the Units or to portions of the Common Elements, including the pools; (d) the street signs, oceanfront wood walks and showers, light poles, interior signage, fences, gates, concrete walks, decks, and stairs, all concrete or asphalt paving, brick pavers, bulkheads, irrigation wells and systems, landscaping, storm drainage features, the grassed and other storm water retention areas, catch basins, and drainage pipes; (e) the foundations, pilings, and structural members, sub-flooring, girders, beams, supports, load bearing interior walls, and interior walls enclosing pipe chases and utility installations serving more than one Unit; (f) the pool, the hot tub, all pool decks, pool stairs, pool fencing, and pool deck retaining walls, all pool decorative features, and all pool equipment, including pool heaters, and the pool equipment room located under the Building, all exterior railings, all exterior lattice, all stairs, elevator, all elevator equipment rooms, and all elevator workings and equipment; (j) all dune walkover and showers; (g) all other elements rationally of common use or not either a Unit or a Limited Common Element; and (1) the parking spaces on the ground level.

General Common Elements shall also include common elements added by Grantor, its successors and assigns, pursuant to Section 1.3, Section 3.9, or Article or common elements added by the Board pursuant to Section 5.8.

b. Limited Common Elements. The Limited Common Elements shall include those special elements designated for the exclusive use of a specific Unit. The Limited Common Elements are more specifically shown on Plot Plan and Plans and include, in the case of all Residential Units, the private balcony or balconies adjoining the Unit.

Section 3.6 Values. Statutory values are fixed for the sole purpose of complying with the Act and shall not prevent each Co-owner from fixing a different circumstantial value to his or her Unit in all types of acts or contracts. The statutory value of each Unit is set forth on Exhibit C.

ARTICLE IV

UNITS: OWNERSHIP AND USE

Section 4.1 Ownership of Units. Each Unit, together with its undivided interest in the Common Elements, shall constitute a separate parcel of real property and each Co-Owner shall be entitled to exclusive ownership and possession of his or her Unit, subject to: (i) the provisions of this Master Deed and the easements, restrictions, covenants, and encumbrances set forth herein; (ii) the Permitted Encumbrances, (iii) the Bylaws, as they may be amended from time to time, together with the rules and regulations that may be adopted by the Board pursuant to the Bylaws; and (iv) the Act.

Section 4.2 Legal Description. Each Residential Unit may be sufficiently described for purposes of deeds, mortgages, leases, and other conveyances by referring to the unit number in Section 3.3 and by reciting that it is part of Atlantis Villas Horizontal Property Regime. The conveyance of an individual Unit shall be deemed to convey the undivided interest in Common Elements appurtenant to that Unit. The ownership of an undivided interest in Common Elements appurtenant to a Unit shall be inseparable from the Unit, and no such undivided interest may be conveyed or encumbered except as an appurtenance to the Unit.

Section 4.3 Maintenance and Repair. Every Co-Owner shall be responsible at his or her own expense for maintaining, repairing, and decorating all walls, ceilings, and floors of his or her Unit. However, no Co-Owner shall do any work or make any addition, improvement, structural modification, or alteration of his or her Unit, nor shall any Co-Owner alter the appearance of any external door, window, vent, flue, or other external element of his or her Unit without obtaining prior written approval of Grantor or the Board. In the case of changes to be approved by the Board, written notice of any intended modification, addition, improvement, painting, or alteration shall be given to the Board, setting forth details and requesting approval. The Board shall consider the request and decide whether approval shall be granted. The Board may require the deposit of funds sufficient in the sole discretion of the Board to defray all costs, including attorney's fees, for modifying this Master Deed and recording such modification. The Board shall advise the Co-Owner of its decision in writing within ninety (90) days from receipt of the request. Nothing in this section shall relieve any Co-Owner from obtaining approval for alterations required by other applicable covenants, restrictions, or by any governmental authority. No Co-Owner shall undertake to modify, alter, improve, paint, or repair any portion of the Common Elements. The independent right of Grantor to approve these changes shall lapse on December 31, 2020.

Section 4.4. Use Restrictions. The Residential Units shall be used for residential purposes only; provided, however, a Co-Owner may rent his or her Unit on any basis so long as he or she does not use the Unit itself to dispense keys, to book rentals, or to otherwise act as the office for renting the Unit itself or for renting any other property, which conduct is expressly prohibited. It shall be the responsibility of each Co-Owner to prevent the development of any unclean, illegal, unhealthy, unsightly, or

unkempt condition in his or her Unit. No Unit shall be used, in whole or in part, for the storage of any property or thing that will cause such Unit to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any Unit that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. No noxious, offensive, or illegal activity shall be carried on in any Unit, nor shall anything be done therein tending to cause embarrassment, discomfort, annoyance, or nuisance to any person using any property adjacent to the Unit. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, illegal, or of a nature as may diminish or destroy the enjoyment of the Property.

Section 4.5. Time Sharing of Units. No Co-Owners shall engage in or permit time share ownership of a Residential Unit.

ARTICLE V

COMMON ELEMENTS: OWNERSHIP AND USE

Section 5.1 Ownership of Common Elements. The Co-Owners shall own the General Common Elements and Limited Common Elements as tenants in common. The Percentage Interest appurtenant to each Unit has been determined by finding the percentage equivalent to the value of the individual Unit in relation to the value of all Units and is set forth on Exhibit C.

Section 5.2 Appurtenant Percentage Interest. The Percentage Interest in the General Common Elements and the Limited Common Elements cannot be separated from the Unit to which it appertains and shall be automatically conveyed or encumbered with the Unit even though such interest is not expressly mentioned or described in the deed or other instrument of conveyance.

Section 5.3 No Partition. The General Common Elements and Limited Common Elements shall remain undivided and no right to partition the same or any part thereof shall exist.

Section 5.4 Use of General Common Elements. Every Co-Owner shall have a right and easement of ingress and egress, and a right of use and enjoyment in and to the General Common Elements, which shall be appurtenant to and shall pass with the title to every Unit, subject to the following provisions:

a. Any Co-Owner may delegate his or her right of enjoyment to the members of his or her family, business, and social invitees. A Co-Owner shall be deemed to have made such a delegation to guests occupying his or her Unit for rent. Persons using the Common Elements by delegation shall be subject to the same rules and regulations as may from time to time be imposed upon Co-Owners pursuant to Section 5.4.b.;

b. The right of the Board, pursuant to the Bylaws, to adopt reasonable rules and regulations concerning access to and use of the Common Elements;

c. The right of the Board, subject to the Bylaws, to suspend a Co-Owner's voting right and the right to use any of the facilities for any period during which any assessment of the Association against that Co-owner's Unit remains unpaid, and for any infraction by a Co-Owner of the Board's rules and regulations;

d. The right of Grantor, with regard to the Common Elements, to grant easements in and to the Common Elements to any public agency, authority, or utility, or other entity, for such purposes (including, without limitation, utilities, cable, and telephone service) as benefits only the Common Elements or portions thereof or any Unit or Units in the Regime;

e. The right of the Association, pursuant to the Bylaws, to borrow money for the purpose of improving the Common Elements, or any portion thereof, for acquiring additional Common Elements, or for constructing, repairing, or improving any facilities located or to be located thereon, and to give as security for the payment of any such loan a mortgage conveying all or any portion of the Common Elements;

f. The right of the Board, pursuant to the Bylaws, to dedicate or transfer all or any portion of the Common Elements to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Association at an annual meeting or at a meeting called for that purpose;

g. The Permitted Encumbrances (including the Restrictions); and

h. The use restrictions set forth in Section 5.5.

This section may not be amended without the written consent of Grantor.

Section 5.5. Use Restrictions. The Common Elements shall be used for residential, recreational, and such related purposes as may be more particularly set forth in this Master Deed. As used herein, commercial activity does not include use of Common Areas for family or private gatherings, cookouts, picnics, or parties subject to specific rules and regulations for such as may be, from time to time, adopted by the Board. This section may not be amended without the prior written consent of Grantor.

Section 5.6 Limited Common Elements. Ownership of each Unit shall entitle the Co-Owner thereof to the exclusive use of the Limited Common Elements reserved for such Unit. This exclusive use may be delegated by a Co-Owner as set forth in Section 5.4.a. With the permission of the Board, Co-Owners may place plants, furniture, and other similar items within the balconies of their Units, but such use shall be subject to the right of the Board: (i) to adopt absolute rules and regulations limiting the use of the Limited Common Elements and (ii) to require, by resolution, any Co-Owner to remove any item placed on the Limited Common Elements.

Section 5.7 Operation and Maintenance. Each Co-Owner shall, at his or her own expense, keep the Limited Common Elements to which his or her Unit has exclusive use clean and neat. Except as specifically provided herein, the maintenance, repair, replacement, management, operation, and use of the General Common Elements and Limited Common Elements shall be the responsibility of the Association. The expenses incurred for such purpose shall be assessed as Common Expenses except in the case of the negligence of a Co-Owner or his tenants or guests, and in the event of such negligence, such expenses, or a portion thereof, may be assessed as an individual assessment pursuant to the terms of Article X hereof.

Section 5.8 Subsequently Added Common Elements. If approved by the Co-Owners of in excess of fifty percent ownership of the Percentage Interests in the Regime, the Board may assess each Unit according to its percentage interest in the Regime for the purpose of acquiring, installing or constructing additional common elements, including, without limitation, the purchase or leasing of additional land, the installation of additional pool or other amenities, or the construction of new buildings or other improvements. All common elements so acquired, installed or constructed must comply with Section 5.5 and the other provisions of this Master Deed.

ARTICLE VI

COMMON EXPENSES

Section 6.1 Enumeration of Expenses. Except as otherwise provided herein, each Co-Owner shall bear in proportion to his or her respective interest in the Common Elements the following actual and estimated expenses:

- a. Expenses incurred in operating, maintaining, improving, repairing, and replacing the Common Elements, including, without limitation, landscaping, hallways, the swimming pool, the elevator, the spa, and other pool amenities.
- b. Expenses incumbent to maintenance, repair, insurance, and replacement of the parking improvements that may be provided. Also included are the pro-rata expenses allocated to the Regime, including, without limitation, ad valorem and other taxes, insurance, replacement, maintenance, utilities, and security.
- c. Any expenses that may be due or incurred by the Board to fulfill its duty under the Declaration.
- d. Expenses incurred in administering the affairs of the Council including salaries, wages, and any compensation paid to a managing agent for such purpose.
- e. Expenses incurred in providing public liability insurance, hazard insurance, or other insurance adequate to cover the Regime Property, exclusive of Unit contents and furnishings, as provided in Article XI of this Master Deed.

f. Contributions to provide sufficient reserves to create a general reserve to operate and maintain the Regime Property and to administer the affairs of the Association.

g. Contributions to provide sufficient reserves to make such major repairs or replacements to the Common Elements as may be required from time to time, including, without limitation, a reserve to paint the exterior of the Buildings and to waterproof the exterior of the Buildings on a regular basis.

f. Any other costs related to the operation of the Regime Property or administration of the affairs of Association which are declared by this Master Deed, the Bylaws, or any amendment thereto to be Common Expenses, and any valid charge against the Regime Property as a whole.

g. In the case of each Residential Unit, each Co-Owner of a Residential Unit, by acceptance of the deed to the unit, agrees, in accordance with S.C. Code Ann. Section 27-31-190, to pay for electricity, cable, water, and sewer used by the entire Regime as a Common Expense. The Board of Directors shall be entitled to meter or sub-meter in such combinations as it deems appropriate, allocate the costs on any reasonable basis, such as heated square footage of the units on the particular meter or meters (or such as relative Percentage Interests on a particular meter or meters), and to assess each owner in advance for the expected cost of utilities, which assessment shall constitute an agreed upon Common Expense payable in accordance with S.C. Code Ann. Section 27-31-190, as it may be amended or replaced from time to time. Any utility expense for operating, maintaining, improving, repairing, and replacing the Common Elements shall be a Common Expense.

Section 6.2 Assessments. The initial assessment shall be determined by Grantor. At the time of the original conveyance of each Unit out of Grantor, the initial unit owner shall pay to the Association an initial capital contribution equal to two month's assessment. Assessments of Common Expenses shall be determined as provided in the Bylaws.

Section 6.3 Liability of Unit Owner. No Co-Owner may exempt himself or herself from liability for Common Expenses by waiving the use or enjoyment of the Common Elements or by abandoning his or her Unit.

Section 6.4 Lien Upon Unit. All Assessments of the Association for the share of Common Expenses (including, without limitation, utility charges pursuant to Subsection 6.1 .g) chargeable to any Unit that are unpaid after becoming due shall, upon the filing of a Notice of Lien in the Register of Deeds Office for Horry County, South Carolina, and mailing of same by certified mail to the Co-Owner, constitute a lien against such Unit prior and superior to all other liens, except: (i) liens for property taxes upon the Unit in favor of any taxing authority and (ii) mortgage liens duly recorded prior to such delinquency. The lien for such assessments may be foreclosed by the Board acting on behalf of the Association in the same manner as a mortgage upon real property. In the event of foreclosure, the Co-Owner shall be required to pay a reasonable rental for the

Unit during pendency of the foreclosure action and a receiver may be appointed to collect the rentals during such period. The Board, on behalf of the Association, may bring suit for judgment against the Co-Owner in the amount of delinquent assessments. In the event of foreclosure or suit for money judgment, a reasonable amount may be added to the sum due for attorney's fees and other costs of collection. The lien created by this section shall cover rentals accruing during the pendency of the foreclosure action and any reasonable amount of attorney's fees and other costs of collecting.

Section 6.5 Sale of Unit. Except as set forth in Section 6.6 below, upon the sale or conveyance of a Unit, all unpaid Assessments against a Co-Owner for his or her pro rata share of Common Expenses shall first be paid out of the sale price or by the purchaser or grantee who shall be jointly and severally liable with the seller for unpaid Assessments in preference over any other assessments, charges, or liens, except the following:

- a. Lien for taxes and special Assessments upon the Unit which are unpaid.
- b. Payment due under mortgages upon the Unit which are duly recorded prior to such sale or conveyance.

Section 6.6 Foreclosure Purchaser. If the mortgagee holding a first mortgage on a Unit acquires title by foreclosure of its first mortgage, or by deed in lieu of foreclosure, or if a purchaser acquires title at a sale foreclosing such first mortgage, such mortgagee or purchaser shall not be liable for the share of Common Expenses assessed by the Association upon the Unit so acquired accruing after the date of recording of such mortgage but prior to the acquisition of title. The unpaid Assessments accruing during such period shall be deemed Common Expenses collectible from all Co-Owners, including such mortgagee or purchaser or grantee, his successors, heirs, and assigns. The provisions of this section, however, shall not release any Co-Owner from personal liability for unpaid Assessments.

Section 6.7 Records. The Board or any manager which it employs, shall keep accurate and detailed records, in chronological order, of receipts and disbursements connected with the operation, administration, maintenance, repair, and replacement of the Regime Property. Such records, together with the vouchers authorizing payment, shall be available for examination by the Co-Owners at convenient hours on working days, upon fourteen (14) days advance written notice.

Section 6.8 Letter Upon Sale. The Association shall, within five (5) days of a written request for same by a Co-Owner or his or her agent, provide a letter pursuant to S.C. Code Section 27-31-220 (1976 & Supp.) setting forth the amount of all assessments, including any penalties, interest, fees or charges, for the Unit for which information is requested.

ARTICLE VII

ASSOCIATION, BOARD OF DIRECTORS, AND MANAGER

Section 7.1 Association of Co-Owners, Board of Directors, and Manager. The Regime shall be administered by an Association, which Association shall be an incorporated association which shall act by and through a Board of Directors elected as herein provided. The Association may employ a managing agent ("Manager") for the Regime.

Section 7.2 Voting. On all matters relating to the Regime upon which a vote of the Co-Owners is required, each Owner shall be entitled to cast the number of votes equal to his, her, or its Percentage Interest in the Common Elements; provided, however, the election of the Board is subject to the provisions contained in Section 2.3 of the Bylaws. When any Unit is owned of record in the name of two or more persons or entities, whether fiduciaries, joint tenants, tenants in common, tenants in partnership, or in any other manner of joint or common ownership, one person or entity shall be designated the voting owner to bind all the others. Written notice of such designation shall be delivered to the Secretary of the Board prior to the exercise of a vote by joint owners. The Secretary shall keep the written notice on file, which notice shall be valid until receipt by the Secretary of a different written notice. The Percentage Interest of Co-Owners for each Unit is set out in Exhibit C. At any meeting at which a quorum is present, the affirmative vote of the Co-Owners of fifty-one percent or more of the value of the Regime Property present at the meeting shall be required to adopt decisions submitted to the Co-Owners for a vote pursuant to this Master Deed or pursuant to the Bylaws; unless, however, the Master Deed or Bylaws require a greater percentage for a particular act or decision, and except as otherwise provided in Article XIV hereof.

Section 7.3 Incorporation. Grantor (prior to the election of the first Board of Directors) shall incorporate the Association as a South Carolina not for profit corporation, and in such event:

- a. Each Co-Owner shall be a member of the corporation;
- b. The Bylaws referred to in Section 7.4 shall be adopted as the Bylaws of the corporation;
- c. The Articles of Incorporation shall be similar to the Articles attached as Exhibit D and shall not contain provisions inconsistent with this Master Deed. The Articles may be amended as provided under South Carolina law;
- d. The name of the corporation shall be Atlantis Villas Owners Association, Inc. and;
- e. The Association, acting through the Board, shall have all of the powers, rights, and obligations of non-profit corporations organized under the laws of the State of South

Carolina, including, but not limited to, the power to borrow money and mortgage its property and the power to rent or lease ocean front beach areas from the City of North Myrtle Beach for the purpose of landscape maintenance.

Section 7.4 Bylaws and Regulations. The Association and the administration of the Regime shall be governed by: (a) this Master Deed; (b) the Permitted Encumbrances; (c) the Bylaws, as amended; and (d) any regulations ("Regulations") adopted pursuant to the Bylaws. The Bylaws may be modified and amended only in the manner set forth in the Bylaws.

Section 7.5 Responsibility of Association. The Association shall maintain and keep in good repair the Common Elements. The duty includes, without limitation, the maintenance and repair of the Building, the Regime Pool Amenities, outdoor lighting, sewer lines, exterior pavers, the roof, roof surfaces, roof systems, downspouts, all exterior building surfaces, all hallways, all corridors, the elevator and all utility lines, pipes, glass, conduits, and systems that are apart of the Common Elements. The maintenance of the Common Elements includes, without limitation, maintenance, repair, and replacement, at the Association's sole cost and expense, of all trees, fences, shrubs, grass, dunes, streets, parking spaces, walks, and other improvements situated on the land constituting the Regime, subject to the insurance and casualty loss provisions of this Master Deed.

Section 7.6 Power of Attorney Regarding Zoning Decisions. Each Co-Owner, by acceptance of the deed to his, her, its, or their Unit, does hereby grant the Board of Directors sole and complete authority to make any decisions regarding the current or future zoning of the Land or any land adjoining or near the Land (including, without limitation, the decision on whether to vote for or against including the Land in any planned unit development) and does hereby grant to the Board an irrevocable power of attorney to execute, deliver, and record, for and in the name of each Co-Owner, such instruments as may be necessary and proper to carry out such zoning decisions.

ARTICLE VIII

CONDEMNATION

Section 8.1 Rights of Owners. If any portion of the Regime Property is condemned by any authority having the power of eminent domain, each Co-Owner shall be entitled to receive notice of such condemnation and to participate in the proceedings incident thereto unless otherwise prohibited by law. Each Co-Owner shall be entitled to an individual award to be determined by the value of his interest in the portion or portions of the Regime Property condemned.

Section 8.2 Duties of the Association. In the event that any award is received by the Association on account of condemnation of any portion or portions of the Common Elements, the Board of Directors shall promptly call a special meeting of the Association to determine whether any condemned portion of the Common Elements shall be replaced.

If the Association determines to replace any condemned portion of the Common Elements, the Board of Directors shall provide for the replacement of such portions in the same manner as if such portions had been destroyed by casualty.

ARTICLE IX

EASEMENTS, COVENANTS, AND RESTRICTIONS

Section 9.1 Use of Property. Each Co-Owner shall be entitled to the exclusive ownership and possession of the interest conveyed by his deed to a Unit or interest therein and may use his or her Unit and the Common Elements to the extent permitted by his or her deed in accordance with this Master Deed. In order to protect the Common Elements, preserve the property values of the community created by this Master Deed, retain the benefits and protection of Co-Owners provided by the rules and regulations adopted from time to time by the Board of Directors of the Association, and to provide for the orderly administration of the Regime, each Unit of Atlantis Villas Horizontal Property Regime shall be subject to the following restrictions and covenants, which shall be covenants running with the land. Each Co-Owner, his successors and assigns, shall comply with these covenants and restrictions, and with the rules and regulations adopted by the Board of Directors to carry out the purpose of these restrictions and covenants. The Board shall adopt reasonable penalties for the violation of its rules and regulations. Each Co-Owner shall be responsible for the conduct of his or her tenants, guests, agents, and members of his or her household.

a. The use restrictions set forth elsewhere in this Master Deed, including, without limitation, Articles IV and V of the Master Deed.

b. No "For Sale" or "For Rent" signs, advertising, or other displays shall be maintained or permitted on any part of the Property except at such location and in such form as shall be determined by the Board. The right is reserved by Grantor, or its agent or agents, to place "For Sale" or "For Rent" signs on any unsold or unoccupied Units, and on any part of the Common Elements, and the right is hereby given to any mortgagee, who may become the owner of any Unit, to place such signs on any Unit owned by such mortgagee.

c. There shall be no obstruction of the Common Elements nor shall anything be stored in the Common Elements without the prior consent of the Board, except as herein expressly provided. The use and the covering of the interior surfaces of windows, whether by draperies, shades, or other items visible on the exterior of the Building, shall be subject to the rules and regulations of the Board.

d. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance on the Building or contents thereof without the prior written consent of the Board. No Co-Owner shall permit anything to be done or kept in his Unit or in the Common Elements that will result in the cancellation of any insurance maintained by the Regime or which would be in violation of any law.