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BALLERY V. SKIPPER
REGISTRAR OF DEEDS

MASTER DEED OF BEACHWALK VILLAS HORIZONTAL PROPERTY REGIME

THIS MASTER DEED, pursuant to the provisions of South Carolina Code Section 27-31-10, et seq., 1976 Code of Laws as amended is made and executed in Horry County, South Carolina, this 24th day of February 2005, by Beachwalk Properties, LLC hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant, wishes to submit a parcel of real estate, being more particularly described on Exhibit A, and being hereinafter referred to as the "**Property**", to the provisions of the South Carolina Horizontal Property Act, South Carolina Code Section 27-31-10, et seq., 1976 Code of Laws, as amended, as a residential condominium project; and

WHEREAS, Declarant intends to develop on the Property a development to known as Beachwalk Villas. Declarant intends by this Master Deed to impose mutually beneficial restrictions under a general plan of improvement for the benefit of all owners of the Units (hereinafter defined) within the Property now or hereafter made subject to this Master Deed, by the recording of this Master Deed and amendments thereto. Declarant also desires to establish a method for administration, maintenance, preservation, use and enjoyment of the Property that is now or hereafter subjected to this Master Deed and certain other properties described herein; and

WHEREAS, Declarant has caused the HOA (as hereinafter defined) to be formed as a non-profit corporation to perform certain functions for the common good and general welfare of the Owners (as hereinafter defined).

NOW, THEREFORE, Declarant hereby publishes and declares that the Property is herewith submitted to the terms and provisions of the South Carolina Horizontal Property Act and that, hereafter, it shall be held, conveyed, hypothecated, encumbered, used, occupied and improved subject to the South Carolina Horizontal Property Act and to the within covenants, conditions, restrictions, uses, limitations and obligations, all of which are declared and agreed to be in furtherance of a plan for the improvement of the Property, and the division thereof into residential condominium units, and which shall run with the land and be a burden and a benefit to Declarant, its successors, assigns and successors in title and to all other persons acquiring or owning an interest in the Units, their grantees, successors, heirs, executors, administrators, devisees and assigns.

ARTICLE 1
DEFINITIONS

As used in this Master Deed and the other condominium documents, unless the context otherwise requires:

HORRY COUNTY ASSESSOR
NEW PARCEL 145-02-05-038 thru 109
SPLIT FROM 145-02-05-031 & 145-02-06-004
Map Blk Parcel
3.3.05 pa

DEED
2868 1343

1343

1.1 **"Act"** means the South Carolina Horizontal Property Act, contained in Section 27-31-10, et seq. of the Code of Laws of South Carolina, 1976 as amended, and as the same may be hereafter amended from time to time.

1.2 **"Assessment"** means a Co-Owner's share of the common expenses which from time to time are assessed against a Co-Owner by the HOA in the manner herein provided, and other costs and expenses which from time to time are assessed against a Co-Owner in accordance with the terms of this Master Deed.

1.3 **"Board"** means the Board of Directors of the HOA.

1.4 **"Building"** means a structure or structures, containing in the aggregate two or more Units comprising a part of the Property.

1.5 **"Bylaws"** means the Bylaws of Beachwalk Villas Horizontal Property Regime, Inc. annexed to this Master Deed, as amended from time to time as therein provided.

1.6 **"Commercial Units"** means one separately designated Unit within Phase I and up to one additional Unit within each additional phase on which and through which commercial activities may be conduct as set forth in this Master Deed. Without limiting the commercial activities reserved in favor of the Commercial Unit as set for in this Master Deed, the Commercial Units may be used for all legal commercial or business purposes including, but not limited to, purposes of general rentals, management, offices, shops, stores, sales, meeting rooms, lounge, game room, health spa, or any combination of such uses whether or not related to any prior phase or subsequent phase.

1.7 **"Common Property"** shall mean all parts of the Property, including the Land submitted to this Master Deed, other than Units.

1.8 **"Condominium"** means that form of ownership established by the provisions of the Act under which space intended for independent use is owned by the Owner or Owners in fee simple and the parts of the Property other than such independently owned spaces are owned by all such Owners in undivided interests, which undivided interest are appurtenances to the respective independently owned spaces.

1.9 **"Controlling Interest"** means and refers to the ownership of the Declarant at any time of five (5%) percent or more of the Units the Project. In determining whether the Declarant owns a Controlling Interest there shall be taken into account all Units in the Project, including those which are not yet completed and those in planned phases which have not been submitted to this Master Deed which shall be treated as Units owned by the Declarant.

1.10 **"Co-Owner" or "Owner"** means an individual, person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, who or which is the record owner (including Declarant), whether one or more persons or entities, of a fee simple title to any Unit or Commercial Unit; provided, however, that where fee simple title has been transferred and is being held merely as security for the repayment of a loan, the person or entity who would own the Unit in fee simple if such loan were paid in full shall be considered the Owner.

1.11 **"Declarant"** means Beachwalk Properties, LLC and its successors-in-title and assigns, provided any such successors-in-title or assigns shall acquire for the purpose of development or sale all or any portion of the remaining undeveloped or unsold portions of the Property, or the real property which is intended to become part of the Project, and provided further, in the instrument of conveyance to any such successor-in-title or assign, such successor-in-title or assign is designated as the "Declarant" hereunder by the grantor of such conveyance, which grantor shall be the "Declarant" hereunder at the time of such conveyance; provided, further, upon such designation of a successor Declarant, all rights and obligations of the former Declarant in and to such as "Declarant" hereunder shall cease, it being understood that as to all of the Property, and any additional real property now or hereafter subjected to this Master Deed, there shall be only one person or legal entity entitled to exercise the rights and powers of the "Declarant" hereunder at any one time.

1.12 **"HOA"** shall mean the Beachwalk Villas Homeowners Association, Inc., its agents, successors and assigns, a South Carolina non-profit corporation.

1.13 **"Limited Common Element"** means any portion of the Common Property reserved for exclusive use of less than all the Owners.

1.14 **"Master Deed"** means this Master Deed of Beachwalk Villas Horizontal Property Regime, as amended from time to time.

1.15 **"Member"** means any member of the HOA.

1.16 **"Membership"** means the collective total of all Members of the HOA.

1.17 **"Mortgagee"** means the owner and holder of any first lien mortgage on a Unit. And the term Mortgagee also includes Declarant's construction lender.

1.18 **"Person"** means an individual, corporation, partnership, association, trustee or other legal entity, or any combination thereof.

1.19 **"Property"** shall mean and include the land which is herein or may hereafter be submitted to the provision of the Act by this Master Deed and all improvements constructed thereon and all easements, rights and appurtenances belonging thereto, which comprise the horizontal property regime established by this Master Deed, also sometimes called the **"Project"**.

1.20 **"Quorum"** means the presence in person or by proxy of Members entitled to cast a majority of the votes of the HOA.

1.21 **"Unit"** means a part of the Property intended for any type of independent use including one or more rooms or enclosed spaces located on one or more floors (or parts thereof) in a Building with a direct exit to a public street or highway or to a common area leading to such street or highway. Units are designated by **"Unit Numbers."**

ARTICLE 2
THE PROPERTY

2.1 **Land.** The land, which is initially submitted to the provisions of the Act by this Master Deed, as Phase I, is that certain real property, described on Exhibit A attached hereto and incorporated herein by reference. Hereafter, at one time or from time to time, Declarant may elect to submit one or more additional parcels of land, as additional phases, to the provisions of the Act by incorporating them within this Master Deed as provided below. All parcels of land submitted to the Act by this Master Deed may be herein separately or collectively referred to as the "**Land**". All parcels of Land shall be submitted to the Act subject to all recorded utility easements and to the covenants and provisions of this Master Deed.

2.2 **Building.** Declarant has constructed One (1) Building containing a total of Seventy Two (72) Units. The Building contains approximately 94,230 square feet of heated space. The Building contains, on the first floor, Unit 101 which is a Type A Unit, Unit 102 which is a Type B Unit, Units 103 and 105 which are Type C Units, Unit 108 which is a Type Ar Unit, Unit 107 which is a Type Br Unit, and Units 104 and 106 which are Type Cr Units. The Building contains, on the second floor, Unit 201 which is a Type A Unit, Unit 202 which is a Type B Unit, Units 203 and 205 which are Type C Units, Unit 208 which is a Type Ar Unit, Unit 207 which is a Type Br Unit, and Units 204 and 206 which are Type Cr Units. The Building contains, on the third floor, Unit 301 which is a Type A Unit, Unit 302 which is a Type B Unit, Units 303 and 305 which are Type C Units, Unit 308 which is a Type Ar Unit, Unit 307 which is a Type Br Unit, and Units 304 and 306 which are Type Cr Units. The Building contains, on the fourth floor, Unit 401 which is a Type A Unit, Unit 402 which is a Type B Unit, Units 403 and 405 which are Type C Units, Unit 408 which is a Type Ar Unit, Unit 407 which is a Type Br Unit, and Units 404 and 406 which are Type Cr Units. The Building contains, on the fifth floor, Unit 501 which is a Type A Unit, Unit 502 which is a Type B Unit, Units 503 and 505 which are Type C Units, Unit 508 which is a Type Ar Unit, Unit 507 which is a Type Br Unit, and Units 504 and 506 which are Type Cr Units. The Building contains, on the sixth floor, Unit 601 which is a Type A Unit, Unit 602 which is a Type B Unit, Units 603 and 605 which are Type C Units, Unit 608 which is a Type Ar Unit, Unit 607 which is a Type Br Unit, and Units 604 and 606 which are Type Cr Units. The Building contains, on the seventh floor, Unit 701 which is a Type A Unit, Unit 702 which is a Type B Unit, Units 703 and 705 which are Type C Units, Unit 708 which is a Type Ar Unit, Unit 707 which is a Type Br Unit, and Units 704 and 706 which are Type Cr Units. The Building contains, on the eighth floor, Unit 801 which is a Type A Unit, Unit 802 which is a Type B Unit, Units 803 and 805 which are Type C Units, Unit 808 which is a Type Ar Unit, Unit 807 which is a Type Br Unit, and Units 804 and 806 which are Type Cr Units. The Building contains, on the ninth floor, Unit 901 which is a Type A Unit, Unit 902 which is a Type B Unit, Units 903 and 905 which are Type C Units, Unit 908 which is a Type Ar Unit, Unit 907 which is a Type Br Unit, and Units 904 and 906 which are Type Cr Units. The horizontal and vertical location of the Building and other improvements on the Land is shown on Exhibit B ("**Plat and Plot Plan**") attached hereto. A floor plan of the Building which shows graphically the dimensions, area and location of the Units therein is set forth in Exhibit C attached hereto.

2.3 <u>Units</u>.

A. The different types of Units shall be as follows:

(1) The floor plan and square footage of a Type A Unit is described on Exhibit D hereto. For purposes of the Act, a Type A Unit has a value of $170,000.00.

(2) The floor plan and square footage of a Type B Unit is described on Exhibit E hereto. For purposes of the Act, a Type B Unit has a value of $230,000.00.

(3) The floor plan and square footage of a Type C Unit is described on Exhibit F hereto. For purposes of the Act, a Type C Unit has a value of $240,000.00.

(4) The floor plan and square footage of a Type Ar Unit is described on Exhibit G hereto. For purposes of the Act, a Type Ar Unit has a value of $160,000.00.

(5) The floor plan and square footage of a Type Br Unit is described on Exhibit H hereto. For purposes of the Act, a Type Br Unit has a value of $235,000.00.

(6) The floor plan and square footage of a Type Cr Unit is described on Exhibit I hereto. For purposes of the Act, a Type Cr Unit has a value of $225,000.00.

(7) Declarant may amend this Master Deed to add additional Unit types for any Buildings, which may be subjected to the provisions hereof by amendment to this Master Deed.

B. The boundaries of each Unit shall be as follows:

(1) The upper and lower boundaries of the Unit shall be the following boundaries extended to an intersection with the vertical boundaries:

(a) Upper boundary: The horizontal plane of the bottom undecorated surface of the ceiling of each Unit;

(b) Lower boundary: The horizontal plane of the upper surface of the undecorated concrete floor slab of each Unit.

(2) The vertical boundaries of each Unit shall be the vertical plane of all undecorated and unfinished inner surfaces of all perimeter walls bounding the Unit extended to the intersections with each other and with the upper and lower boundaries of each Unit.

(3) All heating, ventilating and air conditioning unit and equipment located adjacent to a particular Unit but outside of the boundaries of said Unit as set forth in subparagraphs (1) and (2) immediately above and all pipes conduits and wires running to and from said heating, ventilating and air conditioning unit and said particular Unit, are part of the particular Unit to which they are adjacent and to which they run.

(4) The patio, decks and storage areas abutting any Unit and the exterior stairways leading to Units are Limited Common Elements appurtenant to those Units to which they attach or lead and their use is restricted to Units to which they are appurtenant. Maintenance (other than structural) and upkeep of each patio, deck and storage areas and exterior stairway shall be the primary responsibility of the Owner of the Unit to which that patio, deck, storage area and exterior stairway is appurtenant and the secondary responsibility of the HOA.

(5) All doors and windows which are in the perimeter walls of a Unit and all heating, ventilating and air conditioning units and equipment and related pipes within said perimeter walls shall be deemed a part of said Unit.

(6) All pipes, wires or other conduits running to and from all electrical, television, telephone, water and sewer installations within a particular Unit, which branch off from or run from a common pipe or wire serving more than one Unit shall be part of a Unit from the point at which it branches off from the common pipe or wire regardless of whether or not said pipe or wire is within the perimeter of a Unit. The upkeep and maintenance of said pipes and wires shall be the responsibility of the Owner of the Unit. All other pipes and wires are part of the Common Property and the upkeep and maintenance of the same shall be the responsibility of the HOA.

(7) All load bearing walls located within a Unit constitute a part of the Common Property up to the plane of all undecorated and unfurnished inner surfaces of said load bearing walls.

C. The ownership of each Unit shall encompass, and there shall pass with each Unit as appurtenances thereto whether or not separately described, all of the rights, title and interest of a Co-Owner in the Property, which shall include but be not limited to:

(1) Membership in the HOA composed of all Co-Owners, including the right to vote on all matters which under this Master Deed and the Bylaws are to be decided by the Co-Owners, and

(2) The Co-Owners' undivided Percentage Interest in the Common Property, which shall be the percentage allocated to each Unit as set forth in Exhibit J.

2.4 **Incorporation of Additional Parcels**. Declarant reserves the right to incorporate within the Land and to subject to this Master Deed additional parcels of Land and Buildings, which Land and Buildings may be incorporated separately or one or more of which may be incorporated collectively. The parcels of Land and Buildings that would be incorporated will be shown on one or more additional exhibits to be added by amendment to this Master Deed.

A. The following table shows the maximum number of Units in each proposed additional Building:

Building 1 - 72 Units
Building 2 - 1 Unit

B. Declarant may at any time and from time to time submit one or more of the Buildings to the terms of this Master Deed. Declarant will elect on or before December 31,2006 as to whether or not it will proceed to subject to the terms of this Master Deed any or all of the above Buildings.

C. If Declarant exercises its rights to incorporate the additional Building 2 listed above, the values and ownership of Common Property will be as shown on Exhibit J will be amended.

D. Any incorporation of additional Land and/or Buildings in the Regime will not substantially increase the proportionate share of the Common Expenses payable by any existing Co-Owner and such increase, if at all, will be of a minor or incidental nature.

E. The Declarant intends to make available a swimming pool for use by the Owners and their guests. Any additional amenities or recreational facilities, which may or may not be on the Property are solely at the option of Declarant.

F. If Declarant shall elect to incorporate additional Land and/or Buildings in the Regime, such shall be accomplished by recordation of an amendment to this Master Deed in the Clerk of Court's office for Horry County and such election shall be effective on the date of recordation.

2.5 **Name**. The name by which the Horizontal Project Regime shall be known as Beachwalk Villas Horizontal Property Regime (the **"Regime"**).

ARTICLE 3
COMMON PROPERTY

3.1**Common Property**. Common Property consists of all parts of the Property excluding the Units as described above, and includes, but is not limited to, the Land, the Buildings (excluding the Units but including all exterior walls and roofs), all other improvements on or to the Property and all Common Property submitted by Declarant as provided herein. The Board of Directors has the authority to execute, acknowledge, deliver and record, on behalf of the Co-Owners, easements, rights of way, licenses and similar interests affecting the Common Property.

3.2**Limited Common Elements.** Limited Common Elements are those Common Elements including, but not limited to, doorsteps, stoops, balconies, entry decks, decks, patios, storage areas, garbage can storage areas, terraces and all exterior doors and windows, which are designed to serve less than all the Units and Commercial Units to the exclusion of the other Units and other Commercial Units and are located outside a Unit or Commercial Unit boundary. Doorsteps, stoops, stairs entry decks and decks are limited in their use to the Units or Commercial Units to which they afford access. Balconies, decks, patios and terraces are limited in their use to the Units from which access is allowed from the interior of the Unit. Exterior doors and exterior windows are limited in their use to the Units to which they afford access or light. Storage areas and garbage can storage areas are limited in their use to the Units or Commercial Units to which they are assigned.

3.3 **Percentage of Undivided Ownership Interest.** Each Co-Owner of a Unit or a Commercial Unit shall own an undivided Percentage Interest (**"Percentage Interest"**) in the Common Property, which interest shall not be separately owned or conveyed. The undivided Percentage Interest in the Common Property appertaining to each Unit or Commercial Unit, together with the statutory basic value of each unit, is set forth in Exhibit J attached hereto. The undivided Percentage Interest of each Co-Owner in the Common Properly shall be an inseparable part of the Co-Owner's Unit and no partition of these interests is permitted or allowed.

3.4 **Conveyance of Common Property**:

A. The Declarant may from time to time submit to the terms of this Master Deed in accordance with this Section, real and personal property for the common use and enjoyment of the Owners and, to the extent set forth in this Master Deed, the general public (and such real and personal property is and shall be considered as part of the Common Property).

B. The Declarant may submit to the terms of this Master Deed, Common Property for scenic and natural area preservation and for general recreational use to include facilities for swimming. The Declarant may, at Declarant's sole discretion, modify, alter, increase, reduce and otherwise change the Common Property contemplated to be submitted to the terms hereof at any time prior to submission.

C. Notwithstanding any legal presumption to the contrary, the fee title to, and all rights in, any portion of the property owned by the Declarant and designated as Common Property or designated for public use shall be reserved to the Declarant until such time as the same shall be conveyed to the HOA or to any municipality or other governmental body, agency or authority.

D. Lakes and drainage ways shall, without limitation, be included in the Common Property that may be submitted by Declarant. Declarant shall not be required to make any improvements whatsoever to the Common Property to be submitted pursuant to this Section including, without limitation, dredging or otherwise removing silt from any lake that may be conveyed.

3.5 **Right to Enjoyment**: Every Owner shall have a right and easement to use and enjoy all of the Common Property (with the exception of the Limited Common Elements described above), which right shall be appurtenant to and shall pass with the title to every Unit or Commercial Unit upon transfer; provided, however, that no Owner shall do any act which interferes with the free use and enjoyment of the Common Property by all other Owners. The HOA may permit persons who are not Owners to use and enjoy part of all of the Common Property subject to such limitations, and upon such terms and conditions, as it may from time to time establish. The right and easement of enjoyment granted or permitted by this Section is subject to suspension by the HOA as provided below. However, any such rules or regulations of the HOA for the Common Property, which purport to diminish, abrogate or in any way affect the Commercial Units, including the Limited Common Elements and easements appurtenant thereto or other rights reserved in the favor of the Declarant, its successors and assigns relative to the Units, Commercial Units, Common Property, Limited Common Elements or any other portion of the

Condominium shall not be binding upon the Declarant or the Owners of the Commercial Units, their successors and assigns, unless and until the Declarant and the Owners of the Commercial Units consent in writing to the same.

3.6 **Rights of the HOA**. The rights and privileges conferred in this Article shall be subject to the right, and where applicable, the obligation, of the HOA acting through the Board to:

(a) Promulgate rules and regulations relating to the use, operation and maintenance of the Common Property;

(b) Borrow money for the purpose of carrying out the activities of the HOA, including the acquisition, construction, improvement, equipping and maintenance of Common Property, and in aid thereof, to encumber by mortgage or other security interest any or all of the HOA's property including Common Property and revenues from assessments, user fees and other sources; and provided, however that during the period when the Declarant has the right to appoint members of the Board, the HOA shall not deed, grant, or convey to anyone any mortgage, lien, encumbrance or other security interest on or in Common Property constituting real estate without written approval by Declarant.

(c) Grant easements or rights-of-way over Common Property to any municipality or other governmental body, agency or authority, to any quasi-public agency or to any utility company or cable television system;

(d) Suspend the voting rights of any Member as provided below and the right of enjoyment granted or permitted by this Master Deed;

(e) Enforce all applicable provisions of valid agreements of the HOA relating to the Common Property or any part thereof; and

(f) Maintain any and all landscaping treatments previously installed by the Declarant, to the extent that such landscaping is not otherwise maintained by the appropriate county and/or municipal entity having jurisdiction over the roads serving the Property.

3.7 **Submission of Common Property by Declarant**: The Declarant may submit to the terms of this Master Deed any personal property and any improved or unimproved property, leasehold, easement or other property interest. If designated as Common Property, such property shall be maintained by the HOA for the benefit of all of its Members.

3.8 **Types of Common Property**: At the time any real property or grant of easement is submitted to the terms of this Master Deed by the Declarant to be used as Common Property, the Declarant may designate in the deed of conveyance or easement that such real property is to be Common Property, and further may designate in the deed of conveyance or easement the specific or general purpose or purposes for which such real property or any portion thereof may be used, and in such event, such real property or portion thereof shall not be used for any different purpose or purposes without the prior written consent of the Declarant and the HOA.

3.9 **Alteration.** After the completion of the Common Property, there shall be no alteration of the same by the Co-Owners without the prior written approval of a majority of the Co-Owners; provided, however, that as long as Declarant owns any Units, Declarant shall have the right to make such minor alterations to the Common Property as is necessary for the enhancement and protection of the Property.

3.10 **Delegation of Use**. Any Owner may delegate to the members of his family or his tenants who reside in a Unit, in accordance with the Bylaws, his right to use and enjoy the Common Property.

3.11 **Maintenance.** The HOA shall maintain and keep in good repair the Common Property. This maintenance shall include, without limitation, maintenance, repair and replacement, subject to any insurance then in effect, of all landscaping and improvements situated on the Common Property. In addition, the HOA shall maintain grass and other landscaping located along or in dedicated rights of way which were installed and maintained by Declarant, to the extent permitted by the applicable governmental authority, and shall maintain all entry features and retention ponds for the Project. As to drainage ways that abut adjoining property, the HOA will share in the cost of their maintenance with the adjoining property owners.

The HOA shall also have the right, but not the obligation, to maintain and provide services for other property not owned by the HOA, and to enter into easements and agreements to share costs regarding such property where the Board has determined that this would benefit the Owners.

ARTICLE 4
BEACHWALK VILLAS HOMEOWNER'S ASSOCIATION, INC.

4.1 **Purposes. Powers and Duties of the HOA:** The HOA shall be formed as a South Carolina non-profit corporation for the sole purpose of performing certain functions for the common good and general welfare of the Co-Owners of the Project. The HOA shall have no power or duty to do or perform any act or thing other than those acts and things, which will promote in some way the common good and general welfare of the Co-Owners of the Project. To the extent, and only to the extent, necessary to carry out such purpose, the HOA (a) shall have all of the powers of a corporation organized under the South Carolina Not for Profit Corporation Code and (b) shall have the power and duty to exercise all of the rights, powers, and privileges and to perform all of the duties and obligations of the HOA as set forth in this Master Deed.

4.2 **Membership in the HOA**: Every Owner shall automatically be a Member of the HOA and such Membership shall terminate only when the individual or entity is no longer an Owner, or as otherwise provided in this Master Deed. For purposes of voting, there shall be two (2) classes of Members as set forth below.

4.3 **Voting Rights**:

A. **Class A**: Each Owner of a Unit, with the exception of Declarant (for so long as Declarant is a Class B member), shall be a Class A Member and shall be entitled to vote on all matters relating to the HOA or to the Property upon which a vote of the Co-Owners is conducted. The Class A Membership shall be entitled collectively to cast One Thousand (1,000) votes on each such matter. These votes shall be allocated to the Co-Owners other than the Declarant in proportion to their respective Percentage Interests in the Common Property as set forth in Exhibit J. In the event a Unit is owned by more then one person or by a corporation, trust or other entity, the individual entitled to cast the vote for that Unit shall be designated by a certificate filed prior to the meeting with the Secretary of the HOA and signed by all joint Co-Owners of the Unit or by an authorized agent of the corporation or other entity. If no certificate is filed, the vote of such Unit shall not be considered.

B. **Class B**: The Declarant shall be the sole Class B Member. The Class B Membership shall entitled to Four Thousand (4,000) votes on each matter relating to the HOA or to the Property upon which a vote of the Co-Owners is conducted. The Class B Membership shall cease and the Declarant shall be converted to a Class A Member upon the occurrence of the events described in Section 4.5 below.

C. **Required Vote**: All action taken by a vote of the Co-Owners shall be by majority vote unless a different vote is specified in this Master Deed or in the Articles of Incorporation or the Bylaws of the HOA.

4.4 **Binding Effect**. All agreements, decisions and determinations lawfully made by the HOA in accordance with the voting percentages established in the Act, this Master Deed or the Bylaws shall be deemed to be binding on all Co-Owners.

4.5 **Dilution of Voting Interest and Termination of Class B Membership**: The Property will be composed of Units to be developed in phases and Buildings containing unequal numbers of Units. The Declarant may elect within the time limits prescribed herein to develop each such phase in accordance with the terms hereof. In the event that the Developer shall elect to proceed with one or more of the additional phases and/or Buildings as provided for herein, each such phase and/or Building will be platted of record in the Office of the Clerk of Court for Horry County in accordance with the terms of this Master Deed. The Declarant shall notify the HOA in writing when the final phase and/or Building of the Property has been so platted of record. By acceptance of a deed conveying a Unit, each Owner acknowledges that, upon the development by Declarant of such phases and/or Buildings, the proportion of the total votes of existing Owners will decrease based upon the number of Units in the phases added. The Class B Membership shall cease and be converted to Class A Membership at such time as Declarant no longer retains a Controlling Interest, provided however, in no event shall Class B Membership cease and be converted to Class A Membership until the earlier of: (i) the receipt by the HOA of the written notice provided for above, or (ii) the expiration of the last of the time periods during which the Declarant may elect to develop additional phases and/or Buildings. Nothing contained herein shall obligate the Declarant to develop any proposed phase and/or Building of the Property unless such phase and/or Building is subjected to this Master Deed.

4.6 **Board of Directors**: The affairs of the HOA shall be managed by the Board. The number of Directors on the Board and the method of election of Directors of the Board shall be as set forth in the Bylaws of the HOA.

4.7 **Suspension of Members**: The Board may suspend the voting rights of any Member and the right of enjoyment of the Common Property of any person who:

A. Shall be subject to the Right of Abatement, as defined in Section 7.3 below;

B. Shall be delinquent in the payment of any assessment levied by the HOA pursuant to the provisions of this Master Deed; or

C. Shall be in violation of any of the rules and regulations of the HOA relating to the use, operation and maintenance of Common Property.

Such suspension shall be for the balance of the period in which said Member or person shall remain in violation, breach or default, as aforesaid, except that in the case of a violation described in Subsection C above, the suspension may be for a period not to exceed sixty (60) days after the cure or termination of such violation. No such suspension shall prevent an Owner's ingress or egress from his Unit.

4.8 **Termination of Membership**: Membership shall cease only when a person ceases to be an Owner.

4.9 **Voting Rights Procedures**: The procedures for the election of Directors of the Board of the HOA and the resolution of such other issues as may be brought before the Membership of the HOA shall be governed by this Master Deed, the South Carolina Not for Profit Corporation Code, the Articles of Incorporation of the HOA, and the Bylaws of the HOA, copes of which are attached hereto as Exhibits K and L, as each shall from time to time be in force and effect.

4.10 **Control by Declarant**:

A. Notwithstanding any other language or provision to the contrary in this Master Deed, in the Articles of Incorporation, or in the Bylaws of the HOA., Declarant, for so longs as it owns a Controlling Interest in the Property, hereby retains the right to appoint and remove any or all Directors of the Board of the HOA, and any officer or officers of the HOA. Each Owner by acceptance of a deed to or other conveyance of a Unit vests in Declarant such authority to appoint and remove Directors and officers of the HOA as provided in this Section.

B. Upon the expiration of the period of Declarant's right to appoint and remove directors and officers of the HOA pursuant to the provisions of this Section, such right shall automatically pass to the Owners, including Declarant if Declarant then owns one or more Units; and a special meeting of the HOA shall be called at such time. At such special meeting the Owners shall elect a new Board which shall undertake the responsibilities of the Board and Declarant shall deliver the books, accounts, and records, if any, which Declarant has kept on behalf of the HOA and any agreements or contracts executed by or on behalf of the HOA during such period which Declarant has in its possession.

4.11 **Maintain Registry of Owners and Mortgages**: The HOA shall at all times maintain a register setting forth the names of the Owners of all of the Units, and in the event of the sale or transfer of any Unit to a third party, the purchaser or transferee shall notify the HOA in writing of his interest in such Unit together with such recording information as shall be pertinent to identify the instrument by which such purchaser or transferee has acquired his interest in any Unit. Further, the Owner of each Unit shall at all times notify the HOA of the names of the parties holding any mortgage or mortgages on any Unit, the amount of such mortgage or mortgages, and the recording information which shall be pertinent to identify the mortgage or mortgages. The holder of any mortgage or mortgages upon any Unit may, if he so desires, notify the HOA of the existence of any mortgage or mortgages held by such party on any Unit, and upon receipt of such notice, the HOA shall register in its records all pertinent information pertaining to the same.

ARTICLE 5
ASSESSMENTS

5.1 **Agreement to Pay Assessments**. Declarant, for each Unit owned by it within the Project which has been submitted to the terms of this Master Deed, and for and as the Owner of the Property and every part thereof, hereby covenants and each Co-Owner of any Unit by the acceptance of instruments of conveyance and transfer therefor, whether or not it be so expressed in such instruments, shall be deemed to covenant and agree with each other and with the HOA to pay to the HOA all HOA Assessments as hereinafter defined.

5.2 **HOA Expenses**. The HOA shall be responsible for, and shall treat as HOA expenses, the costs of HOA administration, which shall include all expenses of the Property which are not the obligation of any individual Co-Owner, HOA reserve fund assessments and costs of maintenance, repair, replacement and insurance of, and utilities (including garbage service but excluding telephone service) for, the Property, any deficit remaining from a previous period, creation of reasonable contingency reserves and any other expenses and liabilities which may be incurred by the HOA for the benefit of all Co-Owners under or by reason of this Master Deed (herein collectively referred to as the "HOA expenses"). The HOA shall treat as common surplus the excess of HOA revenues over HOA expenses.

5.3 **Apportionment**. Common surplus shall be owned and HOA expenses shall be distributed and allocated among and be the obligation and liability of the Co-Owners in proportion to their respective Percentage Interests.

5.4 **Annual Budget**. On or before November 1 of each year, the Board shall prepare or cause to be prepared and adopt an operating budget for the upcoming calendar year. The budget shall itemize the estimated HOA expenses for such calendar year, taking into consideration anticipated receipts (if any), and any deficit or surplus from the prior operating period. The budget shall serve as the supporting document for the annual assessment for the upcoming fiscal year and as the major guideline under which the Property shall be operated during such annual period. In the event the Board fails for any reason to adopt a budget for the succeeding year, then and until such time as it is adopted, the budget and annual assessments in effect for the then current year shall be increased in proportion to the percentage increase, if any, for the then current year, in the Consumer Price Index (all Urban Consumers, United States City Average, All Items 1982=100), or its successor index, and such increased budget shall be the budget for the succeeding year, until a new budget is adopted. Declarant shall estimate the budget for the first year of the HOA.

5.5 **Notice and Payment**. The HOA shall furnish to each Co-Owner a copy of the budget and notify each Owner as to the amount of the annual assessment with respect to such Owner's Unit on or before December 1 of each year for the next year following such date. The annual assessment shall be payable in twelve (12) equal monthly installments ("HOA Assessments") due on the 1st day of each month during the calendar year to which the assessment relates. All unpaid installments of any HOA Assessment shall incur a late charge of $25.00 per month or any portion of any month (or at such lesser rate as is equal to the maximum interest rate allowed by applicable law) from the date each such installment is due until paid. The failure of the HOA to give timely notice of any HOA Assessment as provided herein shall not be deemed a waiver or modification in any respect of the provisions of this Master Deed or a release of any Co-Owner from the obligation to pay such assessment or any other assessment; but the date when the payment shall become due in such case shall be deferred to a date fifteen (15) days after notice of such assessment shall have been given to the Co-Owner in the manner provided in this Master Deed.

5.6 **Special Assessments**. In addition to the HOA Assessments authorized by this Article, the HOA may levy, at any time and from time to time, upon affirmative vote of a majority of the Board of Directors of the HOA, a special assessment in an amount up to ten (10%) percent of the prior year's budget. Special assessments for amounts in excess of ten (10%) percent of the prior year's budget may be levied by the HOA, at any time and from time to time, upon affirmative vote of a majority of the votes entitled to be cast. Special assessments will be payable over such period as the HOA may determine, for the purpose of defraying, in whole or in part, the costs of any construction or reconstruction, unexpected repair or replacement of the Property or any part thereof, or for any other expenses incurred or to be incurred as provided in this Master Deed (including without limitation HOA expenses). Such special assessments, if any, shall be included within any and all references to HOA Assessments. This Section shall not be construed as an independent source of authority for the HOA to incur expenses but shall be construed to prescribe the manner of assessing for expenses authorized by other Sections or Articles hereof. Any amounts assessed pursuant hereto shall be assessed to Co-Owners in proportion to their respective Percentage Interests. Notice in writing of the amount of such special assessments and the time for payment thereof shall be given promptly to the Co-Owners; no payment shall be due less than fifteen (15) days after such notice shall have been given. All unpaid portions of any special assessment shall incur a late charge of $25.00 per month or any portion of any month (or at such lesser rate equal to the maximum interest rate allowed by the applicable law) from the date such portions become due until paid. All funds received from assessments under this Section shall be part of HOA funds.

5.7 **Association Lien**. Each Co-Owner by acceptance of a deed to a Unit, and the HOA, herewith bargain, sell, grant and convey to the HOA a lien against all Common Property to secure the full and prompt payment of all HOA Assessments.

5.8 **Lien for HOA Assessments**. All sums assessed to Co-Owners pursuant to the provisions herein and in the Bylaws, together with interest thereon as provided herein, shall be secured by a lien on their respective Units in favor of the HOA which lien shall be prior to all other liens upon the Unit except: (a) Tax liens in favor of any assessing Unit; and (b) Prior mortgages duly recorded, encumbering the Unit, and (c) any first lien construction mortgage duly recorded by Declarant in connection with the financing of the Property. To evidence a lien for sums assessed pursuant hereto, the HOA may prepare a written notice of lien setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the Co-Owner of the Unit and a description of the Unit. Such a notice shall be signed and acknowledged by a duly authorized officer of the HOA and may be recorded in the Office of the Horry County Clerk of Court. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by judicial foreclosure by the HOA in the same manner in which mortgages on real property may be foreclosed in the State of South Carolina. In any such foreclosure, the Co-Owner shall be required to pay the costs and expenses of such proceeding (including reasonable attorneys' fees) and such costs and expenses shall be secured by the lien being foreclosed. The Co-Owner shall also be required to pay to the HOA any HOA Assessments against the Unit, which shall become due during the period of foreclosure and all such HOA Assessments shall be secured by the lien being foreclosed. The HOA shall have the right and power to bid in at any foreclosure sale and to hold, lease, mortgage or convey the subject Unit. When the purchaser of a Unit obtains title to the Unit as a result of foreclosure of a mortgage, such purchaser, his successors and assigns, which may include but not be limited to the Mortgagee, shall not be liable for any of the HOA Assessments chargeable to such Unit accruing prior to the acquisition of title to such Unit by such purchaser or Mortgagee. Such unpaid share of HOA expenses shall be deemed to be HOA expenses collectible from all Co-Owners, including such purchaser, his successors and assigns. The provisions of this Section, however, shall not release any Co-Owner from personal liability for unpaid HOA Assessments. The rights of the HOA herein shall be in addition to any other rights provided by HOA Assessment with respect to liens for and collection of unpaid assessments.

5.9 **Personal Obligation of Owner**. The amount of any HOA Assessment against any Unit shall be the personal obligation of the Co-Owner of such Unit to the HOA. Suit to recover a money judgment for such personal obligation shall be maintainable by the HOA without foreclosing or waiving the lien securing the same. A Co-Owner may not avoid or diminish any such personal obligation by waiver of the use and enjoyment of any of the Common Property or by abandonment of his Unit or by waiving any services or amenities provided for in this Master Deed. In the event of any suit to recover a money judgment for unpaid assessments hereunder, the involved Co-Owner shall pay the costs and expenses incurred by the HOA in connection therewith, including reasonable attorneys' fees.

5.10 **Statement of Account**. Upon payment of a reasonable fee not to exceed $75.00 and upon written request of any Co-Owner, Mortgagee, prospective Mortgagee or prospective purchaser of a Unit, the HOA shall issue a written statement setting forth the following:

A. The amount of the unpaid assessments, if any, with respect to such Unit.

B. The amount of the current HOA Assessments and the date or dates upon which installments thereof become due.

C. Credit for advanced payments or prepaid items, including without limitation the Co-Owner's share of prepaid insurance premiums.

Such statement shall be conclusive upon the HOA in favor of persons who rely thereon in good faith.

5.11 **Personal Liability of Purchaser**. Subject to the provisions herein, a purchaser of a Unit shall be jointly and severally liable with the seller thereof for all unpaid HOA Assessments against such Unit up to the time of the grant or conveyance; provided, however, that the provisions of this Section shall not prejudice the purchaser's right to recover from the seller the amount paid by the purchaser for such assessments.

5.12 **Audited Financial Statements**. On or before the working day nearest to April 15 in each calendar year, the Board shall cause an audited financial statement of the HOA to be prepared and distributed to the Members.

5.13 **Records.** The Board of Directors shall keep, or cause to be kept, a book with a detailed account, in chronological order, of the receipts and disbursements affecting the Property and its administration and specifying the expenses of maintenance and repair of the Common Property. The book shall be available for examination by all Co-Owners during normal business hours.

ARTICLE 6
EASEMENTS, COVENANTS AND RESTRICTIONS

6.1 **Use of Project**. Each Co-Owner shall be entitled to the exclusive ownership and possession of his Unit. Each Co-Owner may also use the Common Property in accordance with the uses for which they are intended as long as such use does not hinder or encroach upon the rights of other Co-Owners. The following restrictions shall apply to the use of the Units and the Common Property.

A. The Property shall be used only for residential purposes, with the exception of the use of the Commercial Units.

B. Each Co-Owner shall keep his Unit in a good state of maintenance and repair and shall repair and replace when necessary, at his expense, portions of the Unit which are within the boundaries of the Unit.

C. The Property shall be kept in a clean and sanitary condition and no rubbish, refuse or garbage shall be allowed to accumulate on the Property nor shall any fire hazard be allowed to exist.

D. No immoral, improper, offensive or unlawful use shall be made of the Property or any part thereof and all owners, their families, invitees and guest, shall abide by all rules and regulations of the HOA and all zoning ordinances and regulations of all governmental bodies having jurisdiction thereof.

E. Units may be rented, leased or sub-leased only in such manner as shall permit the independent use thereof. Any lease agreements shall provide that the terms and conditions of the same shall be subject in all respects to the provisions of this Master Deed and the Bylaws and the rules and regulations of the HOA and that any failure of the lessee to comply with the terms of such documents shall constitute a default under the lease. All leases shall be in writing.

F. Reasonable regulations concerning the use and occupancy of the Unit may be promulgated from time to time by the Board of Directors. Copies of such regulations and amendments thereto shall be furnished by the manager of the Property or by the Board to all Co-Owners, and each Owner, his lessee and persons living with the Owner or his lessee shall comply with such regulations and with this Master Deed and Bylaws.

G. No signs, flags or advertising devices of any kind shall be displayed to public view on or from any Unit or the Common Property without the Board's prior written consent. Provided, however, that the Board shall have the right to erect such directional or other signs as it deems necessary to properly designate the various Buildings and Units, to assist Co-Owners and renters in locating Units and Common Property and for other purposes.

H. Owners shall be permitted to keep common household pets, including but not limited to dogs and cats, within their Unit, subject to the rules, regulations and policies adopted by the HOA. At no time and under no circumstances will renters or guests be allowed to maintain or harbor pets in any Unit or within any Common Property.

6.2 **Utility Easements**. There shall be appurtenant to each Unit a non-exclusive easement for the use of all pipes, wires, cables, conduits, utility lines, flues and ducts serving such Unit and situated in any other Unit. Each Unit shall be subject to an easement in favor of other Units for the use of all pipes, wires, cables, conduits, utility lines, flues and ducts situated in such Unit and serving the other Units.

6.3 **Easement to Declarant**. Declarant reserves for itself, its successors and assigns, the right to maintain a sales office on the Property to maintain model Units, to erect signs and to show Units. Declarant also reserves unto itself, its successors and assigns and successors in title, a perpetual easement over the Common Property for ingress to, egress from, travel over, construction, maintenance and operation of utilities and utility easements and construction, maintenance and operation of all-types of improvements whatsoever, on, under, over and across the Common Property for the benefit of the Property and all owners, occupants, guests and invitees therein.

6.4 **Encroachments**. If any portion of the Common Property encroaches upon any Unit, or if any Unit encroaches upon any other Unit or upon any portion of the Common Property, or if any such encroachment shall occur hereafter as a result of (i) settling of a Unit or Units, (ii) repair, alteration or reconstruction of the Common Property made by or with the consent of the HOA, (iii) repair or reconstruction of a Unit or Units following damages by fire or other casualty or (iv) the institution of any condemnation or eminent domain proceedings, an easement shall exist for such encroachment and for the maintenance of the same so long as the Property remains subject to the Act.

6.5 **Right of Access**. The HOA shall have the irrevocable right, to be exercised by the Board and their designated agents and representatives, to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair, maintenance or replacement of any of the Limited Common Elements and Common Property therein or accessible there from, or for making emergency repairs therein necessary to prevent damage to the Common Property, the Limited Common Elements or to another Unit, and such access to Units as required for extermination and pest control.

6.6 **Maintenance of Common Property**. Maintenance, repair and replacement of the Common Property and the making of any additions or improvements thereto, shall be carried out by the HOA and only as provided in the Act, this Master Deed and the Bylaws. To the extent that the HOA provides any maintenance or nonstructural repair of the Limited Common Elements described herein, then the Owner(s) of the affected Unit(s) shall immediately, upon receipt of an invoice from the HOA, fully reimburse the HOA for all costs of such maintenance or repair services, which liability shall be considered as an additional HOA Assessment against the Owner(s) and the Unit(s).

6.7 **Prohibited Work**. No Co-Owner or resident shall do any work on or in his Unit, which would jeopardize the soundness or safety of the Property, the Building or any Unit, reduce the value thereof or impair any easement or hereditament. Further, no Co-Owner or resident shall paint or otherwise decorate or change the appearance of any portion of the exterior of the Buildings. No Unit may be divided or subdivided into a small Unit or smaller Units than as shown on Exhibit "B" and Exhibit "C" attached hereto, nor shall any Unit, or portion thereof, be added to or incorporated into any other Unit. The undivided interest in the Common Property declared to be an appurtenance to each Unit shall not be conveyed, devised, encumbered or otherwise dealt with separately from said Unit, and the undivided interest in Common Property appurtenant to each Unit shall be deemed conveyed, devised, encumbered, or otherwise included with the Unit even though such undivided interest is not expressly mentioned or described in the instrument conveying, devising, encumbering, or otherwise dealing with such Unit.

6.8 **Partition**. The Common Property shall remain undivided and no Owner or any other person shall bring any action for partition or division of any part thereof, unless the Property has been removed from the provisions of the Act in the manner therein provided.

ARTICLE 7
ENFORCEMENT

7.1 **Right of Enforcement**: This Master Deed and the Restrictions contained herein shall inure to the benefit of and shall be enforceable by (i) the Declarant so long as it has a Controlling Interest, (ii) the HOA, and (iii) each Owner (including the Declarant), his heirs, devisees, legal representatives, successors and assigns.

7.2 **Fines:** The power to enforce shall include the power to set and enforce fines for violation of the terms of this Master Deed and for reasonable rules established by the HOA regarding use and occupancy of the Property. Any fines so imposed shall be a lien on the Unit and shall be enforceable in the manner provided for the collection of unpaid HOA Assessments.

7.3 **Right of Abatement:**

A. Except where different notice provisions are provided herein, in the event of a violation or breach of any Restriction contained in this Master Deed by any Owner or Unit, the HOA shall give written notice by certified mail to the Owner setting forth in reasonable detail the nature of such violation or breach and the specific action or actions needed to be taken to remedy such violation or breach. If the Owner shall fail to take reasonable steps to remedy such violation or breach within thirty (30) days after the mailing of said written notice, then the HOA shall have the Right of Abatement.

B. The Right of Abatement means the right of the HOA, through its agents and employees, to enter at all reasonable times upon any Unit as to which a violation, breach or other conditions to be remedied exists, and to take the actions specified in the notice to the Owner to abate, extinguish, remove, or repair such violation, breach or other condition which may exist thereon contrary to the provisions hereof, without being deemed to have committed a trespass or wrongful act solely by reason of such entry and such actions, provided such entry and such actions are carried out in accordance with the provisions of this Section. The costs of entry and repair or correction of the violation including the costs of collection including reasonable attorneys' fees, together with interest thereon at the lower of the highest rate permitted by law or eighteen (18%) percent shall be a binding personal obligation of such Owner enforceable in law, as well as a lien on such Owner's Unit enforceable pursuant to the provisions hereof. Such lien certified by the Board of the HOA and recorded in the office of the Clerk of Court of Horry County, South Carolina and shall be superior to any and all charges, liens or encumbrances which may in any manner arise or be imposed upon the Unit after such recordation whether arising from or imposed by judgment or decree or by any agreement, contract, mortgage, or other instrument, excepting only (i) such liens for taxes or other public charges as are by applicable law made superior, (ii) the liens for HOA Assessment referred to above, and (iii) any first lien construction mortgage duly recorded by Declarant in connection with the financing of the Property.

7.4 **Specific Performance:** Nothing contained in this Master Deed shall be deemed to affect or limit the rights of the Declarant, the HOA or any Owner to enforce the Restrictions by appropriate judicial proceedings or to recover damages. However, it is hereby declared that it may be impossible to measure accurately in money the damages which will accrue to a beneficiary hereof, its transferees, successors or assigns, by reason of a violation of, or failure to perform, any of the obligations provided by this Master Deed; and therefore, any beneficiary hereof shall be entitled to relief by way of injunction or specific performance, as well as any other relief available at law or in equity, to enforce the provisions hereof.

7.5 **No Waiver:** The failure of the Declarant, the HOA, or the Owner of any Unit or his or its respective heirs, legal representatives, devisees, successors and assigns, to enforce any Restrictions herein contained shall in no event be considered a waiver of the right to do so thereafter, as to the same violation or breach or as to any violation or breach occurring prior or subsequent thereto.

ARTICLE 8
INSURANCE

8.1 **General**. The Board shall use its best efforts to obtain and maintain, at all times insurance of the type and kind and in the amounts hereafter provided, including insurance for such other risks of a similar or dissimilar nature as are or shall hereafter customarily be covered with respect to other horizontal property regimes similar in construction, design and use, which insurance shall be governed by the provisions of this Article.

8.2 **Coverage**. For the benefit of the HOA and the Co-Owners, the Board shall use its best efforts to obtain and maintain at all times, and shall pay for out of the HOA's funds, the following insurance:

A. A master policy, or subscription policies, of casualty insurance for loss or damage by fire or other hazards covered by the standard extended coverage or other perils endorsements; and other such risk of similar or dissimilar nature as are or shall be customarily covered with respect to buildings similar in construction, location and use to the Condominium, including but not limited to vandalism, malicious mischief, windstorm, wind driven rain damage, water damage, flood damage and war risk, if available, on all Units, Common Property and Limited Common Elements and all personal property owned by the HOA located therein, with extended coverage, special extended coverage and use and occupancy coverage for at least one hundred percent (100%) of the replacement value of all Units. Common Property and Limited Common Elements, and all HOA personal property located therein, and such other fire and casualty insurance as the Board shall deem necessary for the protection of the Co-Owners, and their Mortgagees, as their respective interests appear, which policy or policies shall provide for a separate loss payable endorsement in favor of the Mortgagee of each Unit, if any; provided, however, that notwithstanding such loss payable endorsement, the Board in its sole discretion shall determine the application of all proceeds recovered thereunder;

B. A master policy, or subscription policies, in an amount of not less than $1,000,000 (One Million Dollars), insuring the HOA, its Board, the Co-Owners and the manager of the Property, against any liability to the public and Co-Owners and their invitees or tenants, occurring in, on or about the Units, Common Property and Limited Common Elements, or any portion thereof, arising out of, or incident to, the ownership or any use of the Property, and including the personal liability of the Co-Owners. Units of liability under such insurance shall be not less than Five Hundred Thousand Dollars ($500,000.00) for all persons injured in any one accident and not less than $50,000.00 property damage in each occurrence (such limits and coverage, to be reviewed at least annually by the Board are to be increased in its discretion). The policy, or policies, shall be issued on a comprehensive liability basis and shall provide cross liability endorsements wherein the rights of named insureds under the policy or policies shall not be prejudiced as respects his, her or their action against another named insured;

C. Workers' Compensation Insurance to the extent necessary to comply with any applicable laws; and

D. Such other types of insurance or coverage that the Board, in its sole discretion, deems advisable and in the best interests of the HOA.

8.3 **Insurance Underwriter**. A company or companies falling into a financial category, as designated in Bests Key Rating Guide, of no less than Class A+, shall write all policies.

8.4 **Adjustment of Losses**. Exclusive authority to adjust losses under policies hereafter in force on the Property shall be vested in the HOA or its authorized representative acting on behalf of all insureds, including Co-Owners and their Mortgagees.

8.5 **Contribution**. In no event shall the insurance coverage obtained and maintained by the HOA hereunder be brought into contribution with insurance purchased by Co-Owners or their Mortgagees.

8.6 **Co-Owner's Insurance**. Each Co-Owner may obtain additional insurance at his own expense; provided, however, that no Co-Owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount which the HOA, on behalf of all the Co-Owners, may realize under any insurance policy that the Board may have in force on the Property at any particular time.

8.7 **Notices to HOA**. Any Co-Owner who obtains individual insurance covering any portion of the Property, other than the Co-Owner's Unit or personal effect belonging to such Co-Owner, shall file a copy of such individual policy or policies with the Board within thirty (30) days after purchase of such insurance.

8.8 **Policy Provisions.** The HOA must make every effort to secure insurance policies containing the following provisions:

A. A waiver of subrogation by the insurer as to any claim against the HOA, the manager of the Property, Co-Owners and their respective servants and agents;

B. A provision that the master policy on the Property cannot be canceled, invalidated or suspended on account of the conduct of any Co-Owner, the HOA, any officer or employee of the HOA, or the manager of the Property, without demand in writing thirty (30) days prior to such cancellation, invalidation or suspension that the HOA or the manager of the Property, cure the defect and notice of the failure thereof to do so within such period;

C. A provision that any "other insurance" clause in the master policy exclude individual Co-Owner's policies from consideration; and

D. A provision that the insurer issue certificates of insurance specifying the portion of the master policy allocated to each Co-Owner's interest and that until the insurer furnishes written notice and a grace period of thirty (30) days to the Mortgagee insured under the loss payable clause thereof, the Mortgagee's coverage is never jeopardized by the conduct of the Unit Owner, the HOA or other Unit Owners, nor canceled for nonpayment of premiums.

8.9 **Annual Review**. At least annually, the Board shall review all insurance carried by the HOA and such review may include an appraisal of improvements within the Property by a person, firm or corporation designated by the Board.

ARTICLE 9
DAMAGE TO UNITS AND PERSONAL PROPERTY: RECONSTRUCTION AND REPAIR

9.1 **Application of Insurance Proceeds**. In case of fire, casualty or any other disaster, insurance proceeds of the HOA's policy and individual owner's policies shall be applied to such reconstruction, except in the event that reconstruction will comprise the whole or more than two thirds (2/3) of the Property. In such event, the damaged portion of the Property shall be reconstructed if the reconstruction shall be approved by the HOA by vote of at least seventy-five percent (75%) of the votes entitled to be cast. If not, the Co-Owners, by seventy-five percent (75%) vote of all Co-Owners, may agree upon an equitable distribution to the Co-Owners of the insurance proceeds. In the absence of such agreement, the proceeds will be distributed according to South Carolina law.

9.2 **Reconstruction**. Reconstruction of the damaged or destroyed Building, as used in this Section, means restoring the Building to substantially the same condition in which it or they existed prior to the fire, casualty or disaster, with each Unit and the Common Property having the same vertical and horizontal boundaries as before. Such reconstruction shall be accomplished under the direction of the HOA.

9.3 **Repair of Personality**. Repair and replacement of personal property, if insurance proceeds are sufficient to do so in whole or in part, shall be undertaken by the HOA.

9.4 **Assessment for Deficiency**. If the insurance proceeds are insufficient to reconstruct the Building, such damage or destruction shall be promptly repaired and restored by the Board, using the proceeds of insurance, if any, for that purpose. The Co-Owners shall be liable for assessment for any deficiency, the individual Co-Owner's share of any such assessment being based upon said Co-Owner's percentage of ownership as set forth in Exhibit J.

9.5 **Rights of Co-Owners and Others**. Co-Owners and lien holders are not entitled to receive payments of any portion of the proceeds unless there is a surplus of proceeds after the Common Property, the Units and the personal property have been reconstructed, repaired or replaced, or unless the reconstruction, repair or replacement project is terminated.

ARTICLE 10
AMENDMENTS

10.1 **Amendments by Declarant**: During any period in which Declarant retains a Controlling Interest, Declarant may amend this Master Deed by an instrument in writing, filed and recorded in the Deed Book of the Clerk of Court Office for Horry County, South Carolina, without the approval of any Owner or Mortgagee; provided, however, that (i) in the event that such amendment materially alters or changes any Owner's right to the use and enjoyment of such Owner's Unit or of the Common Property as set forth in this Master Deed or if such amendment adversely affects the title to any Unit, such amendment shall be valid only upon the written consent thereto by a majority in a number of the then existing Members affected thereby, or (ii) in the event that such amendment would materially and adversely effect the security title and interest of any Mortgagee, such amendment shall be valid only upon the written consent thereto of all such Mortgagees so affected, and (iii) any alteration to the rights or privileges granted or reserved hereunder in favor of the Commercial Units (now or hereafter existing) and the Owners thereof, or the granting of rights to any of the residential Units or Owners thereof which are reserved herein exclusively for the benefit of the Commercial Units (now or hereafter existing) and the Owner's thereof, shall be made only with the express written consent of the Declarant and all Owners of the existing Commercial Units. Declarant shall certify any amendment made pursuant to this Section as having been duly approved by Declarant, and such Members and

Mortgagees, if required, and such Owners of existing Commercial Units, if required, and shall be effective only upon recordation or at such later date as shall be specified in the amendment itself.

Notwithstanding anything to the contrary herein, Declarant for so long as it owns a Controlling Interest may unilaterally amend this Master Deed or any other instruments relating to the Property (including without limitation the articles and Bylaws of the HOA) (i) if such amendment is necessary to bring any provision hereof or thereof into compliance with the provisions of any applicable governmental statute, rule or regulation or with any judicial determination which shall be in conflict therewith, (ii) if such amendment is necessary to enable any reputable title insurance company to issue insurance coverage with respect to any Units subject to this Master Deed, (iii) if such amendment is required by an institutional or governmental lender, purchaser or guarantor of mortgage loans, including, for example, the Federal National Mortgage Association, or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make loans secured by any Property subject to this Master Deed (iv) if any such amendment is necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the Units subject to this Master Deed, or (v) if such amendment is necessary to correct a scrivener's error in the drafting of this Master Deed.

10.2 **Amendment by HOA**: Amendments to this Master Deed other than those authorized above, shall be proposed and adopted in the following manner:

A. Notice of the subject matter of the proposed amendment shall be included in the notice of the meeting of the HOA at which such proposed amendment is to be considered and shall be delivered to each Member of the HOA.

B. At such meeting, a resolution adopting a proposed amendment may be proposed by either the Board or by Members of the HOA. Such amendment must be approved by Members holding at least two thirds (2/3) of the total votes in the HOA; provided, however, (i) that any amendment which materially and adversely affects the security title and interest of any Mortgagee must be approved by such Mortgagee, and (ii) during any period in which Declarant has a Controlling Interest, such amendment must be approved by Declarant.

C. The agreement of the required percentage of the Owners and, where required, the Declarant and any Mortgagee, to any amendment of this Master Deed shall be evidenced by their execution of such amendment, or, in the alternative, and provided that Declarant does not then have the right to approve such amendment, the sworn statement of the President and any Vice President or the Secretary of the HOA attached to or incorporated in the amendment executed by the HOA, which sworn statement shall state unequivocally that the agreement of the required parties was lawfully obtained. Any such amendment of this Master Deed shall become effective only when recorded or at such later date as may be specified in the amendment itself.

ARTICLE 11
TERMINATION

11.1 **In General**. This Project maybe terminated as a horizontal property regime and sold only by an affirmative vote of all the Co-Owners at an HOA meeting duly called for such purpose and with the consent of all mortgage holders of record. Upon termination, title to the real estate to be sold shall vest in the HOA as trustee for the holders of all interests in the Units. Until all the real estate is sold and the proceeds thereof distributed, the HOA shall continue in existence with all powers that it had before the termination. Sales proceeds shall be distributed to the Mortgagees, Co-Owners and other mortgage holders and lien holders as their interests may appear.

11.2 **Distribution of Proceeds**. As a basis for distributing proceeds from the sale of the real estate following termination, the respective interests of the Co-Owners shall be their Units and the Common Property and Limited Common Element interests immediately before the termination. The fair market value of each Co-Owner's interests shall be determined by one or more independent appraisers selected by the HOA. The decision of the independent appraisers shall be distributed to the Co-Owners and become final unless within thirty (30) days after such distribution, it is disapproved by a vote of twenty-five percent (25%) of the Common Property interests. Each Co-Owner's share of the distributable sale proceeds shall be the ratio of the appraised value of such Owner's interests to the aggregate appraised value of all Co-Owners' interests. However, if any Unit or Limited Common Element has been destroyed to the extent that an appraisal of fair market value thereof prior to destruction cannot be made, each Co-Owner's share of the distributable sale proceeds shall be such Owner's respective undivided percentage interest in the Common Property.

ARTICLE 12
RIGHTS OF HOLDERS OF INSTITUTIONAL FIRST MORTGAGES

12.1 **Notification of Default**. From and after the time a Mortgagee makes written request to the Board or the HOA therefor, the Board or the HOA shall notify such Mortgagee in writing in the event that the Co-Owner of the Unit encumbered by the mortgage held by such Mortgagee neglects for a period of sixty (60) or more days to cure any failure on his part to perform any of his obligations under this Master Deed.

12.2 **Subordination of Lien for Assessments**. The lien or clam against a Unit for unpaid HOA Assessments or charges levied by HOA pursuant to this Master Deed or the Act shall be subordinate to (a) assessments, liens and charges for taxes past due and unpaid on the Unit, (b) the lien of mortgages held by Mortgagees, and (c) payments due under duly prior recorded mortgages, affecting the Unit. A Mortgagee who obtains title to a Unit pursuant to his mortgage or a deed or assignment in lieu of foreclosure shall not be liable for such Unit's unpaid assessments which accrue after the date of recording of the mortgage and prior to the acquisition of title to such Unit by the Mortgagee and shall take the same free of such lien or claim for unpaid assessments or charges, but only to the extent of assessments or charges which accrue after the date of recording of the mortgage and prior to the acquisition of title to such Unit by the Mortgagee (except for claims for a pro rata share of such prior assessments or charges resulting from a pro rata reallocation thereof to all Units including the Unit in which the Mortgagee is interested). No assessment, charge, lien or claim which is described in the preceding sentence as being subordinate to a mortgage or as not a burden to a Mortgagee or a deed or assignment in lieu of foreclosure shall be collected or enforced by either the Board or the HOA from or against a Mortgagee, a successor in title to a Mortgagee, or the Unit affected or previously affected by the mortgage concerned (to the extent any such collection or enforcement would prejudice the interests of the Mortgagee or successor in title to the Mortgagee interested in such Unit).

12.3 **Negative Covenants**. Without the approval of each Mortgagee, neither the Board nor the HOA shall be entitled, by act, omission, or otherwise:

A. To seek to abandon or terminate the Property or to abandon or terminate the arrangement which is established by this Master Deed (except as provided herein in the event of certain destruction or damage).

B. To partition or subdivide any Unit;

C. To seek to abandon, partition, subdivide, encumber, sell or transfer all or any of the Common Property except (i) for the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Property or (ii) as provided herein in the event of certain destruction or damage;

D. To use hazard insurance proceeds resulting from damage to any part of the Property (whether to Units or to the Common Property) for purposes other than the repair, replacement, or reconstruction of such improvements, except as provided by statute in the event of substantial loss to the Units and/or Common Property;

E. To change the percentages of ownership interests allocable to Units encumbered by the mortgage; or

F. To alter the provisions hereof in such a way as to diminish the insurance protection required to be afforded to the parties designed to be protected thereby, or to fail to maintain the insurance coverage described therein.

12.4 **Right of Mortgagee to Examine Books and Records**. Any Mortgagee shall have the right, at its request and expense and upon reasonable notice, to examine the books and records of the Board or the HOA. From and after the time a Mortgagee makes written request to the Board of the HOA therefore, the Board or the HOA shall furnish to such Mortgagee copies of such annual operating reports and other reports or writings summarizing or reflecting the financial position or history of the Project as may be prepared for distribution to or use by the Board, the HOA, or the Co-Owners.

12.5 **Reserves for Repairs and Replacements**. The Board and the HOA shall establish an adequate reserve fund to cover the cost of reasonably predictable and necessary major repair and replacements of the Common Property and shall cause such reserve to be funded by regular monthly or other periodic assessments against the Units rather than by special assessments.

12.6 **Condemnation**. From and after the time a Mortgagee makes a written request to the Board or the HOA therefore, the Board or the HOA shall notify such Mortgagee in writing in the event that there occurs any damage or loss to, or any taking of:

A. the Common Property involving an amount in excess of, or reasonably estimated to be in excess of, Ten Thousand Dollars ($10,000.00); or

B. the Unit covered by the mortgage to such Mortgagee involving an amount in excess of, or reasonably estimated to be in excess of One Thousand Dollars ($1,000.00). Said notice shall be given within ten (10) days after the Board or HOA learns of such damage, loss, taking, or anticipated condemnation.

12.7 **Priority as to Insurance Proceeds and Condemnation Awards**. Nothing contained in this Master Deed shall give a Co-Owner, or any other party, priority over any rights of a Mortgagee pursuant to its mortgage in the case of a distribution to such Co-Owner of insurance proceeds or condemnation awards for losses to or a taking of Units and/or Common Property.

12.8 **Conflicting Provisions**. In the event any provision or clause of this Master Deed deals with the same subject matter as is dealt with in another provision or clause of this Section, the provision or clause which results in the greatest protection and security for a Mortgagee shall control the rights, obligations or limits of authority as the case may be, applicable to the Board and HOA with respect to the subject matter.

12.9 **Restrictions on Amendments**. No amendment to this Section, which has the effect of diminishing the rights, protection or security afforded to Mortgagees, shall be accomplished or effective unless all of the Mortgagees of the individual Units have given their prior written approval to such amendment. Any amendment to this Section shall be accomplished by an instrument executed by the Board and filed for record in the office of the Horry County Clerk of Court. In any such instrument, an officer of the HOA shall certify that any prior written approval of Mortgagees required by this Section as a condition to amendment has been obtained.

12.10 **Notice of Eminent Domain Proceedings**. In the event that eminent domain proceedings are commenced against the Property or any portion thereof, the Board shall give written notice of such proceedings to all Mortgagees of record. No first lien priority of any Mortgagee shall be diminished or otherwise disturbed by virtue of such proceedings.

ARTICLE t3
ADMINISTRATION BY DECLARANT

13.1 **Interim Management and Administration**. Until such time as control is turned over to the HOA, all references to HOA shall mean Declarant. Until such time as the HOA commences to function, the Declarant shall be responsible for the administration of the Regime and the HOA and until such time shall have all the duties and powers of the HOA including these of the Board and the manager of the Property as specified in the Master Deed and the Bylaws and shall be performed by the Declarant and/or such other representative or agent as may be employed by the Declarant. The Declarant shall secure a manager of the Property who shall be entitled to reasonable compensation for its services until control and selection of a manager is turned over to the HOA. Any contract entered into by the Declarant or the HOA for the employment of a manager of the Property shall not exceed a term of three (3) years and shall be terminable by either party with ninety (90) days or less written notice.

13.2 **Turnover of Accounts**. At such time as the affairs of the Regime are turned over to the HOA, the Declarant shall turn the books, records and accounts over to the HOA, which shall be in balance.

ARTICLE 14
CONDEMNATION

14.1 **Condemnation**. If at any time or times during the continuance of this Property pursuant to this Master Deed all or any part of the Property shall be taken or condemned by any public authority under power of eminent domain, the provisions of this Section shall apply. A voluntary sale or conveyance of all or any part of the Project in lieu of condemnation, but under threat of condemnation, shall be deemed to be a taking by power of eminent domain.

14.2 **Representation by HOA**. The HOA shall represent the Unit Owners in any condemnation proceedings with any condemning authority in regards to condemnation proceedings involving any part of the Property. Each Unit Owner appoints the HOA as attorney-in-fact for such purpose.

14.3 **Proceeds**. All compensation, damages and other proceeds resulting from any such taking by power of eminent domain (hereinafter the "condemnation award") shall be made payable to the HOA and shall be distributed by the HOA as herein provided.

14.4 **Complete Taking**. In the event the entire Property is taken by power of eminent domain, condominium ownership pursuant hereto shall terminate and the condemnation award shall be allocated among and distributed to the Co-Owners in proportion to their respective Percentage Interest. Such distribution shall be made by check payable jointly to the respective Co-Owners and their respective Mortgagees, as appropriate.

14.5 **Partial Taking**. In the event less than the entire Property is taken by power of the eminent domain, the following shall occur:

A. Allocation of Award. As soon as practicable, the HOA shall reasonably and in good faith, apportion the condemnation award between compensation, severance damages or other proceeds and shall allocate such apportioned amounts and pay the same to the Co-Owners and Declarant as follows:

(1) The total amount apportioned to the taking of or injury to the Common Property shall be allocated among and distributed to all Co-Owners (including Declarant and any Co-Owners whose entire Units have been taken) in proportion to their respective Percentage Interests;

(2) The total amount apportioned to severance damages shall be allocated among and distributed to the Co-Owners (including Declarant) of those Units that have not been taken, in proportion to their respective Percentage Interests;

(3) The respective amounts apportioned to the taking of or injury to a particular Unit shall be allocated and distributed to the Co-Owner (including Declarant) of such Unit;

(4) The total amount apportioned to consequential damages and any other takings or injuries shall be allocated and distributed as the HOA determines to be equitable under the circumstances;

(5) If apportionment or allocation is already established by negotiation, judicial decree, statute or otherwise, the HOA shall employ such apportionment and allocation to the extent it is relevant and applicable; and

(6) Distribution of allocated proceeds shall be made by check payable jointly to individual Co-Owners or Declarant, and their respective Mortgagees, as appropriate.

B. Continuation and Reorganization. If less than the entire Project is taken by power of eminent domain, condominium ownership pursuant hereto shall not terminate, but shall continue. If any partial taking results in the taking of an entire Unit, the Co-Owner thereof shall cease to be a Member of the HOA. The HOA shall reallocate the voting rights and the undivided interest in the Common Property and Commercial Unit appurtenant to such Unit in accordance with the Act.

C. Repair and Reconstruction. The provisions hereof for cases of Damage or Destruction shall govern any repair and reconstruction necessitated by condemnation.

ARTICLE 15
OBSOLESCENCE

15.1 **Adoption of Plan**. Co-Owners by unanimous vote of the total votes of the HOA may agree that the Property is obsolete and may adopt a written plan for the sale or other disposition of the Property, provided that such plan has the unanimous written approval of all Mortgagees of record at the time of the adoption of such plan. Written notice of adoption of such plan shall be given to all Co-Owners and Mortgagees.

15.2 **Sale of Project**. In the event of adoption of a plan for sale or other disposition in accordance herewith, the HOA shall forthwith record in the Office of the Horry County Clerk of Court, a notice setting forth such facts, and upon the recording of such notice by the HOA, the Property shall be sold or otherwise disposed of by the HOA as attorney in fact for all of the Co-Owners. Such action shall be binding upon all Co Owners, and each Co-Owner shall have the duty to execute and deliver such instruments and to perform all acts in such manner and form as may be necessary or appropriate to affect such sale or other disposition of the Property. The proceeds of such sale or disposition shall be apportioned among the Co-Owners in proportion to their respective Percentage Interests and such apportioned proceeds shall be paid into separate accounts, each such account representing one Unit. Each such account shall remain in the name of the HOA and shall be further identified by the Unit Number and the name of the Co-Owner. The HOA, as attorney in fact, shall use and disburse the total amount of each such account, without contribution from one account to another, first to the payment of valid tax and special assessment liens on the Unit in favor of any governmental assessing authority, second to the Mortgagees, third to the payment of assessments made pursuant to this Master Deed, and then to the payment of holders of other liens or encumbrances on the Unit, in the order of priority of their liens, and the balance remaining, if any, to the respective Co-Owner.

15.3 **Restrictions on Sale.** Notwithstanding anything to the contrary contained herein, no sale or other disposition of the Property or any portion thereof may be made in violation of the Act.

ARTICLE 16
MISCELLANEOUS

16.1 **Submerged Property**. All activities on or over, and all uses of submerged land or other critical areas located within the Property are subject to the jurisdiction of the South Carolina Coastal Council. Any activity or use of such property must be authorized thereby. Each Owner is liable to the extent of his percentage ownership of the Common Property for any damages to, any inappropriate or unpermitted uses of, and any duties or responsibilities concerning any submerged land coastal waters, or other critical areas.

16.2 **Application**. All Co-Owners, tenants of Co-Owners, employees of Owners and tenants, or any other persons that may in any manner use the Property or any part thereof shall be subject to the Act and to this Master Deed and the Bylaws.

16.3 **Compliance.** Each Co-Owner shall comply strictly with the Bylaws and with administrative rules and regulations adopted pursuant thereto, as either of the same may be lawfully amended from time to time, and with the covenants, conditions and restrictions set forth in this Master Deed or in the deed to the Unit of such Co-Owner. Failure to comply with any of the same shall be grounds for an action to require compliance maintainable by the manager of the Property or the Board on behalf of the HOA or, in a proper case, by an aggrieved Co-Owner.

16.4 **Waiver.** No provision hereof shall be deem to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number violations or breaches which may have occurred,

16.5 **Conflicts**. This Master Deed is intended to comply with the requirements of the Act and, in the event that any of the provisions hereof conflict with the provisions of the Act, the Act shall control.

16.6 **Severability**. The provisions of this Master Deed are severable and the invalidity of one or more provisions hereof shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder hereof.

16.7 **Captions**. The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit or proscribe the scope of this Master Deed or the intent of any provision hereof.

16.8 **Gender and Number**. All pronouns used herein shall be deemed to include the masculine, the feminine and the neuter and the singular and the plural whenever the context requires or permits.

IN WITNESS WHEREOF, the parties have hereto set their hands and seal this 24th day of February 2005.

WITNESSES:

Beachwalk Properties, LLC

By: Robert G. Hemrick
Its: Member

STATE OF SOUTH CAROLINA)
) ACKNOWLEDMENT
COUNTY OF HORRY)

I, Margaret Gallagher, a Notary Public for South Carolina, do hereby certify that the Grantor herein personally appeared before me, and acknowledged the execution of the foregoing instrument.

Witness my hand and official seal this 24th day of February 2005.

(SEAL)

Notary Public for South Carolina
My Commission Expires: 8-16-2014

Exhibit A

Legal Description

ALL that piece, parcel or lot of land situate, lying and being on the southeasterly side of Ocean Boulevard, Cherry Grove Beach, City of North Myrtle Beach, Horry County, South Carolina, being known and designated as Lot No. 4, Block FF, Cherry Grove Beach more particularly known as Abbe Villa Cottage and having, according to a survey from Benson C. McWhite and Martha Ashley McWhite prepared by Robert L. Bellamy and Associates dated March 23, 1972, the following metes and bounds, to-wit:

BEGINNING at an iron pin on the southeasterly side of Ocean Boulevard at the edge of a five foot walk and running thence with Ocean Boulevard N. 67-05 E., 55 feet to an iron pin; thence S. 22-05 E., 125 feet to an iron pin; thence S. 67-05 W., 55 feet to an iron pin; thence N. 22-05 W., 125 feet to an iron pin, the point of beginning.

This is the same property conveyed to Benson C. McWhite and Tobitha L. McWhite by deed of Edward R. White, Jr. dated July 1, 1958 and recorded on July 31, 1958 in the ROD for Horry County in Deed Book 209 at Page 367. The said Tobitha L. McWhite conveyed her interest in the subject property to the Grantor herein by deed dated March 31, 1972, and recorded in the ROD for Horry County South Carolina on March 31, 1972 in Deed Book 466 at Page 912.

This is the same property conveyed to Benson Carwile & Martha Ashley McWhite Family Limited Partnership by Deed of Benson C. McWhite and Martha Ashley McWhite dated December 15th, 1998 and Recorded January 13th, 1999 in the Office of the ROD for Horry County, South Carolina in Deed Book 2110 at Page 221.

TMS# 144-02-06-004

ALSO:

ALL those pieces, parcels or lots of land situate, lying and being on North Ocean Boulevard and 42nd Avenue North Cherry Grove Beach, North Myrtle Beach, Horry County, South Carolina, being known and designated as Lots 2,3,4, and 5 of Block F and being more fully described on plat of property recorded in the Office of the ROD for Horry County in Plat Book 44 at Page 54. Reference to said plat is hereby craved for a more complete and accurate metes and bounds description.

This is the same property conveyed to Benson C. McWhite by Deed of Carl S. Hill dated July 9, 1969 and recorded in the Office of the ROD for Horry County on July 29, 1969 in Deed Book 412 at Page 536.

This is the same property conveyed to Beachwalk Properties, LLC by Deed of Benson Carwile & Martha Ashley McWhite Family Limited Partnership and recorded on January 21, 2003 in the Office of the ROD for Horry County, South Carolina in Deed Book 2557 at Page 1457.

TMS # 145-02-05-031

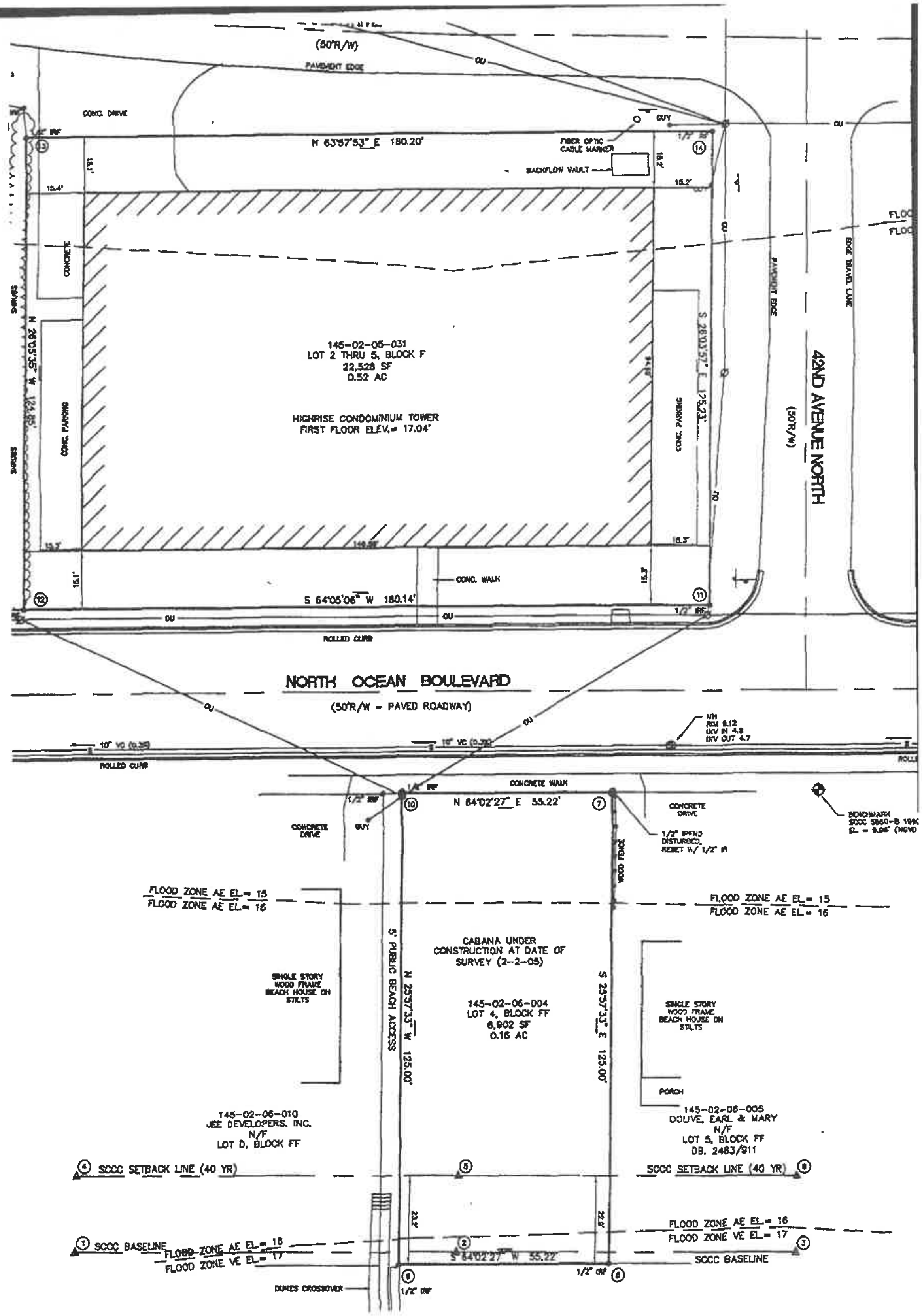


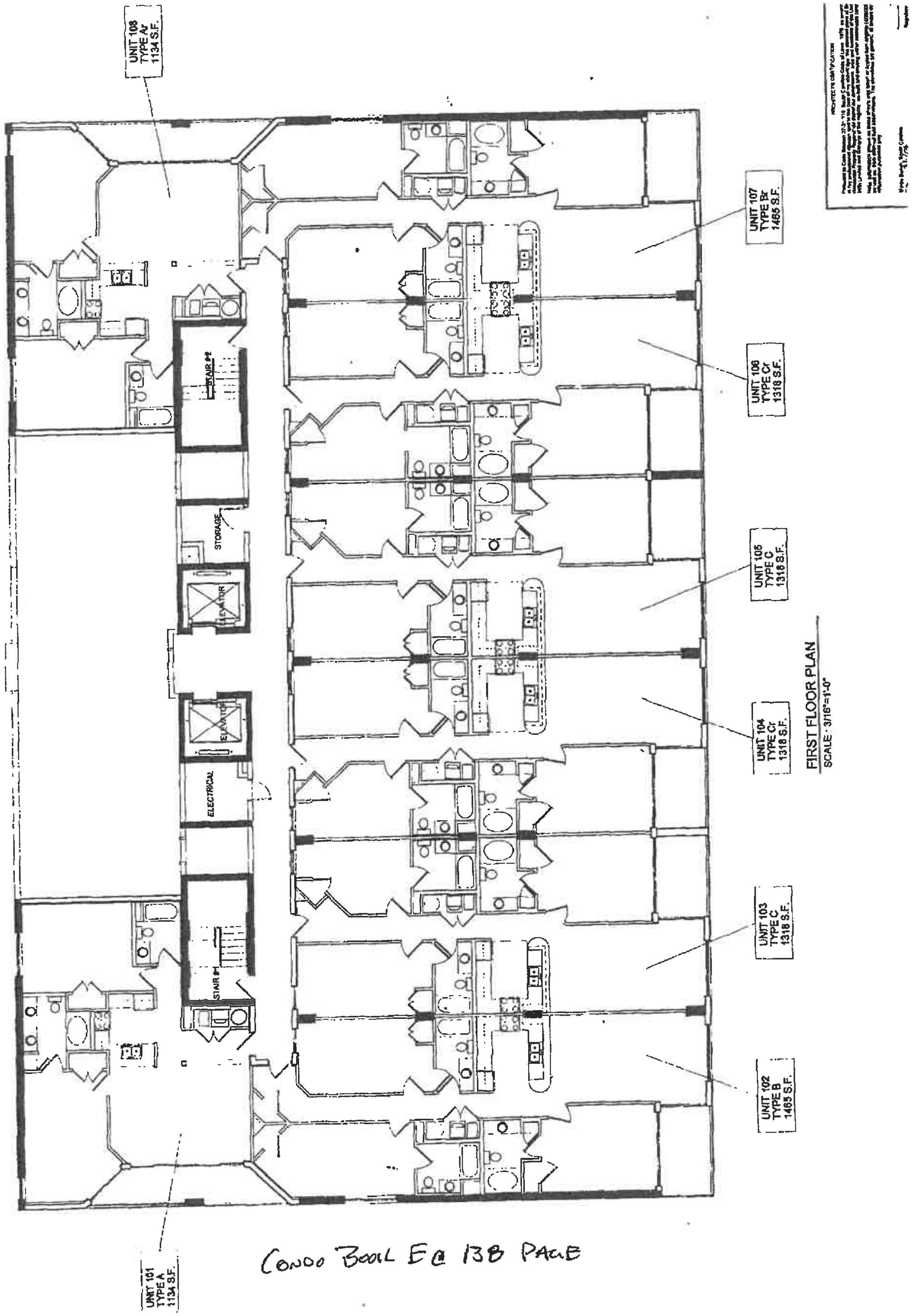
Exhibit "B"

Plat Book 203/174 Page

Exhibit B

Survey

Exhibit "C-1"



Condo Book E @ 138 Page

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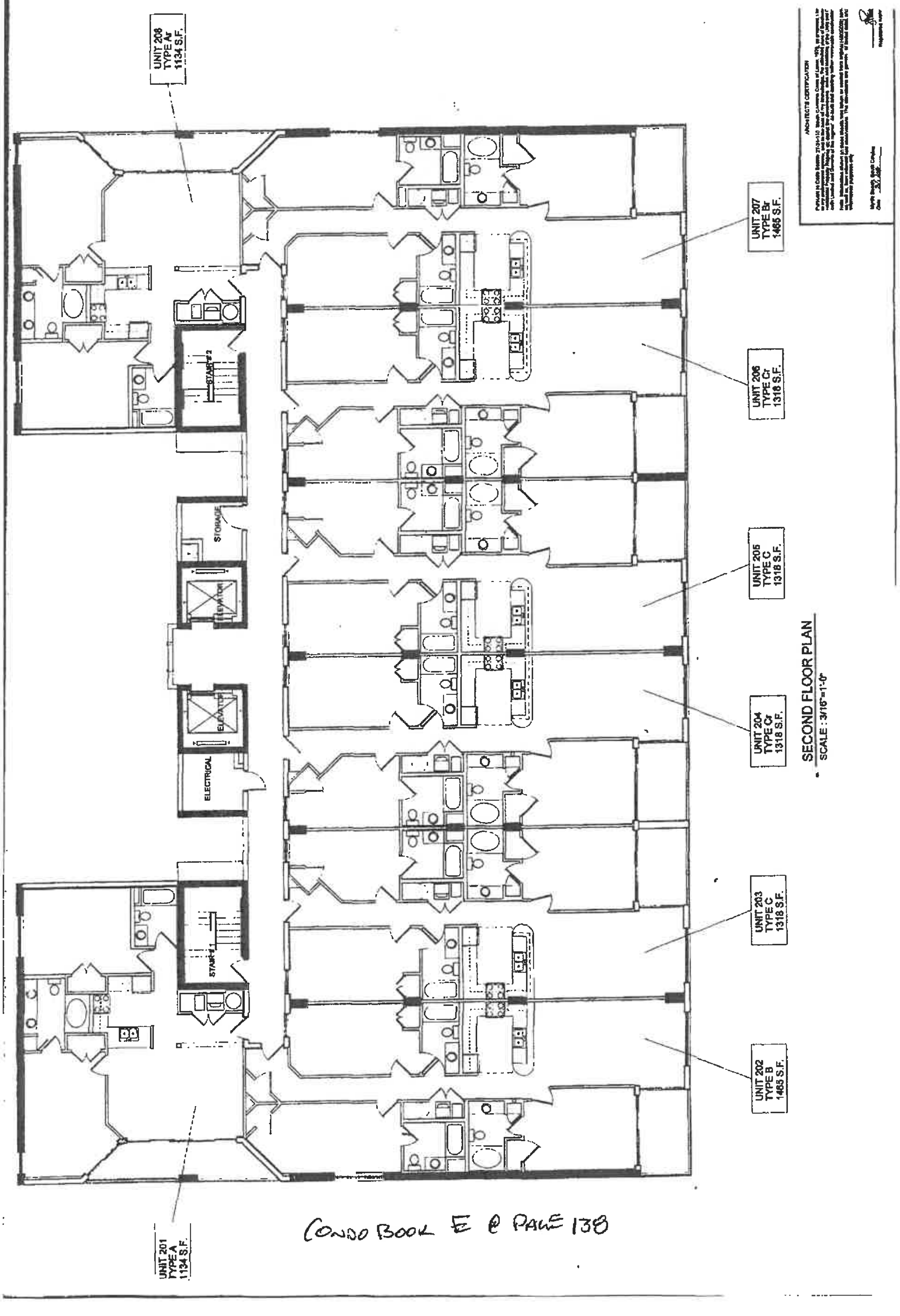

Condo Book E @ Page 138

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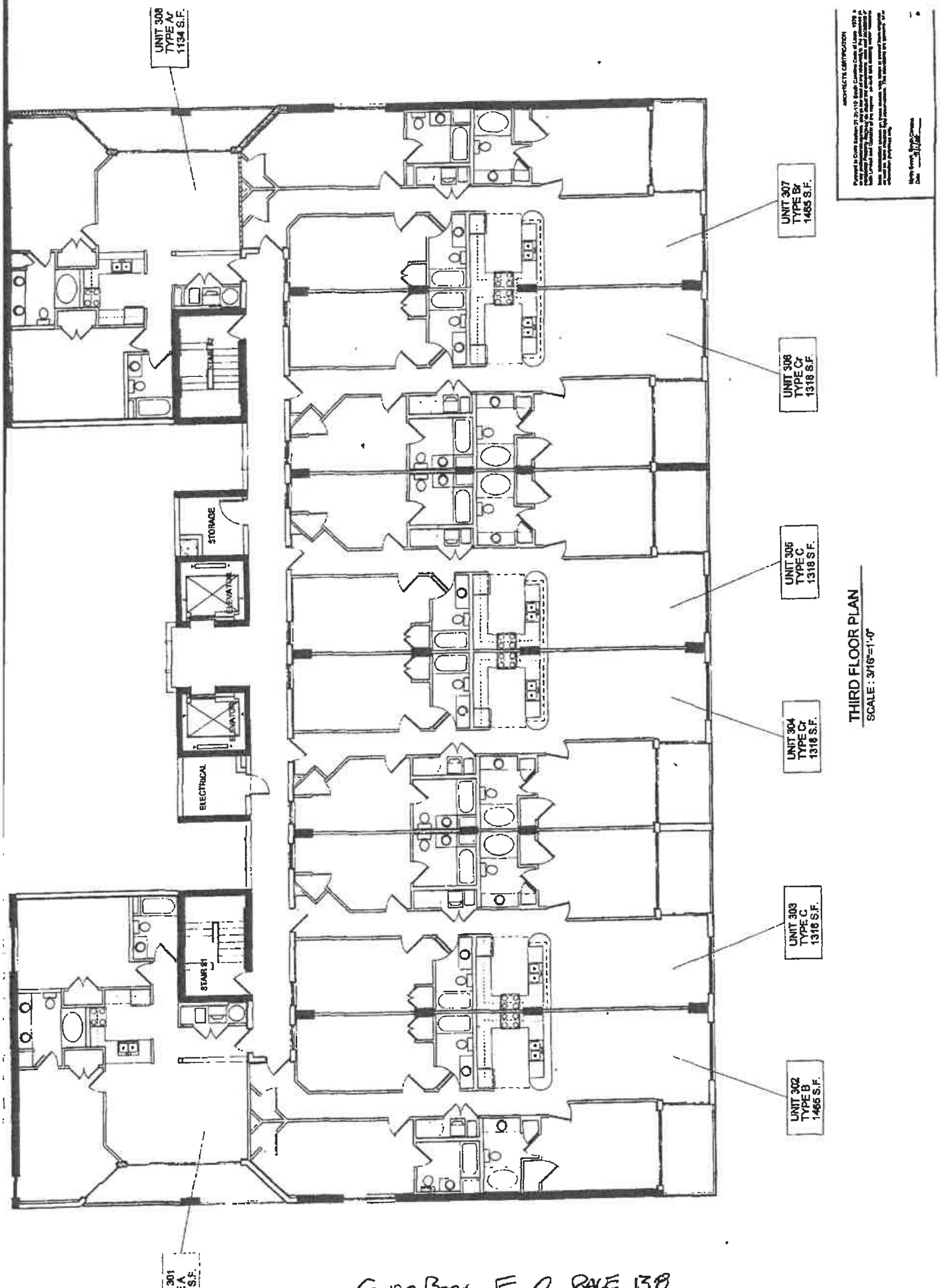

Condo Book E @ Page 138

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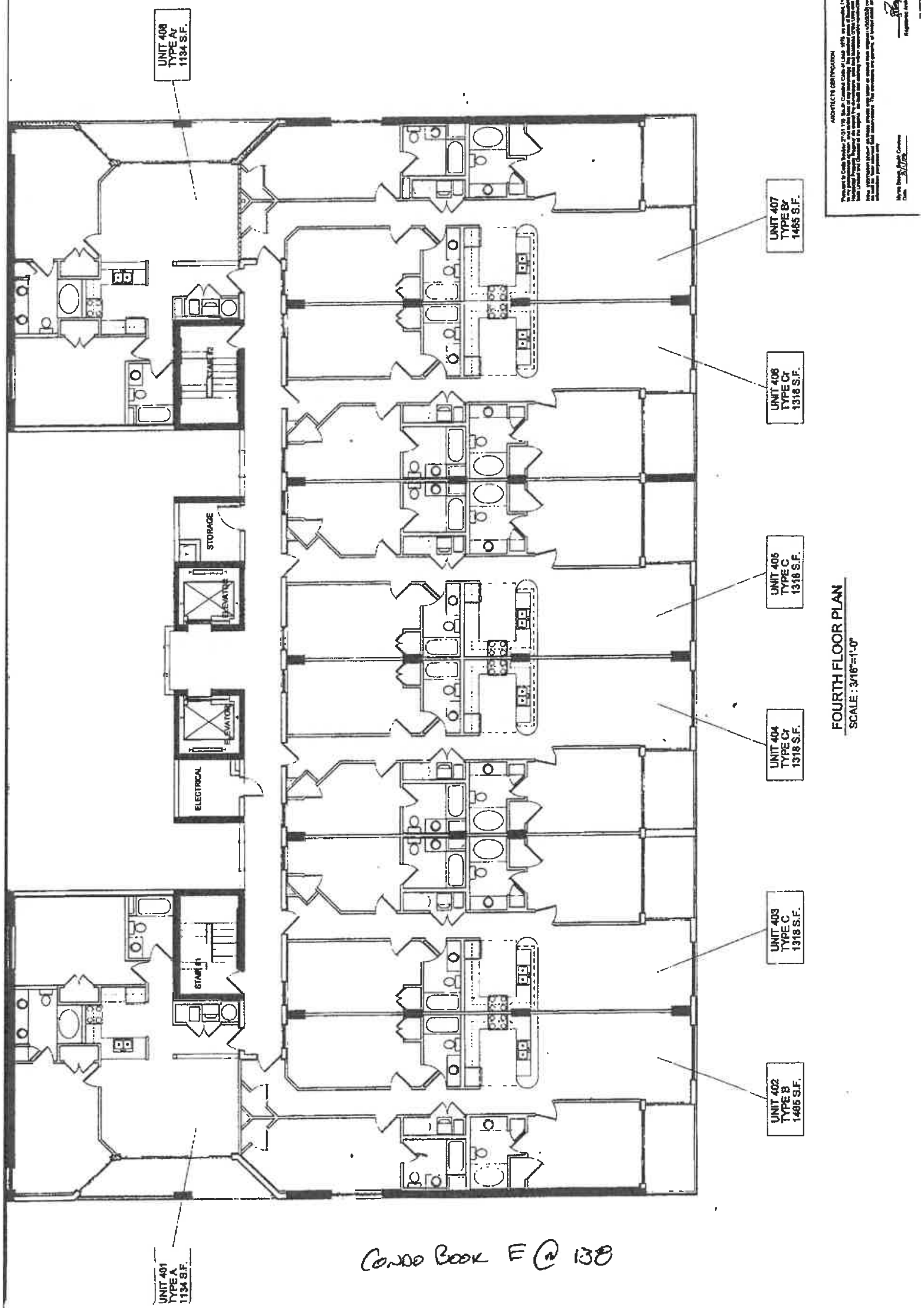

Condo Book E @ 138

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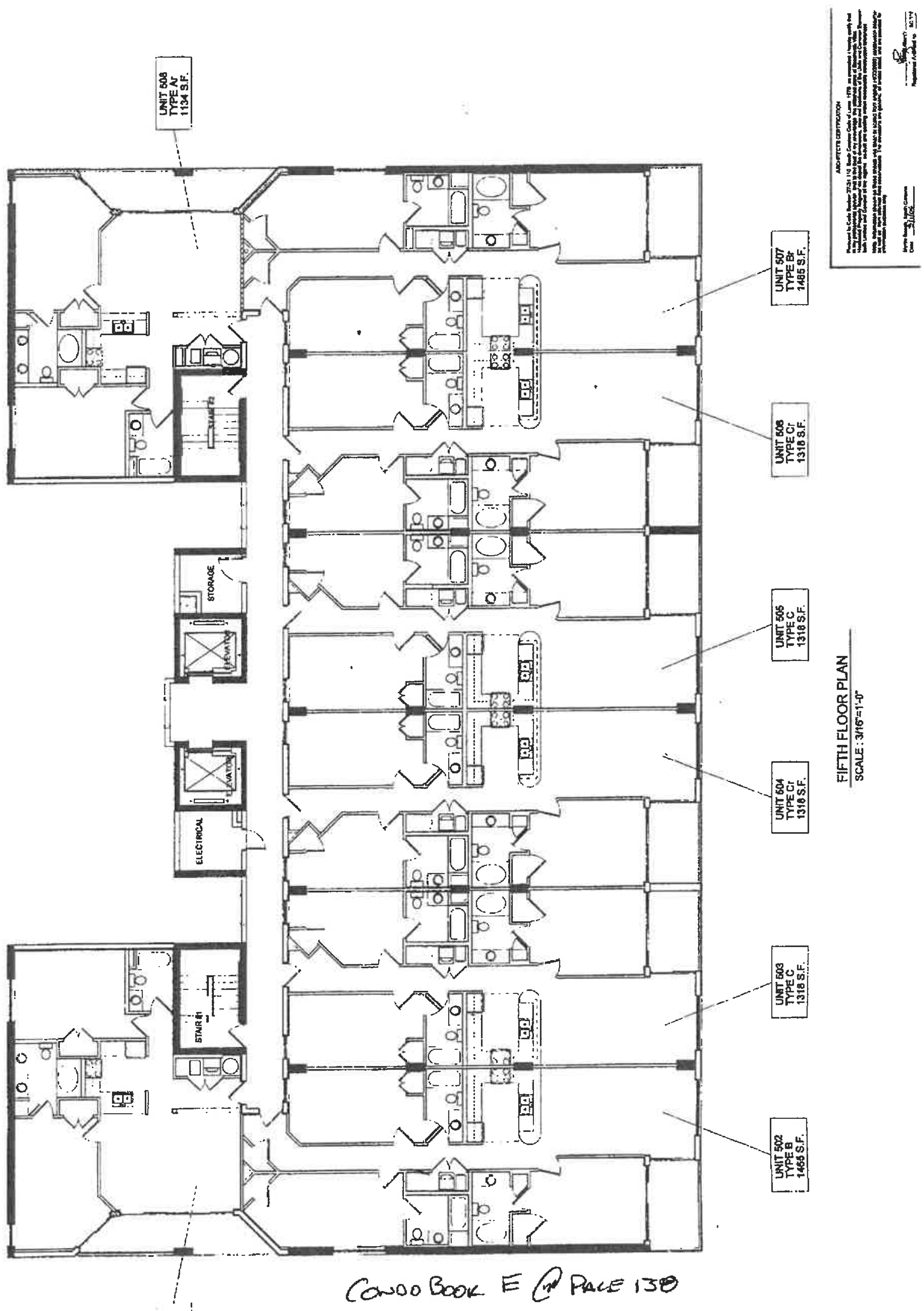

CONDO BOOK E @ PAGE 138

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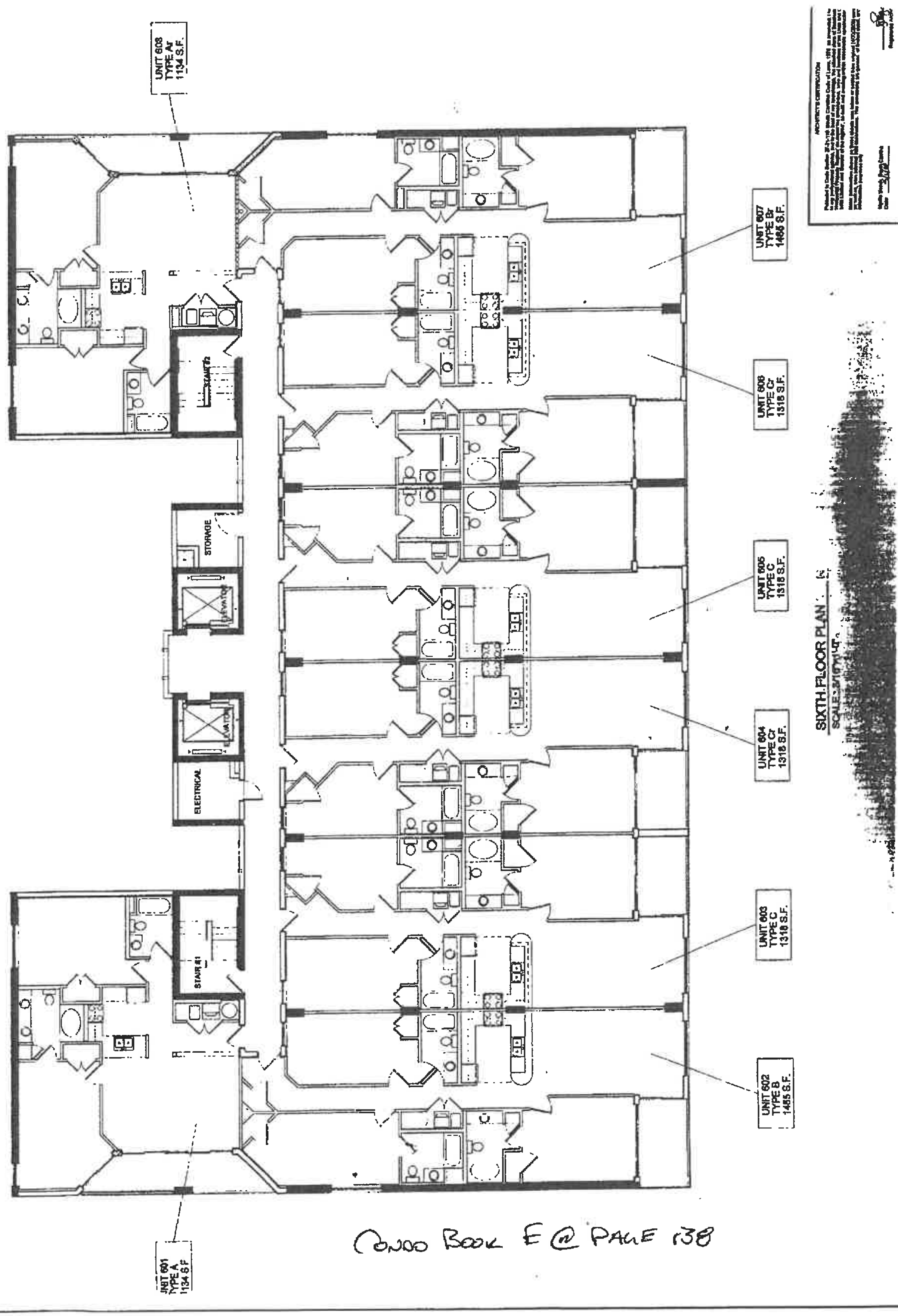

Condo Book E @ Page 138

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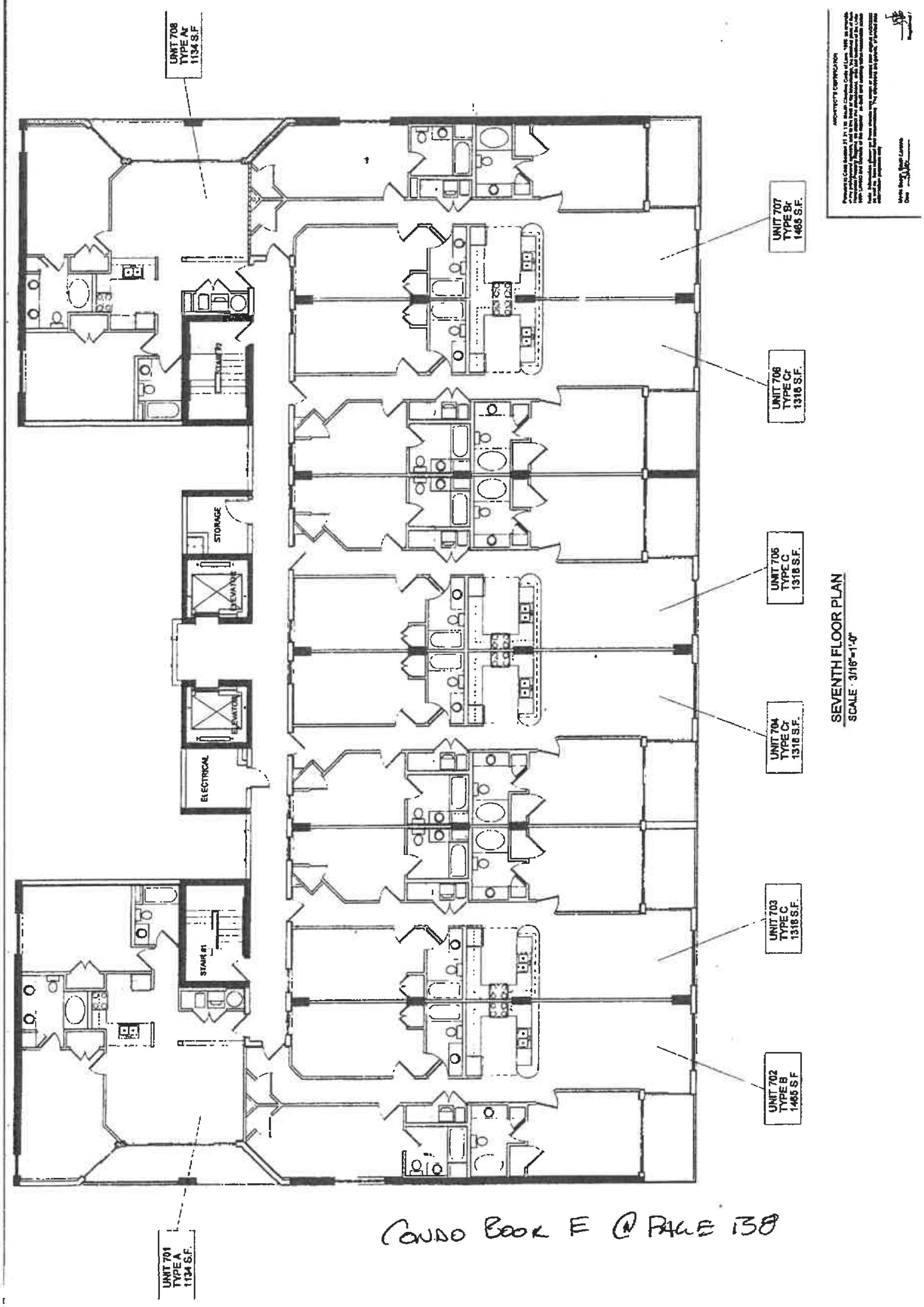

Condo Book E @ Page 138

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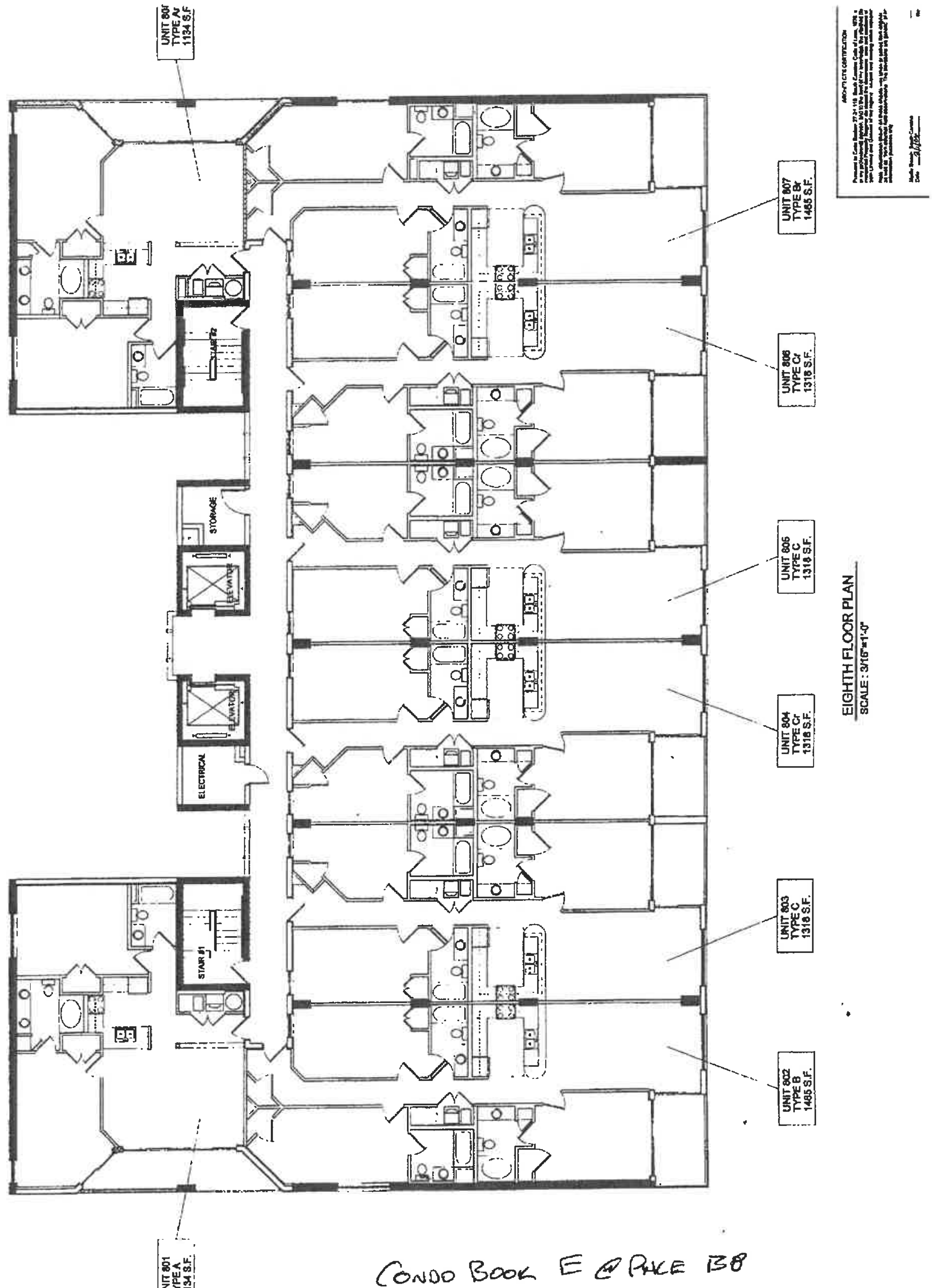

Condo Book E @ Page 38

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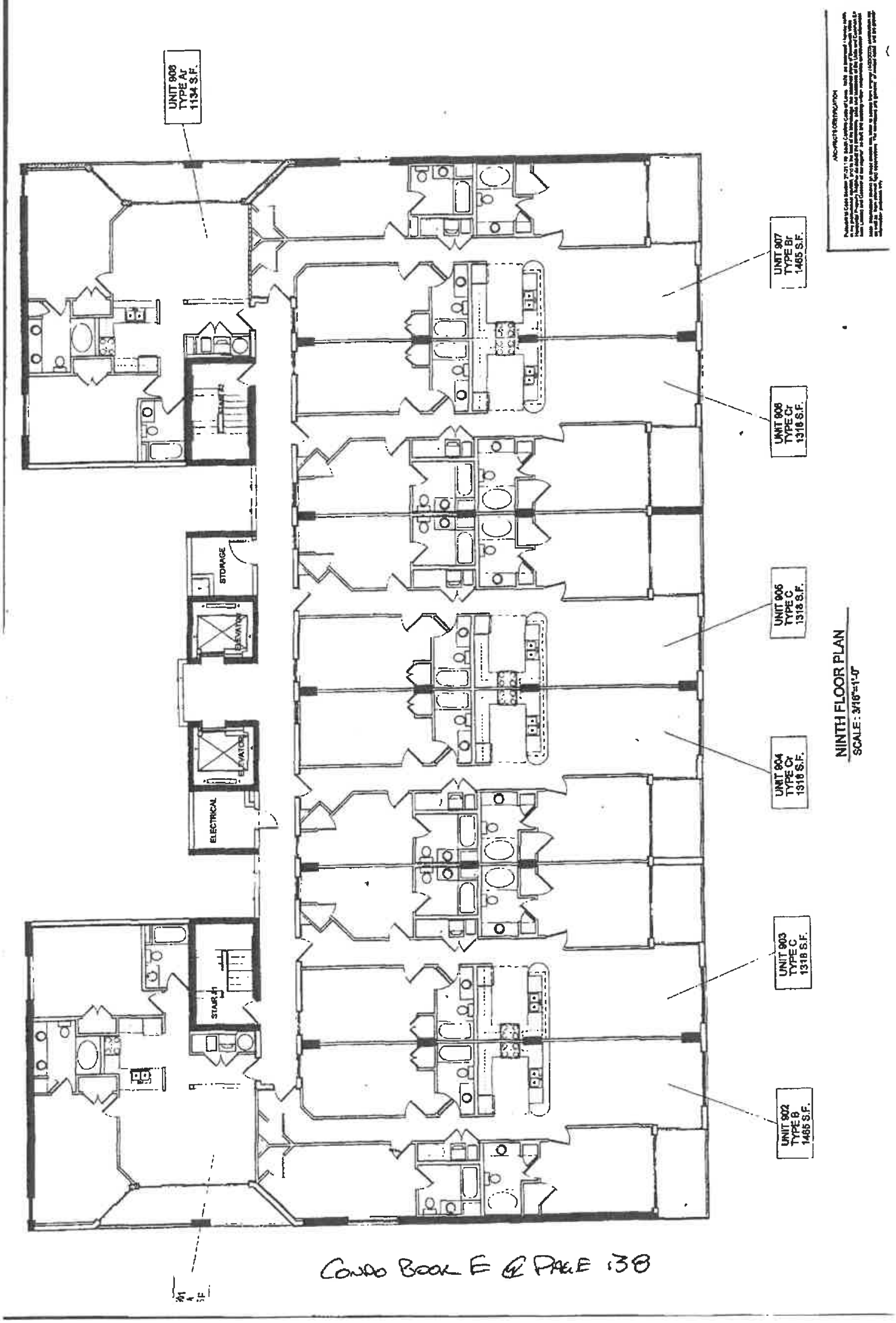

CONDO BOOK E @ PAGE 138

Exhibit D

Type A Units

Unit 101	Unit 201
Unit 301	Unit 401
Unit 501	Unit 601
Unit 701	Unit 801
Unit 901	

Exhibit E

Type B Units

Unit 102	Unit 202
Unit 302	Unit 402
Unit 502	Unit 602
Unit 702	Unit 802
Unit 902	

Exhibit F

Type C Units

Unit 103	Unit 105
Unit 203	Unit 205
Unit 303	Unit 305
Unit 403	Unit 405
Unit 503	Unit 505
Unit 603	Unit 605
Unit 703	Unit 705
Unit 803	Unit 805
Unit 903	Unit 905

Exhibit G

Type Ar Units

Unit 108	Unit 208
Unit 308	Unit 408
Unit 508	Unit 608
Unit 708	Unit 808
Unit 908	

Exhibit H

Type Br Units

Unit 107	Unit 207
Unit 307	Unit 407
Unit 507	Unit 607
Unit 707	Unit 807
Unit 907	

Exhibit I

Type Cr Units

Unit 104	Unit 106
Unit 204	Unit 206
Unit 304	Unit 306
Unit 404	Unit 406
Unit 504	Unit 506
Unit 604	Unit 606
Unit 704	Unit 706
Unit 804	Unit 806
Unit 904	Unit 906

Exhibit J

Percentage of Ownership

Unit 101 - .012	Unit 201 - .012	Unit 301 - .012
Unit 102 - .016	Unit 202 - .016	Unit 302 - .016
Unit 103 - .014	Unit 203 - .014	Unit 303 - .014
Unit 104 - .014	Unit 204 - .014	Unit 304 - .014
Unit 105 - .014	Unit 205 - .014	Unit 305 - .014
Unit 106 - .014	Unit 206 - .014	Unit 306 - .014
Unit 107 - .016	Unit 207 - .016	Unit 307 - .016
Unit 108 - .012	Unit 208 - .012	Unit 308 - .012
Unit 401 - .012	Unit 501 - .012	Unit 601 - .012
Unit 402 - .016	Unit 502 - .016	Unit 602 - .016
Unit 403 - .014	Unit 503 - .014	Unit 603 - .014
Unit 404 - .014	Unit 504 - .014	Unit 604 - .014
Unit 405 - .014	Unit 505 - .014	Unit 605 - .014
Unit 406 - .014	Unit 506 - .014	Unit 606 - .014
Unit 407 - .016	Unit 507 - .016	Unit 607 - .016
Unit 408 - .012	Unit 508 - .012	Unit 608 - .012
Unit 701 - .012	Unit 801 - .012	Unit 901 - .012
Unit 702 - .016	Unit 802 - .016	Unit 902 - .016
Unit 703 - .014	Unit 803 - .014	Unit 903 - .014
Unit 704 - .014	Unit 804 - .014	Unit 904 - .014
Unit 705 - .014	Unit 805 - .014	Unit 905 - .014
Unit 706 - .014	Unit 806 - .014	Unit 906 - .014
Unit 707 - .016	Unit 807 - .016	Unit 907 - .016
Unit 708 - .012	Unit 808 - .012	Unit 908 - .012