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EXHIBIT "A"

VILLAGES OF SKULL CREEK DOCK HORIZONTAL PROPERTY REGIME (II)

LEGAL DESCRIPTION OF PROPERTY

All that certain piece, parcel or tract of land situate, lying and being on Hilton Head Island, Beaufort County, South Carolina, having and containing 0.013 acres, more or less, being shown and described on a plat entitled "Villages of Skull Creek Dock Horizontal Property Regime (II), Hilton Head Plantation, Hilton Head Island, Beaufort County, South Carolina", which plat was prepared by Sea Island Engineering, Inc., and certified to by Benjamin Wilson, R.L.S. (S.C.) #5424, said plat being dated November 13, 1985, and being recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Plat Book 33 at Page 135. Said property is more particularly described as follows, to-wit:

To find the Point of Beginning, commence at the point labeled "Point of Commencing" which point is located at the control monument SC-2, South Carolina State Plane Coordinates N 146,839.936, E 2,078,235.154; proceeding from said Point of Commencing N43°06'25"E for a distance of 1,587.05 feet to a concrete monument which marks the Point of Beginning located at South Carolina State Plane Coordinates N 147,998.612, E 2,079,319.687; proceeding from said Point of Beginning N04°51'21"W for a distance of 5.07 feet to a point; thence proceeding N21°46'30"W for a distance of 15.13 feet to a point; thence proceeding N75°31'37"E for a distance of 28.28 feet to a point; thence proceeding S14°28'23"E for a distance of 20 feet to the point; thence proceeding S75°31'37"W for a distance of 27.21 feet to the point which marks the Point of Beginning.

For a more detailed description as to the courses and distances of the above described 0.013 acre parcel, reference is had to the above mentioned plat of record; in case of conflict between this courses and distances description and said plat, said plat shall be controlling.

The property intended to be subjected to the within Master Deed is a portion of the same property conveyed to THE DELTA GROUP by deed of SKULL CREEK VILLAGE-WEST, LTD., dated March 25, 1985, and recorded March 28, 1985, in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 416 at Page 238.

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ALSO, all those improvements affixed to, constructed on and forming a part of the Property as defined in the within Master Deed extending from the above described parcel, EXCLUDING, HOWEVER, ANY INTEREST OR OWNERSHIP IN LAND WHICH EXTENDS BEYOND THE MEAN HIGH WATER MARK OF SKULL CREEK TO WHICH TITLE IS VESTED BY LAW IN THE STATE OF SOUTH CAROLINA AND OVER THE NAVIGABLE PORTION OF WHICH THE UNITED STATES GOVERNMENT RETAINS JURISDICTION, and consisting of a wooden walkway shown as a "fixed pier" containing an area of approximately 3,521 square feet, being approximately 287' feet in length and 10' feet in width to the gazebo area; and including the gazebo area; ramp and that area shown on the aforementioned plat as a "floating dock area" said floating dock area having and containing approximately 3,648 square feet, more or less.

SAVE AND EXCEPT THEREFROM, the right of ingress and egress unto the Sponsor herein, its successors, assigns and grantees.

FURTHER, SAVE AND EXCEPT THEREFROM, the right of ingress and egress over and across walkways, ramps, decking, shown on the above described plat Property, said reservation being unto the Sponsor herein, its successors and assigns and grantees.

FURTHER, SAVE AND EXCEPT from the above described Property title to and ownership of all water and utility lines located on said parcel or hereafter installed thereon, together with all pipes, pumps, or other equipment or facilities located thereon, together with an easement to such lines, equipment or facilities to allow for the maintenance, repair or replacement of such lines, facilities or equipment or for the purpose of installing additional lines, equipment or facilities thereon from time to time.

FURTHER, the Sponsor expressly reserves the right to improve the Property by painting, locating boundary lines of the decking, constructing additional finger piers for Boat Slips 160 to 164, and adding limited common elements in the form of additional Owner's lock boxes. As well as the right to constructed and add hereto additional docking facilities and amenities to constitute Phase 2 of the Regime, as more fully described heretofore in this Master Deed.

FURTHER, Sponsor expressly reserves the right to install lines, equipment and facilities for utility purposes and to grant easements over the Property for the installation of additional lines, equipment or facilities for utility purposes, from time to time.

FURTHER, Sponsor does likewise reserve unto itself, its successors or assigns the right to grant similar easements for access and use up to and including the gazebo area on the fixed pier as described herein to future development of property located within the section of Hilton Head Plantation known generally as The

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Villages of Skull Creek and specifically to The Villages of Skull Creek Owners' Association.

The above property is submitted to the Villages of Skull Creek Dock Horizontal Property Regime (II) subject to all utility easements in favor of Hilton Head Plantation Utilities, Inc., et al of record in the Office of the Clerk of Court for Beaufort County, South Carolina, as well as to those Permitted Encumbrances hereinafter described in this Exhibit "A".

ALSO, EASEMENTS

ALSO, the non-exclusive right of ingress and egress over and across the existing roads within Hilton Head Plantation which remain under the ownership of Hilton Head Plantation Company, Inc. and have not yet been deeded to the Hilton Head Plantation Property Owners' Association, Inc., which roads lie between U. S. Highway 278 and the properties described above, which said easement shall be subject to the terms and conditions of use established from time to time by Hilton Head Plantation Company, Inc.

ALSO, a non-exclusive right to that certain Easement Appurtenant for ingress and egress from Hilton Head Plantation Company, Inc., in favor of The Delta Group, a South Carolina Partnership, dated September 29, 1981, recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, on October 2, 1981, in Deed Book 333 at Page 1485.

ALSO, a non-exclusive right to that certain Easement Appurtenant for ingress and egress from Skull Creek Holding Corp. in favor of The Delta Group, a South Carolina General Partnership, dated September 29, 1981, recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 333 at Page 1488 on October 2, 1981.

ALSO, a non-exclusive right to that certain Grant of Easement for ingress and egress from Skull Creek Holding Corp. in favor of The Delta Group, a South Carolina General Partnership, dated September 29, 1981, recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 333 at Page 1491 on October 2, 1981.

ALSO, the non-exclusive right of ingress and egress over and across all lands of Sponsor, or Skull Creek Holding Corp., lying between the western boundary of the property described hereinabove on Exhibit "A" and the mean high water mark of the Skull Creek.

ALSO, the non-exclusive right of ingress and egress over and across the roadway easement depicted and described on the plat of record in Plat Book 31 at Page 112.

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ALSO, a non-exclusive easement of ingress, egress and parking rights over the roads and parking facilities of Villages of Skull Creek, Skull Creek Holding Corp. and Village West Horizontal Property Regime, said rights having been reserved by or unto Sponsor (with the right to transfer same) under that certain Master Deed of Village West Horizontal Property Regime, as recorded in Deed - M Book 413 at Page 208 in the Office of the Clerk of Court for Beaufort County, South Carolina; provided, however, that Sponsor does hereby reserve unto itself, its successors and assigns the right, at its sole discretion, to designate certain limited areas within said property which may be used for parking purposes by Grantees under this Master Deed, and also, the right to establish such reasonable rules and regulations governing access and parking pursuant to this easement grant as Sponsor may, from time to time, deem appropriate.

The within granted easements are hereby intended to be easements appurtenant to the 0.013 acre parcel and improvements affixed thereto, all of which are more particularly described as above, for the use, benefit and to be incident to the ownership of the above described parcel and improvements, as applicable, and any portions thereof, and any condominiums located therein or thereon now, or at any time in the future.

SUBJECT TO, PERMITTED ENCUMBRANCES

1. The Declaration of Covenants and Restrictions of Hilton Head Plantation Property Owners' Association and Hilton Head Plantation Company, Inc., recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 211 at Page 1487, as amended in Deed Book 276 at Page 282 and re-recorded in Deed Book 285 at Page 1441, and as further amended in Deed Book 314 at Page 663, Deed Book 323 at Page 581, Deed Book 324 at Page 1239, Deed Book 332 at Page 2033, Deed Book 345 at Page 5, and Deed Book 350 at Page 79. Said Declaration and Addendum were Amended and Restated by Declaration of Covenants and Restrictions of The Hilton Head Plantation Property Owners Association and Hilton Head Plantation Company, Inc. dated March 28, 1983, recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 367 at Page 656 on April 19, 1983.
2. That certain NON-EXCLUSIVE EASEMENT AND CONVEYANCE OF RIGHTS from Hilton Head Plantation Company, Inc., to Skull Creek Center and The Citizens and Southern National Bank, Savannah, Georgia, granting certain easement rights for ingress and egress to the OLD FORT PUB SITE which easement was executed February 6, 1976, and recorded February 10, 1976, in the Office of the Clerk of Court, South Carolina, in Deed Book 234 at Page 996.

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3. That certain easement from Hilton Head Plantation Company, Inc. to Central Electric Power Co-Operative, Inc., consisting of certain right-of-way containing 1.34 acres as shown in Plat Book 26 at Page 29, which said easement was executed May 6, 1977, and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, on June 15, 1977, in Deed Book 249 at Page 721.
4. That certain easement from Hilton Head Plantation Company, Inc., to Central Electric Power Co-Operative, Inc., conveying certain rights-of-way as shown in Plat Book 23 at Page 183 which said easement was executed November 3, 1975, and recorded on November 13, 1975, in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 232 at Page 1353.
5. That certain Reciprocal Use Agreement between Hilton Head Plantation Company, Inc., and Sea Pines Plantation Company executed October 29, 1975, and recorded December 1, 1975, at 2:30 p.m. in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 232 at Page 2013.
6. Easement from Hilton Head Plantation Company, Inc., to Plantation Cablevision, Inc., conveying a non-exclusive easement along all roadways, utility easements and rights-of-way, which easement was executed November 28, 1978, and recorded December 4, 1978, at 2:30 p.m., in the Office of the Clerk of Court for Beaufort County, South Carolina in Deed Book 273 at Page 1891.
7. That certain Declaration of Rights, Restrictions, Affirmative Obligations, Conditions, etc., which constitute covenants running with the land of Hilton Head Plantation Company, Inc., known as Class "B" Covenants, dated December 6, 1974, and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, on January 6, 1975, in Deed Book 225 at Page 2003.
8. Perpetual easement from Olin T. MacIntosh, Jr., and Fred C. Hack, as Trustees, to the Central Electric Power Co-Operative, Inc., and the Palmetto Electric Co-Operative, Inc., over and to certain portions of a 7,297.04 acre tract, said easement being recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 179 at Page 63.
9. Beaufort County Real Property Taxes for the year 1985, a lien but not yet due and payable, and taxes for subsequent years.
10. That certain Declaration of Covenants, Conditions, Restrictions, etc. of Skull Creek Development Company dated May 13, 1983, recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 369 at

Page 1299 et seq., as amended by that Assignment of Rights recorded in Deed Book 405 at Page 235 and that Supplemental Declaration recorded in Deed Book 413 at Page 204.

11. Grant of Easement from The Delta Group in favor of Village North Horizontal Property Regime recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 372 at Page 36 on June 24, 1983.
12. A reservation of a twenty foot (20') utility easement running parallel to Skull Creek Drive along the northeastern boundary of the property, all of which is more particularly shown on the plat recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Plat Book 29 at Page 190, Plat Book 31 at Page 236 and Plat Book 32 at Page 213.
13. Easement Appurtenant from Skull Creek Holding Corp. in favor of Skull Creek Village-West, a South Carolina Limited Partnership, dated September 15, 1983, and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 386 at Page 1279 on January 20, 1984.
14. Easement Appurtenant from Hilton Head Plantation Company, Inc. in favor of Skull Creek Village-West, a South Carolina Limited Partnership, dated September 15, 1983, recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 386 at Page 1283 on January 20, 1984.
15. Temporary Grant of Easement from Skull Creek Holding Corp. in favor of Skull Creek Village-West, a South Carolina Limited Partnership, dated September 15, 1983, recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 386 at Page 1274 on January 20, 1984, re-recorded in said Clerk's Office in Deed Book 387 at Page 1371 on February 6, 1984.
16. The property which is subject to these Covenants and Restrictions shall, as previously indicated in the above referenced Covenants and Restrictions be used and occupied for single-family dwelling units within multi-family residential areas in Hilton Head Plantation and shall not be utilized for purposes of time-sharing or interval ownership, licenses, leases or similar plans as those terms are currently generally utilized in the real estate industry or as those or similar terms are expressed or defined in Chapter 32, Code of Laws of South Carolina, 1976, as amended.
17. Possible outstanding ownership of the State of South Carolina in that portion of the land, or in land lying beneath any fixture thereto, extending beyond the mean high water mark of Skull Creek.
18. Rights and jurisdiction vested in the South Carolina Coastal Council by law and by virtue of the South Carolina Coastal

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Council Permit No. 82-3C-022, including the power of said agency to mandate the removal or modification of any docking facility constructed pursuant to said Permit No. 82-3C-022.

19. Rights of the United States, or other governmental entities, if any, which rights may exist in addition to the right to permit dock construction and regulate uses, vested in the South Carolina Coastal Council and exercised in its issuance of Permit No. 82-3C-022, and also, rights of the public and other riparian owners in that portion of the land, or in land lying beneath any fixture thereto, extending beyond the mean high water mark of Skull Creek.
20. Rights and jurisdiction vested in the United States of America by law and by virtue of The Department of Army Permit No. 82-3C-022, including the power of said Department to mandate the removal or modification of any docking facility constructed pursuant to said Permit No. 82-3C-022.

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EXHIBIT "B"

VILLAGES OF SKULL CREEK DOCK HORIZONTAL PROPERTY REGIME (II)

AS-BUILT PLAT (SURVEY) OF PROPERTY

Attached hereto is a plat entitled "Villages of Skull Creek Dock Horizontal Property Regime (II), a section of The Village of Skull Creek in Hilton Head Plantation, Hilton Head Island, Beaufort County, South Carolina," said Plat dated November 13, 1985, prepared by Sea Island Engineering, Inc., Benjamin Wilson, R.L.S., No. 5424.

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EXHIBIT "C"

VILLAGES OF SKULL CREEK DOCK HORIZONTAL PROPERTY REGIME (II)

SITE PLANS AND PLANS OF IMPROVEMENTS

Attached are the following plans of the dock facility at the Villages of Skull Creek:

- Sheet 1 - Piling Plan and Fixed Pier Construction Details.
- Sheet 2 - Construction Details.
- Sheet 3 - Floating Dock Modules and Layout Plans.
- Sheet 4 - Floating Dock Construction Details.
- Sheet 5 - Gangplank Attachment Construction Details.
- Sheet 6 - Utilities: Water and Electrical.
- Sheet 7 - Landing Area and Bench Details.

All plans prepared by Edward Pinkney/Associates, Ltd.,
Landscape Architects and Planners.

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EXHIBIT "D" TO MASTER DEED

VILLAGES OF SKULL CREEK DOCK HORIZONTAL PROPERTY REGIME (II)

ENGINEER'S CERTIFICATE

This is to certify that the Villages of Skull Creek Dock Horizontal Property Regime (II) consisting of nineteen (19) Boat Slips numbered and including 130 through 143 and 160 through 164 are built substantially in accordance with the site plans and plans of improvements attached to the Master Deed creating said Regime as Exhibit "C", which Master Deed is to be recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, to which Master Deed this Certificate is attached, except for minor variations which are customary in projects of this nature.

By:

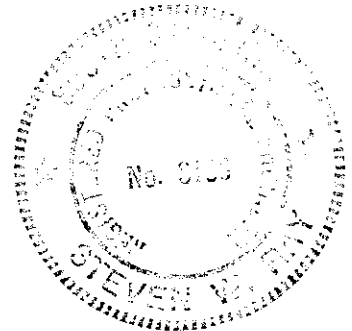
Steven W Ray
Steven W. Ray

S.C. Registration No. 8180

Certified to this 22 day of
November, 1985.

James J. Kamm (L.S.)
Notary Public of South Carolina

My Commission Expires: 2-10-94



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EXHIBIT "E"

BY-LAWS
OF
VILLAGES OF SKULL CREEK DOCK HORIZONTAL PROPERTY REGIME (II)
AND
VILLAGES OF SKULL CREEK (II) DOCK OWNERS' ASSOCIATION

ARTICLE I: NAME AND OFFICE

1.1 Name. This association shall be named "Villages of Skull Creek (II) Dock Owners' Association," hereinafter referred to as the "Association."

1.2 Principal Office. The principal office of the Association shall be located at Hilton Head Island, Beaufort County, South Carolina.

ARTICLE II: MEMBERSHIP AND VOTING

2.1 Membership. The Association shall be composed of all Owners of Boat Slips in the Horizontal Property Regime known as Villages of Skull Creek Dock Horizontal Property Regime (II).

2.2 Voting. At each meeting of the Association, and in all other circumstances where a vote of the Association or its members is authorized or permitted, each Boat Slip Owner shall be entitled to cast the number of votes equal to his percentage of undivided interest in the Common Elements as defined in the Master Deed, unless the provision authorizing such vote shall specifically provide otherwise.

2.3 Joint Members. If any Boat Slip is owned by more than one person, firm or corporation, the Owners shall appoint one person to cast the vote appertaining to the Slip and shall file a written statement with the Board of Directors signed by all the Owners which states that such person has been appointed to cast the vote for the Slip. Any such designation once made may be revoked at any time by any one of the Slip Owners who has signed the statement by filing written notice of such revocation with the Board of Directors. In addition, any such appointment shall be deemed revoked at the time at which the Board of Directors receives notice of the death or judicially declared incompetency of any Slip Owner or upon the conveyance by any Slip Owner of his interest in his Slip. Where no appointment is made, or where an appointment has been made but is revoked and no new appointment is made, the Slip Owners attending any meetings of the Association may, if they act unanimously, cast the vote for that Slip. If joint Owners are unable to agree among themselves how their vote shall be cast, they shall lose their right to vote on the matter in question.

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2.4 Proxy. Voting at any meeting of the Association may be in person or by proxy, provided that such proxy is in writing, signed by the Slip Owner or Owners and filed with the Board of Directors of the Association in advance of the meeting at which such vote is taken. Any proxy given by a Slip Owner or Owners, to or in favor of a holder of indebtedness secured by any recorded mortgage or deed of trust upon his Slip shall, upon presentment to the Board of Directors of the Association, be honored by the Association and may not be revoked by the Slip Owner or Owners without the prior written consent of the holder of such indebtedness.

2.5 Others. An executor, administrator, guardian or trustee may vote in person or by proxy at any meeting of the Association with respect to any Slip held by him in such capacity whether or not the same shall have been transferred to his name, provided that he shall satisfy the Secretary of the Association that he is the executor, administrator, guardian, or trustee holding such Slip in such capacity. Minors and persons declared legally incompetent shall be eligible for membership in the Association, if otherwise qualified, but shall not be permitted to vote except through a legally appointed, qualified and acting guardian of their estate voting on their behalf.

2.6 Register. The Board of Directors of the Association shall cause a register to be kept, containing the names and addresses of all members and voting owners of the Association.

ARTICLE III: MEETINGS

3.1 Annual Meeting. The first annual meeting of the Association shall be held at the principal office of the Association on February 14, 1986. Thereafter, the annual meeting of the Association shall be held at the principal office of the Association on the second Friday in February. The annual meeting shall be for the purpose of electing directors and for the transaction of any other business brought before the meeting.

3.2 Special Meeting. It shall be the duty of the President of the Association to call a special meeting of the Association as directed by resolution of the Board of Directors of the Association, or upon the written request of not less than one-third of the members of the Association.

3.3 Quorum. At any meeting of the Association, sixty-seven percent (67%) of the Slip Owners present in person or by proxy shall constitute a quorum and the concurring vote of those representing a majority, by percentage of undivided interest in the Common Elements, of such Owners present and constituting a quorum shall be valid and binding upon the Association, except as otherwise provided by law, these By-Laws or the Master Deed.

3.4 Adjourned Meetings. Any meeting of the Association may be adjourned from time to time to such place and time as may be determined by majority vote of the Slip Owners present, whether or not a quorum is present, without notice other than the announcement at the meeting. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted by a quorum at the meeting as originally called.

3.5 Place of Meeting. All meetings of the Association shall be held at its principal office unless otherwise stated in the call, and all meetings shall be held in the State of South Carolina.

3.6 Notice of Meetings. No notice of the annual meeting need be given if the meeting is to be held on the first Wednesday in May at the principal office of the Association. If any meeting is to be held elsewhere or at a different time, written notice shall be given by the Secretary to each Slip Owner not less than ten (10) days before the meeting; provided that no notice of a meeting need be given to any Owner who has, in writing, waived such notice or who is present at such meeting, in person or by proxy. Written notice shall be effective, whether or not received, if mailed to the last known address of a Slip Owner shown on the books of the Secretary and shall be effective as of the date mailed or delivered. The written ratification by an Owner of any action taken at any meeting shall be equivalent of a waiver of notice of such meeting by the one so ratifying.

ARTICLE IV: BOARD OF DIRECTORS

4.1 Number and Qualifications. The affairs of the Association shall be governed by a Board of Directors composed of Three (3) persons who shall be elected by ballot from the Slip Owners of the Association. Until the first annual meeting of the Association, an interim Board of Directors of three (3) directors shall be selected by the Sponsor. At the first annual meeting of the Association, or at any duly noticed meeting following, the Association may increase the total number of Board members up to a maximum of five (5) members, upon a majority vote, by percentage ownership, of the Association.

4.2 Powers. The Board of Directors shall be vested with the management of all of the affairs of the Association including specifically, but without limitation of the generality of the foregoing, the following powers:

(a) To enforce the provisions of these By-Laws and such other reasonable rules and regulations regarding maintenance, administration and operation of the Boat Slips and the Common Elements (collectively, the "Project") as it may establish from time to time, including the power to mandate compliance with and enforce any rule or regulation which may be established by

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the South Carolina Coastal Council, or other governmental entities.

(b) To prepare and submit to the Association estimates of the common expenses of the Project to be payable during each fiscal year of the Association, for administration, maintenance, repair or replacement of the Common Elements and such other common expenses as may be imposed by law, these By-Laws or the Master Deed.

(c) To make assessments upon the Slip Owners for the common expenses of the Project, and to enforce the same by any means provided by law, these By-Laws or the Master Deed.

(d) To determine the amount or amounts of reserves and working capital necessary for proper maintenance, replacement, repair, and operation of the Project and to make assessments on the Slip Owners for such amounts.

(e) To order work which it deems necessary to the operation, maintenance, repair and replacement of the Common Elements, and any additions or improvements thereto, except, however, that the Board of Directors shall not make or order work for the construction or installation of any additional capital improvements which cost in excess of Three Thousand and No/100 Dollars (\$3,000.00) without the approval of sixty-seven percent (67%) of the Slip Owners. For purposes of this subparagraph, "additional capital improvements" shall mean any added improvements which are not intended to replace like or similar improvements which have been damaged or destroyed by fire or other casualty or which are no longer functional because of wear and tear or obsolescence. If the damage is due to the negligence of a Slip Owner, then the responsibility of maintenance and repair shall be that of the Slip Owner. In all other instances, the responsibility of reconstruction and repair after casualty (see Article X) shall be that of the Association.

(f) To employ attorneys and accountants and other consultants or specialists as may be reasonably necessary or convenient to the carrying out of the functions or management and administration of the Project, and to authorize and pay for their reasonable compensation as common expenses.

(g) To obtain and maintain the kinds and amounts of insurance for the Project and the Association as required by law, these By-Laws, or the Master Deed, together with liability insurance for the protection of the Association, and its Directors and its members, in such amounts as the Board of Directors may deem appropriate, and such additional kinds or higher amounts of insurance as shall be approved by the Slip Owners holding a majority of the Slips, and to authorize and pay the cost thereof as a common expense.

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(h) To bring actions at law or in equity on behalf of two or more of the Slip Owners, as their respective interests may appear, with respect to any cause of action relating to the Common Elements or to more than one Boat Slip.

(i) To take action as may be necessary or convenient for the collection of all sums assessed against any owner of a Boat Slip for his share of the common expenses, insofar as the same is not inconsistent with law, these By-Laws or the Master Deed; and to incur such expenses and attorney's fees as may be reasonable, necessary or convenient for the accomplishment of such purpose.

(j) To retain or hire such persons, firms or corporations to exercise on behalf of the Board of Directors such activities and functions of management and administration as the Board of Directors shall deem advisable and proper from time to time.

(k) To engage the services of a manager or managing agent, or both, and provide for the compensation thereof. The Board of Directors may delegate to such manager or managing agent the power to contract for services and to employ workers, and other help for the operation and maintenance of the Common Elements, provided that no contract for services or of employment for a period exceeding three (3) months shall be valid unless confirmed by the Board of Directors.

(l) To hold title to Boat Slips when appropriate due to foreclosure of assessment liens pursuant to the Master Deed and By-Laws, or deeds in lieu thereof, and under such other circumstances as the Board of Directors may deem appropriate; and, also, to convey title to any Boat Slips so held by the Association for prices and terms deemed advisable by the Board of Directors.

4.3 Election. The three (3) directors shall be elected at the annual meeting of the Association for one (1) year terms. At the expiration of the term of office of each of the members of initial Board of Directors, his successor shall be elected to serve a term of one (1) year. Each director shall then serve until his successor has been elected. Only Slip Owners are eligible to be elected to the Board, except for the interim Board to be selected by the Sponsor, provided, however, that so long as the Sponsors shall own any Boat Slip within the regime, a representative of the Sponsor who need not be a Slip Owner may serve on the Board if duly elected.

4.4 Removal. Any director may be removed from office at any time, with or without cause, upon the vote of a majority of the Slip Owners at a meeting of the Association, provided that the notice of such meeting shall have stated that such was to be considered, and provided that a substitute director is elected at

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the same meeting for the then unexpired term of the one so removed.

4.5 Compensation. The directors, as such, shall serve without compensation.

4.6 Organizational Meeting. The first meeting of the newly elected Board of Directors shall be held within thirty (30) days of the date on which they are elected at such place as shall be fixed by the directors at the meeting at which such directors were elected and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, provided a majority of the directors shall be present.

4.7 Meetings. The Board of Directors may hold meetings when and in such places in the State of South Carolina as the President shall designate, or, in the case of his absence from the State, incapacity, or death, then as may be designated by either of the other directors.

4.8 Notice of Meetings. The Secretary shall give written notice of each meeting of the Board of Directors (except the organizational meeting mentioned above) to each director at least five (5) days before the meeting. The failure to give notice shall not invalidate any action at a meeting of the Board of Directors at which all of the directors are present. No notice of meeting need be given any director who is at the time incapacitated or absent from the State of South Carolina. The presence of any director at any meeting shall constitute a waiver of any required notice of such meeting.

4.9 Quorum. A majority of the directors shall constitute a quorum for the transaction of business, and in every case the affirmative vote of a majority of the whole Board shall be necessary to the validity of any act of the Board.

4.10 Fidelity Bonds. The Board of Directors may require that all officers and employees of the Association handling or responsible for funds of the Association furnish fidelity bonds in an amount equal to at least one hundred fifty percent (150%) of the estimated annual operating expenses of the Project, including reserves. The premium on such bonds shall be paid by the Association as a common expense.

4.11 Limitation Upon Liability of Association. Notwithstanding the duty of the Association to maintain and repair, the Association shall not be liable for any injury or damage, other than the cost of maintenance and repair, caused by a latent condition in the Common Elements, or any additions or improvements thereto, or caused by the elements, other Slip Owners, or persons.

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ARTICLE V: OFFICERS

5.1 Office, Election, and Removal. The Board of Directors shall elect annually, at its first meeting after the annual meeting of the Association, a President, Vice President, Secretary, and Treasurer, each of whom shall serve for the ensuing year and until his successor shall be elected. All such officers shall be elected from among the Board of Directors. The Board of Directors may elect such other officers as it may deem necessary, who shall have such authority and perform such duties as from time to time may be prescribed by the Board of Directors. One person may hold more than one office, except that the President shall hold no other office. All officers shall be subject to removal at any time by the affirmative vote of a majority of the whole Board of Directors. If the office of any officer shall become vacant for any reason, the Board of Directors may elect a successor. The officers, as such, shall serve without compensation unless otherwise determined by the Board of Directors.

5.2 President. The President shall preside over all of the meetings of the Board of Directors and of the Association at which he shall be present. In his absence, the Vice President shall preside. The President shall have the powers and perform the duties customarily incidental to his office and such other powers and duties as may be assigned to him elsewhere in these By-Laws or as may be assigned to him from time to time by the Board of Directors.

5.3 Vice President. During the absence or disability of the President, the Vice President shall exercise all the functions of the President. The Vice President shall also have such powers and discharge such duties as may be assigned to him from time to time by the Board of Directors.

5.4 Secretary. The Secretary shall keep the minute books wherein all resolutions duly passed and all other actions taken at any meeting by the Association and by the Board of Directors shall be recorded. He shall give notice of all meetings of the Association and the Board of Directors. The Secretary shall have the powers and perform the duties customarily incidental to his office and such other powers and duties as may be assigned to him from time to time by the Board of Directors.

5.5 Treasurer. The Treasurer shall oversee and be responsible for all the financial records, books of account, funds and securities of the Association. The books of account shall be kept in accordance with good accounting procedures, which, together with substantiating papers, shall be available for inspection by Slip Owners following reasonable notice to the Treasurer. He shall cause statements to be rendered in such form as often as required by the Board of Directors or the Association. He shall cause a financial statement to be sent to each Slip Owner as soon as practicable after the end of the fiscal year of the Association. He shall have the powers and perform

the duties customarily incidental to his office and such other powers and duties as may be assigned to him by the Board of Directors.

5.6 Other Officers. Other officers of the Association shall have such authority and shall perform such duties as the Board of Directors may prescribe.

5.7 Indemnification. The Association shall indemnify and hold harmless each person who shall serve at any time as a director of the Association, or an officer without compensation, from and against any and all claims and liabilities to which such person shall become subject, by reason of his having served as a director or uncompensated officer of the Association, or by reason of any action alleged to have been taken or omitted to be taken by such person. The Association shall reimburse each person for all legal and other expenses reasonably incurred by him in connection with any such claim or liability; provided, however, that no such person shall be indemnified against or be reimbursed for an expense incurred for any claim or liability arising out of his fraud, bad faith or willful misconduct.

ARTICLE VI: EXPENSES

6.1 Expenses and Assessment. Each Slip Owner shall contribute pro rata toward the common expenses of the Project, including, without limiting the generality of the foregoing, the cost of operation, maintenance, repair, and replacement of all Common Elements, the cost of utilities, taxes and the cost of insurance authorized by the Master Deed, these By-Laws or the Board of Directors, in accordance with the Slip Owner's percentage of interest in the Common Elements, as set forth in Exhibit "F" to the Master Deed. The Board of Directors shall fix a monthly assessment for each Boat Slip in an amount sufficient to provide for all current expenses, a reasonable reserve for future expenses of administration, and such other expenses as are required by these By-Laws or as the Board of Directors may deem proper, subject to adjustment from time to time as the Board of Directors may deem necessary. Such monthly assessment shall be due and payable monthly on the first day of every month without demand, and delinquent accounts shall bear interest at the rate of eighteen percent (18%) per annum from the due date until paid. The amounts received shall be held by the Treasurer in trust to be expended for the operation of the regime.

If it shall appear to the Board of Directors that any Slip Owner has utilized a clearly disproportionate amount of the electrical power or other utility service billed to the Association, the Board may, after giving notice and an opportunity to reply to the responsible Boat Slip Owner, levy a special assessment charge to the responsible Owner, and further, if such shall be determined appropriate by the Board of Directors, to install an individual meter, at the expense of any Boat Slip Owner who

the Board finds has been consistently or repeatedly utilizing a disproportionate amount of power, for the purpose of allocating the correct electrical charges to such Owner. Such amount shall be due and collectible in the same manner and as a part of the Slip Owner's regular assessment for common expenses.

6.2 Lien and Foreclosure. The assessments referred to in the preceding paragraph and all interest thereon, together with all costs of collection, attorney's fees and late charges, shall constitute a lien upon each Boat Slip prior to all other liens excepting only (i) for taxes and assessments lawfully imposed by governmental authority against such Slip, and (ii) all sums unpaid on first mortgages of record. Such lien may be foreclosed by suit by the Board of Directors or its agents acting on behalf of the Slip Owners, in like manner as a mortgage of real property. In any such foreclosure, the Slip Owner shall be required to pay a reasonable rental for the Slip from the date of filing of the suit until the date of sale of the Slip in foreclosure and, if a part of such suit, the confirmation of such sale. The plaintiff in such foreclosure shall be entitled to the appointment of a receiver to collect said rent. The Board of Directors or its agent acting on behalf of the Slip Owners shall have the power to bid on the Boat Slip at the foreclosure sale and to acquire and hold, lease, mortgage and convey the same. A suit to recover a money judgment for unpaid assessments and interest shall be maintainable against any Slip Owner of record on the date of the assessment levy, without foreclosing or waiving the lien securing the same, and the Association shall have the right to recover all costs and expenses of suit, including reasonable attorney's fees incurred, as a part of any such action.

6.3 Mortgagee's Obligation. Where the mortgagee of a mortgage of record or other purchaser of a Boat Slip obtains title to the Slip as a result of foreclosure of such mortgage, such acquirer of title, his successors and assigns, shall not be liable for the share of the common expenses or assessments chargeable with respect to such Boat Slip which became due prior to the acquisition of title to such Boat Slip by such acquirer. Such unpaid share of common expenses or assessments shall be deemed to be a common expense and collectible pro rata from all of the Slip Owners, including such acquirer, his successors and assigns.

6.4 Liability of Assignee of Slip. In the case of voluntary assignment of a lease of a Boat Slip, pursuant to which lease the lessee is deemed the owner of such Boat Slip with respect to liability for common expenses, the assignee shall be jointly and severally liable with the assignor for all unpaid assessments against the latter for his share of common expenses up to the time of the conveyance, without prejudice to the assignee's right to recover from the assignor the amounts paid by the assignee therefor. Any assignor or assignee shall be entitled to a statement from the Board of Directors or its agents, as

the case may be, setting forth the amount of such unpaid assessments.

ARTICLE VII: RULES AND REGULATIONS

In order to assure the peaceful and orderly use and enjoyment of the Project, and particularly of the Common Elements of the Project, the Board of Directors may from time to time adopt, modify, and revoke in whole or in part such rules and regulations governing the conduct of persons and the operation and use of the Boat Slips and Common Elements as it may deem necessary or appropriate. A copy of such rules and regulations, as adopted, is attached hereto and incorporated herein, and a copy of each amendment, modification, or revocation thereof, shall be delivered by the Secretary promptly to each Slip Owner and shall be binding upon all Slip Owners and users of the Boat Slips from the date of delivery.

ARTICLE VIII: MORTGAGEES

8.1 Notice to Association. A Slip Owner who mortgages his Boat Slip shall notify the Association through the management agent, if any, or the President of the Board of Directors in the event there is no management agent, of the name and address of his mortgagee; and the Association shall maintain such information in a book entitled "Mortgagees of Boat Slips."

8.2 Notice of Unpaid Assessments. The Association shall, at the request of a mortgagee of a Boat Slip, report any unpaid assessments due from the owner of such Boat Slip.

ARTICLE IX: INSURANCE

The Board of Directors shall be required to obtain and maintain, as set forth below, in forms and amounts as hereinafter prescribed and which are also satisfactory to any mortgagee holding mortgages on five (5) or more Boat Slips, the following insurance, without prejudice of the right of the co-owner to obtain additional individual insurance at his own expense:

9.1 Hazard Insurance. The Board of Directors shall insure the Project, as it may be constituted from time to time, against loss or damage due to fire, windstorm, freeze, lightning and flood, with extended coverage, if such insurance coverage is available, in an amount not less than the maximum insurable replacement value of the Project as determined by an annual appraisal of the Project for finance valuation purposes which the Board shall require to be conducted by a qualified appraiser not less frequently than every other year, or in the amount reasonably obtainable as it relates to the flood coverage. The Board of Directors shall have the authority also to insure

against other hazards and risks as it may deem desirable for protection of the Project. All hazard insurance shall cover the entire Project, and liability insurance shall cover all Owners and the Association.

(a) All hazard insurance policies obtained by the Board of Directors shall designate the Board of Directors as the named insured as Insurance Trustee for the benefit of all the Slip Owners and their mortgagees collectively, as their respective interests may appear. In the event of loss or damage, all insurance proceeds shall be paid jointly to the Board of Directors as Insurance Trustee under the provisions of these By-Laws and to any mortgagee holding mortgages on five (5) or more Boat Slips, it being understood and acknowledged that the distribution of such proceeds shall be controlled by the Horizontal Property Act, the provisions of the Master Deed and these By-Laws.

(b) All hazard insurance policies obtained by the Board of Directors shall provide for the issuance of Certificates of Insurance to each Slip Owner. Each Certificate shall evidence the issuance of the Master Policy and shall indicate the amount of insurance covering the Boat Slip. If a Boat Slip is mortgaged, a Certificate of Insurance shall be issued to the mortgagee bearing a standard mortgagee endorsement, if requested.

(c) If obtainable, all hazard insurance policies upon the Project shall include provisions waiving (i) any rights of the insurer to subrogation against the Association, its agents and employees, and against the individual Slip Owners and their servants, agents, and guests; and (ii) any rights of the insurer to contribution from hazard insurance purchased by a Slip Owner.

(d) Each hazard insurance policy shall contain a loss payee provision designating the interest of the various mortgagees as to the various Boat Slips within the Project which are covered by the Master Policy. Such policies shall also provide that they shall not be cancelled without giving thirty (30) days' prior written notice to all such mortgagees about which the insurer has been given written notice.

(e) The Association is irrevocably appointed as agent for each Slip Owner and for each mortgagee or other lienor of a Boat Slip to adjust all claims for property damage arising under insurance policies purchased by the Association and to execute and deliver releases upon payment of claims. This provision shall not apply to any additional insurance purchased directly by a Slip Owner nor shall it be construed to confer upon the Association any authority with regard to any claims which a Slip Owner may have for personal injury.

9.2 Premiums. All premiums upon insurance policies purchased by the Board of Directors shall be assessed as common expenses to be paid by the Slip Owners through periodic assessment as herein provided.

9.3 Substitution of Insurance Trustee. The Board of Directors, in its discretion, may decline to serve as Insurance Trustee and may appoint in its place any financial institution which is qualified and willing to act as Trustee and which also has offices in Beaufort County, South Carolina. Any substitute Insurance Trustee appointed by the Board of Directors shall succeed to all of the powers and responsibilities vested in the Board as Insurance Trustee under the terms herein.

9.4 Additional Insurance. Each Slip Owner shall be required to obtain additional insurance on his Boat Slip, at his own expense, of such types and in such amounts as shall be determined by a two-thirds (2/3) vote of the Slip Owners in a duly called meeting of the Association at which a quorum is present. Written notice shall be specifically given that one of the purposes of said meeting is to consider required additional insurance.

ARTICLE X: RECONSTRUCTION AND REPAIR

In the event of casualty loss or damage to the Project, the Board of Directors shall be responsible for applying the proceeds of all casualty insurance to the repair or reconstruction of the Project in accordance with the provisions of this ARTICLE X. Reconstruction or repair shall be mandatory unless two-thirds (2/3) or more of the Project is destroyed or substantially damaged. If two-thirds (2/3) or more of the Project is destroyed or substantially damaged, reconstruction shall not be mandatory and unless reconstruction is agreed upon by two-thirds (2/3) of all Slip Owners, the insurance indemnity received by the Board of Directors shall be distributed pro rata to the Slip Owners and their mortgagees jointly in proportion to their respective interests. The remaining portion of the Project shall be subject to an action for partition at the suit of any Slip Owner or lienor as if owned in common. In the event of suit for partition, the net proceeds of sale, together with the net proceeds of insurance policies, shall be considered one fund and distributed pro rata among all Slip Owners and their mortgagees jointly in proportion to their respective interests. If less than two-thirds (2/3) of the Project is destroyed or substantially damaged, then such Project shall be repaired in the following manner:

10.1 Reconstruction Plans. Any reconstruction or repair must follow substantially the original plans and specifications of the Project unless two-thirds (2/3) of the Slip Owners and their mortgagees, if any, vote to adopt different plans and specifications and all Slip Owners whose Boat Slips are being reconstructed or repaired unanimously consent to the adoption of such different plans and specifications.

10.2 Estimates. The Board of Directors shall promptly obtain estimates of the cost required to restore the damaged property to its condition before the casualty occurred. Such

costs may include such professional fees and premiums for bids as the Board of Directors deems necessary.

10.3 Deficiencies. If the insurance proceeds paid to the Board are insufficient to cover the cost of reconstruction, the deficiency shall be paid as a special assessment by the Slip Owners whose Boat Slips are being reconstructed or repaired in proportion to the damage done to their respective Boat Slips.

10.4 Construction Fund. The insurance proceeds received by the Board of Directors and the mortgagees, and any special assessments collected to cover a deficiency in insurance, shall constitute a construction fund from which the Board of Directors and the mortgagees shall disburse payment of the costs of reconstruction and repair. The first disbursements from the construction fund shall be insurance proceeds; and if there is a balance in the fund after payment of all cost of reconstruction and repair, it shall be distributed to the Slip Owners who paid special assessments in proportion to their payments. Any balance remaining after such distribution shall be retained by the Association.

10.5 Negligence. A Slip Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or by that of any member of his family or his or their guests, employees, agents or lessees. A Slip Owner shall pay the Association the amount of any increase in its insurance premiums occasioned by such negligent use, misuse, occupancy or abandonment of a Boat Slip or its appurtenances, or of the Common Elements, by the Slip Owner.

ARTICLE XI: INSURANCE TRUST

In the event of casualty loss to the Project, all insurance proceeds indemnifying the loss or damage shall be paid jointly to the Board of Directors as Insurance Trustee and to any mortgagee holding mortgages on five (5) or more Slips. The Board of Directors, acting as Insurance Trustee, shall receive and hold all insurance proceeds in trust for the purposes stated in this ARTICLE XI, and for the benefit of the Association, the Slip Owners, and their respective mortgagees in the following share:

11.1 Common Elements. Insurance proceeds paid on account of loss or damage to the Common Elements only shall be held in the same proportion as the undivided interests in the Common Elements which are appurtenant to each of the Boat Slips.

11.2 Boat Slips. Insurance proceeds paid on account of loss or damage to less than all of the Boat Slips, when the damage is to be restored, shall be held for the benefit of Slip Owners of the damaged Boat Slips and their respective mortgagees in proportion to the costs of repairing each damaged Boat Slip.

11.3 No Restoration. Insurance proceeds paid when the Project is not to be restored shall be held for the benefit of all Slip Owners and their respective mortgagees, the share of each being equal to the undivided share or interest in Common Elements appurtenant to the applicable Boat Slip.

11.4 Certificate of Insurance. In the event a Certificate of Insurance has been issued to a Slip Owner bearing a mortgagee endorsement, the share of the Slip Owner shall be held in trust for the mortgagee and the Slip Owner as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except for insurance proceeds required by the loan documents to be paid jointly to the Slip Owners and their respective mortgagees.

ARTICLE XII: MISCELLANEOUS

12.1 Construction. All provisions of these By-Laws are subject to the provisions of the laws of the State of South Carolina regulating condominiums, the "Horizontal Property Act" as designated in the Master Deed, and to the terms of the Master Deed itself. All ambiguities herein or matters not explicitly stated shall be governed by the terms of the Master Deed, and matters directly inconsistent with the Master Deed shall be deemed modified to conform to the Master Deed. To the extent these By-Laws are more detailed or explicit than the Master Deed they shall be enforceable unless inconsistent with express terms of the Master Deed or violative of the Horizontal Property Act.

12.2 Amendments. These By-Laws may be amended by an affirmative vote of sixty-seven percent (67%), by percentage ownership, of the Slip Owners who are in attendance at any regular or special meeting at which a quorum is present. A proposed amendment shall be submitted to the membership as directed by the Board of Directors, or upon filing with the Secretary a petition signed by at least one-fifth (1/5) of the voting power of the members of the Association.

12.3 Nuisances. No nuisances shall be allowed upon the Project, nor any use or practice that is the source of annoyance to other Slip Owners or which interferes with the peaceful possession and proper use of the Project by its Owners. All parts of the Project shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate nor any fire hazard allowed to exist. No Slip Owner shall permit any use of his Boat Slip to make any use of the Common Elements that will increase the cost of insurance upon the Project.

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Exhibit "E" to Master Deed

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12.4 Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the Project nor any part of it; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction shall be observed. The responsibility of meeting the requirements of governmental bodies for maintenance, modification or repair of Project property shall be the same as the responsibility for the maintenance and repair of the property concerned (see Section 4.2(e) and Article X).

12.5 Costs and Attorney's Fees. In any proceeding arising because of an alleged failure of a Slip Owner or the Association to comply with the terms of the Horizontal Property Act, the Master Deed, these By-Laws or any rule or regulation adopted pursuant to these By-Laws, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be awarded by the Court.

12.6 Definitions. The terms used herein shall have the meanings as defined in the Master Deed establishing the Villages of Skull Creek Dock Horizontal Property Regime (II) and the Horizontal Property Act.

12.7 Persons Affected. All Slip Owners, tenants of such owners, employees or owners and tenants, and any other persons that may in any manner use the property are subject to these By-Laws, all rules and regulations promulgated pursuant thereto, as the same may from time to time be amended, the Master Deed and the Horizontal Property Act.

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RULES AND REGULATIONS
OF
VILLAGES OF SKULL CREEK (II) DOCK OWNERS' ASSOCIATION

The following rules and regulations are promulgated by the Villages of Skull Creek (II) Dock Owners' Association ("Association"), pursuant to the authority to do so set forth in Article VII of the By-Laws of the Association.

These rules are structured so that they have application to either a tenant or owner of a Boat Slip or the guest of either a tenant or an owner.

Rule 1. All pertinent federal, state and local laws, rules and regulations pertaining to marine safety, communication, sanitation, pollution and navigation are applicable within the Skull Creek Dock Basin ("Basin"), and its approaches. By way of illustration, these include but are not limited to, the Inland Navigational Rules Act of 1980 and rules and regulations of the Coast Guard, DHEC, FCC and South Carolina Wildlife and Marine Resources Commission.

Rule 2. The terms and conditions of the South Carolina Coastal Council Permit No. 82-3C-022 shall be fully applicable to the Basin. Violation of the Coastal Council Rules and Regulations are also a violation of these rules and regulations.

Rule 3. Vessel movements within the Basin shall be executed in a courteous, seamanlike manner in observance of the navigational rules. Such movement shall be in a steerageway (no wake). No cruising shall be permitted in the Basin. The operator or owner is responsible for all injury, loss or damage to dock property or the property of others due to negligence or vessel sinking. This facility has been designed and built as an element adjunct to the surrounding residential structures. The Association may deny access to any vessel which it, in its sole discretion, deems aesthetically unpleasing, unseaworthy, incompatible with other vessels present, or any vessel which otherwise detracts from the desired ambiance of the Village of Skull Creek.

Rule 4. No overboard discharge of petroleum products, solid refuse, sewage waste water or other pollutants is permitted. Vessels berthed in the Basin shall not be used as a residence, and shall not be occupied other than as permitted under Paragraph NINETEENTH (b) of the Regime Master Deed.

Rule 5. Pets must be attended at all times. The owner is responsible for removing and disposing of all pet excrement. All refuse shall be placed in sealed plastic bags and deposited in receptacles provided. Fish are to be cleaned only at designated areas.

Rule 6. Swimming or diving in the Basin is prohibited. Fishing and crabbing are permitted only in areas authorized for such activities.

Rule 7. Use of all parking spaces is in common. No owner of a slip shall have an exclusive right to occupy a specific parking space. The Board may require removal of any inoperative vehicle, any unsightly vehicle and any other equipment or item improperly stored in parking spaces. In the event that the same are not so removed upon request, the Association may cause a removal at the risk and expense of the owner thereof.

Rule 8. The Common Elements shall be used exclusively for normal ingress and egress and no obstruction of a place thereon or therein shall be permitted unless improved in advance in writing by the Association. Each Slip Owner shall keep his Boat Slip and the limited Common Element appurtenant thereto in a neat, clean and orderly condition. A Slip Owner shall not cause nor permit materials, tools or litter of any kind to be present in the Common Elements.

Rule 9. No loud, noxious or offensive activity shall be carried on in any Boat Slip or Common Element appurtenant thereto, nor shall anything be done therein which may be or become an annoyance or nuisance to other Slip Owners or become a violation of any law.

Rule 10. Unless specifically authorized in writing by the Association, vessels berthed in the Basin shall not be used for commercial purposes nor shall signs be displayed on any vessel or Boat Slip. Each Slip Owner or tenant covenants to exercise due care in movements in the Basin and in occupation of his Boat Slip and facilities and to vacate in good condition the same, wear and tear by normal use only excepted. In the event of a sinking of a vessel, each Slip Owner or tenant is responsible for its prompt raising and all costs and damages involved. Each Slip Owner or tenant shall indemnify the Association against all claims, damages and liabilities, including attorney's fees, arising from or connected with the Slip Owner or tenant's possession and use of the Boat Slip. Each Slip Owner or tenant is solely responsible for the security of the vessel including securing of mooring lines. The Association retains the right to enter a Boat Slip for the removal of boats during adverse weather which may result in damage to the Boat Slip. Each Slip Owner or tenant is responsible for the acts and omissions of his family, guests and tenants while in the Basin.

Rule 11. Fueling and refueling of all vessels is permitted only in areas designed for such activities. No flammable substances of any type shall be stored on any boat, or any Boat Slip, or in any of the Common Elements, except in places specially designated as storage areas. To the extent that normal fuel reserves, cleaning materials or the like may be kept upon a vessel or upon the Property, each Owner shall be responsible for the safe

handling and storage of such material and shall be liable for any damage which might be caused thereby.

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EXHIBIT "F"

VILLAGES OF SKULL CREEK DOCK HORIZONTAL PROPERTY REGIME (II)

PERCENTAGE OF UNDIVIDED INTEREST
IN COMMON ELEMENTS AND VALUE FOR SOUTH CAROLINA
STATUTORY PURPOSES

The percentage of undivided interest in the common elements appurtenant to each Boat Slip in Villages of Skull Creek Dock Horizontal Property Regime (II) are set forth below (including Phase 1; and Phase 1 and 2, if applicable). It should be noted that the Boat Slip valuations and percentages for individual Boat Slips within Phase 2 are not specifically stated herein, Sponsor having reserved in this Master Deed the flexibility to distribute the total percentage value assigned to Phase 2 over an unspecified number of Boat Slips, not to exceed sixteen (16) Boat Slips in the Phase 2 Property. The actual percentage of undivided interest in the common elements applicable to each individual Boat Slip within Phase 2, in the event of the inclusion of Phase 2 within the Regime, will be determined, with specification of the number of Boat Slips within Phase 2, at the time of dedication of Phase 2 Property unto the Regime.

<u>Boat Slip Number (Phase 1 Boat Slips)</u>	<u>Statutory Value/Slip</u>	<u>Percentage of Interest/Slip Phase 1 only</u>	<u>Proposed Percentage for Phases 1 & 2</u>
130 - 137, Inclusive	\$ 15,000	5.05051	2.95858
138 & 139	\$ 19,000	6.3973	3.74753
140 - 143, Inclusive	\$ 15,000	5.05051	2.95858
160 - 163, Inclusive	\$ 15,000	5.05051	2.95858
164	\$ 19,000	6.3973	3.74753
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Phase 1 -- Totals	<u>\$297,000</u>	100%	58.58%

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<u>Boat Slip Number</u>	<u>Value</u>	<u>Percentage Phase 1 only</u>	<u>Percentage For Phases 1 and 2</u>
<u>Phase 2</u>		N/A	See totals below

As the total number of Boat Slips to be designated within the Phase 2 Property is not presently known, the percentage value for individual slips is not herein designated. The total valuation and percentage interest for Phase 2 Property is shown below, based upon the extent of docking facilities to be constructed, as shown on Exhibit "B" hereto. Likewise, Boat Slip numbers are omitted for the sake of avoiding confusion once the total number of Phase 2 Boat Slips is determined.

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Phase 2 --
Total Value: \$210,000.00

41.42%
100%

NOTE:

The total statutory value of the Property in Phase 1 only is \$297,000.00. The total value of the Property in in Phase 1 and Phase 2 combined is \$507,000.00. Sponsor will not exceed this stated percentage value for Phase 2 Property, but may develop Phase 2 to include from fourteen (14) to sixteen (16) total Boat Slip units, which units will be assigned their relative proportion of the total Phase 2 Property valuation percentage. These valuations are for purposes of the South Carolina Horizontal Property Act only.

BETHEA, JORDAN
GRIFFIN, P. A.
ATTORNEYS AND
COUNSELLORS AT LAW
HILTON HEAD ISLAND, S. C.

EXHIBIT "G"

VILLAGES OF SKULL CREEK DOCK HORIZONTAL PROPERTY REGIME (II)

SAMPLE FORM OF AMENDMENT TO INCORPORATE PHASE 2 PROPERTY

STATE OF SOUTH CAROLINA) FILED IN DEED - M BOOK 436 PAGE 567
) FILED AT 092400 ON 12/04/85
COUNTY OF BEAUFORT)

THE DELTA GROUP, a South Carolina)
General Partnership)
)
) SAMPLE FORM OF AMENDMENT
) TO MASTER DEED OF VILLAGES
TO) OF SKULL CREEK DOCK
) HORIZONTAL PROPERTY REGIME
) (II) (to be used for Phase
) 2, if dedicated)
VILLAGES OF SKULL CREEK DOCK)
HORIZONTAL PROPERTY REGIME (II))
)
)

WHEREAS, on the ____ day of ____, 1985, The Delta Group a South Carolina General Partnership, hereinafter referred to as "Sponsor", executed a certain Master Deed establishing the Villages of Skull Creek Dock Horizontal Property Regime (II), which Master Deed was recorded on the ____ day of ____, 1985, in Deed Book ____ at Page ____ and in Plat Book ____ at Page ____ in the Office of the Clerk of Court for Beaufort County, South Carolina; and

WHEREAS, said Master Deed reserved the right at the sole option of the Sponsor, its successors, grantees or assigns, that said project could be divided into one or two Phases, Phase 1 being activated by the aforementioned Master Deed with the provision that Phase 2 of said property could be made a part of the Villages of Skull Creek Dock Horizontal Property Regime (II) at the election of the Sponsor and upon the filing of Amendments submitting said property to said Regime;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS that The Delta Group, a South Carolina General Partnership, its principal offices on Hilton Head Island, South Carolina, hereinafter referred to as "Sponsor", does hereby declare:

FIRST:

That Sponsor does hereby elect to exercise and does hereby exercise the options and rights hereinabove referred to and more

particularly set forth in the Master Deed of the Villages of Skull Creek Dock Horizontal Property Regime (II) recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book _____ at Page _____, et seq., to amend said Master Deed to include the Phase 2 property more particularly described and set forth in Exhibit "A" hereto as a part of the Villages of Skull Creek Dock Horizontal Property Regime (II) in such a way that the said Villages of Skull Creek Dock Horizontal Property Regime (II) shall be composed of the properties formerly designated as Phase 1 and Phase 2. Effective upon the filing of this Amendment, the property included in the Villages of Skull Creek Dock Horizontal Property Regime (II) shall be as described in Exhibit "B" hereto which description includes both the Phase 1 and Phase 2 properties.

SECOND:

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FILED AT 092400 ON 12/04/85

That Sponsor is the sole owner of the property described in Exhibit "A" herein, which is shown on a plat thereof, said plat being designated as Exhibit "B" and being attached hereto and made a part hereof and being recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Plat Book _____ at Page _____.

THIRD:

That Sponsor does hereby, by duly executing this Amendment to the Master Deed of the Villages of Skull Creek Dock Horizontal Property Regime (II), submit the land referred to in Paragraph SECOND, together with the improvements erected thereon and extending therefrom, and all easements, rights and appurtenances belonging thereto (hereinafter referred to as the "Property") to the provisions of the Master Deed for the Villages of Skull Creek Dock Horizontal Property Regime (II) and the provisions of the Horizontal Property Act of the State of South Carolina, and does hereby state that it proposes to make the Property a part of the Villages of Skull Creek Dock Horizontal Property Regime (II) to be governed by the provisions of the aforementioned Master Deed and the provisions of Horizontal Property Act of South Carolina.

FOURTH:

That the improvements constructed on and forming a part of the Property are constructed in accordance with the plans and specifications identified as Exhibit "C" attached hereto and made a part of the Master Deed of the Villages of Skull Creek Dock Horizontal Property Regime (II) recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book _____ at Page _____ and Plat Book _____ at Page _____, which plans are incorporated into and made a part of this Amendment in the same manner as if expressly appearing herein. Said plans are certified by _____, an engineer duly licensed to practice in the State of South Carolina under Registration Number _____, and attached to this Amendment as

BETHEA, JORDAN
TRIFFIN, P. A.
ATTORNEYS AND
COUNSELLORS AT LAW
HILTON HEAD ISLAND, S. C.

Exhibit "D" is a certificate by an engineer licensed to practice in the State of South Carolina, that the improvements constructed on the Property, and specifically the Boat Slips and docking facility added to the Regime by this Amendment were constructed substantially in accordance with said plans.

FIFTH:

That the Property within Phase 2 which is being added to and combined with the Phase 1 Property of Villages of Skull Creek Dock Horizontal Property Regime (II) includes _____ square feet of docking facility, consisting of _____ individual Boat Slips, all of which are to be used for recreational purposes. The Boat Slips are capable of individual utilization on account of having their own exits to the common elements of the Property, and a particular and exclusive Property right thereto, and also an undivided interest in the general and limited common elements of the Property, as set forth in the Master Deed to said Horizontal Property Regime (II) recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book _____ at Page _____ et seq., and as hereinafter set forth, necessary for their adequate use and enjoyment (hereinafter referred to as "Common Elements"), all of the above in accordance with the Horizontal Property Act of South Carolina.

SIXTH:

That the Property comprising Phase 2 and being hereby added to the Property of the Villages of Skull Creek Dock Horizontal Property Regime (II) has a total of _____ square feet of docking facility.

SEVENTH:

FILED IN DEED - M BOOK 436 PAGE 569

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That the total Property of the Villages of Skull Creek Dock Horizontal Property Regime (II), subsequent to the filing of this Amendment and including both the Phase 1 and Phase 2 Property, has a total of _____ acres of land and _____ square feet of docking facility constructed therefrom.

EIGHTH:

There are two (2) basic types of Boat Slips in Phase 2 of Villages of Skull Creek Dock Horizontal Property Regime (II). These Boat Slips are as shown on Exhibit "B" hereto, consisting of _____ finger pier Boat Slips and _____ parallel slips, which may accommodate boats of _____ lengths.

NINTH:

That the Common Elements of the Property, both General and Limited, and including Phase 1 and Phase 2 Property, shall be as set forth in the Master Deed establishing the Villages of Skull Creek Dock Horizontal Property Regime (II), as amended, which

Master Deed is recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book _____ at Page _____, et seq., the provisions of which are incorporated herein and made a part hereof in the same manner as if the same were expressly set forth herein except as herein modified or amended.

The Limited Common Elements referred to in the Master Deed to the Villages of Skull Creek Dock Horizontal Property Regime (II) are as shown on Exhibit "B" to this Amendment.

TENTH:

The percentage of title and interest appurtenant to each Boat Slip and the Boat Slip Owner's title and interest in the common elements (both General and Limited) of the Property (both Phase 1 and Phase 2) of the Villages of Skull Creek Dock Horizontal Property Regime (II) and their share in the profits and common monthly expenses as well as proportionate representation for voting purposes in the meeting of the Villages of Skull Creek (II) Dock Owners' Association (hereinafter usually referred to as "Association") of the Regime is based upon the proportionate value of each Boat Slip to the value of the total Property (both Phase 1 and Phase 2) as set forth in Exhibit "F" to the Master Deed establishing said Regime, which Exhibit "F" is recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book _____ at Page _____, under the column entitled "Percentage for Phase 1 and Phase 2," the provisions of which are incorporated herein and made a part hereof. Said percentages are likewise set forth in Exhibit "F" to this Amendment which is attached hereto and made a part hereof. The proportionate representation for voting purposes and the percentage of the undivided interests in the common elements (both General and Limited) provided in this paragraph and in Exhibit "F" hereto shall not be altered without the acquiescence of the co-owners representing all of the Boat Slips expressed in a duly recorded Amendment to this Master Deed for such Regime or by an Amendment filed by the Sponsor in accordance with the reservations set forth in the Master Deed.

ELEVENTH:

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The sole purpose of this Amendment being to add the Phase 2 Property to the Villages of Skull Creek Dock Horizontal Property Regime (II) so as to make it an integral part of said Regime, all provisions of the Master Deed establishing the Villages of Skull Creek Dock Horizontal Property Regime (II) as recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, which are not modified herein are expressly incorporated into and reaffirmed by this Amendment in the same manner as if the same were expressly set forth herein. This Amendment is intended to comply with the provisions of the aforementioned Master Deed and the Horizontal Property Act of South Carolina. In case any of the provisions stated above conflict with the provisions of said statute, the provisions of said statute shall control. The

provisions hereof shall be deemed independent and severable, and the invalidity in whole or in part of any section, sub-section, sentence, clause, phrase or word, or other provision of this Amendment shall not affect the validity or enforceability of the remaining portions thereof and in such event, all of the other provisions of the Amendment shall continue in full force and effect as if such invalid provision had never been included therein.

IN WITNESS WHEREOF, THE DELTA GROUP, a South Carolina General Partnership, has caused these presents to be executed this ____ day of _____, in the year of Our Lord one thousand nine hundred _____ and in the two hundred and _____ year of the Sovereignty and Independence of the United States of America.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

THE DELTA GROUP, a South Carolina
General Partnership

By: The Delta Group, its General
Partner

Catherine J. Mayes

By: John P. Reed
Reed Realty, Inc., General
Partner
John P. Reed, President

Sharon L. Arnold

By: Kumar K. Viswanathan
KKV Enterprises, Inc., General
Partner
Kumar K. Viswanathan, President

By: R. Vance Fulkerson
RVF, Inc., General Partner
R. Vance Fulkerson, President

FILED IN DEED - M BOOK 436 PAGE 571
FILED AT 092400 ON 12/04/85

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

PROBATE

PERSONALLY appeared before me CATHERINE MAYES
who, on oath, says that s/he saw the within named THE DELTA
GROUP by Reed Realty, Inc., its General Partner sign the
within Master Deed, and KKV Enterprises, Inc. & RVF, Inc. its
General Partners, attest the same, and that said Corporation
by said officers, seal said Deed, and as its act and deed,
deliver the same and that s/he with SHARON AROLD
witnessed the execution thereof.

Catherine J. Mayes

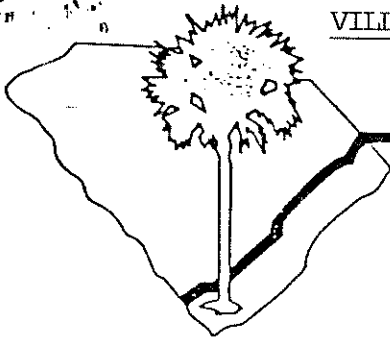
SWORN to before me this 29th
day of NOVEMBER, 1985.

Sharon Lee Arnold (L.S.)
Notary Public for South Carolina

My Commission Expires: July 21, 1998

FILED IN DEED - M BOOK 436 PAGE 572
FILED AT 092400 ON 12/04/85

VILLAGES OF SKULL CREEK DOCK HORIZONTAL PROPERTY REGIME (II)



South Carolina Coastal Council

James M. Waddell, Jr.
Chairman

H. Wayne Beam, Ph.D.
Executive Director

May 19, 1982

Thomas & Hutton Engineering Co.
c/o Danny Stanley
Post Office Box 14609
Savannah, Georgia 31406

FILED IN DEED - M BOOK 436 PAGE 573
FILED AT 092400 ON 12/04/85

Dear Mr. Stanley:

The South Carolina Coastal Council has reviewed your permit application P/N # 82-3C-022 for a permit to construct a boat docking facility (description of work) located on Hilton Head Island. The Coastal Council has found that the project would have no severe negative impacts on coastal resources, and is not inconsistent with Council policies for the critical areas of the coastal zone.

Two copies of the permit, as issued, are enclosed. Please carefully read the permit and be sure to note if any special conditions are on page four. If you wish to accept the permit as issued, sign and date both copies on page four in the signature block entitled "PERMITTEE". Return one complete signed copy to me.

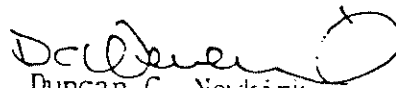
YOU ARE NOT AUTHORIZED TO COMMENCE WORK UNDER THE PERMIT
UNTIL I HAVE RECEIVED A COPY SIGNED AND ACCEPTED BY YOU.

Upon my receipt of the permit signed by you, I will immediately forward to you a permit placard which must be posted on the permit site and which authorizes you to commence work under the permit as issued.

The receipt of this permit does not relieve you of the responsibility of acquiring any other applicable federal or local permits that may be required.

You are notified that a U. S. Army Corps of Engineers permit is also required as stated in P/N # 82-3C-022. To commence work without acquiring this authorization would be in violation of federal law.

Sincerely,


Duncan C. Newkirk
Permit Administrator

cc: Senator James M. Waddell, Jr., Chairman

Dr. H. Wayne Beam, Executive Director

Summerall Center, 1011 Main Street, Suite 200, Charleston, SC 29401

PERMIT NUMBER: 82-3C-022

PUBLIC NOTICE NUMBER: 82-3C-022

FILED IN DEED - M BOOK 436 PAGE 574
FILED AT 092400 ON 12/04/85

NAME OF APPLICANT: The Delta Group

DATE OF ISSUANCE: May 19, 1982

EXPIRATION DATE: May 19, 1985

SOUTH CAROLINA COASTAL COUNCIL PERMIT

This permit is issued under the provisions of Act 125 of the 1977 South Carolina General Assembly and the Final Rules and Regulations of the South Carolina Coastal Council. Furthermore, this permit authorizes the above named applicant, hereafter called the Permittee, to perform works shown on the sketch hereof and made a part hereof, more particularly described as follows:

County: Beaufort

Location: on Hilton Head Island

Nearest body of water: Skull Creek

Description of project: construct a community boat docking facility.

GENERAL CONDITIONS:

—The permittee agrees to the following general conditions:

- 1) That if the activity authorized herein is not completed on or before 19th day of May, 19 85 (three years from the date of issuance of permit unless otherwise specified) this permit, if not previously revoked or specifically extended, shall automatically expire. A request, in writing, for an extension of time shall be made not less than sixty days prior to the expiration date.
- 2) That the structure or work authorized herein shall be maintained in good condition and in accordance with the plans and drawings attached hereto. Failure to maintain the structure in this condition shall be grounds for revocation of the permit.

is not otherwise provided for by law, such lights and special signals as may be prescribed by the United States Coast Guard shall be installed and maintained by and at the expense of the permittee.

14.) That the permit placard or a copy of the placard shall be posted in a conspicuous place at the project site during the entire period of work. Display of a placard is not necessary if a permit for the work has been issued by the U. S. Army Corps of Engineers and a Corps placard is posted in a conspicuous place at the site.

15.) That before revocation, suspension, or modification of this permit, the Coastal Council shall provide written notification to the permittee of intention to revoke, suspend, or modify the permit, and the permittee shall be given an opportunity to present a written explanation to the Coastal Council.

16.) That the permittee, upon receipt from the Coastal Council of written notification of intent to revoke, suspend or modify the permit, shall cease all work under this permit. Furthermore, work shall not be resumed under this permit until final disposition of the proceeding has occurred.

17.) That the permittee, upon receipt of a notice or revocation of this permit or upon its expiration before completion of the authorized structure or work, shall, without expense to the Coastal Council and in such time and manner as the Coastal Council or its authorized representative may direct, restore the area to its former condition. If the permittee fails to comply with the direction of the Coastal Council or its authorized representative, the Coastal Council or its designee may restore the affected area to its former condition, by contract or otherwise, and recover the cost thereof from the permittee.

18.) That in issuing this permit, the Coastal Council has relied on the information and data which the permittee has provided in connection with his permit/application. If, subsequent to the issuance of this permit, such information and data prove to be false, incomplete, or inaccurate, this permit may be modified, suspended or revoked, in whole or in part, and the Coastal Council, may, in addition, institute appropriate legal proceedings.

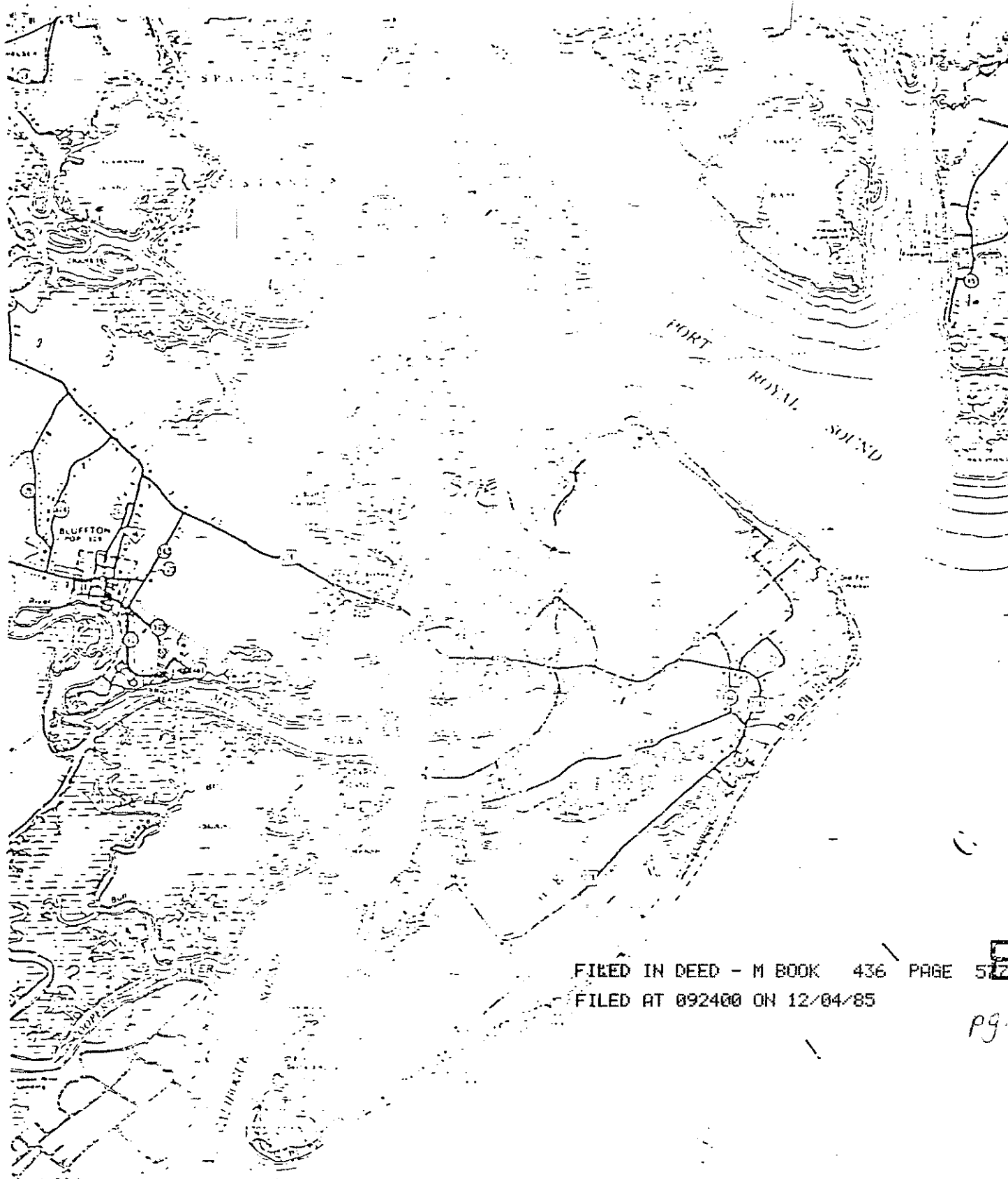
✓ 19.) That any modification, suspension or revocation of this permit shall not be the basis for any claim for damages against the Coastal Council or the State of South Carolina or any employee, agent, or representative of the Coastal Council or the State of South Carolina.

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SPECIAL CONDITIONS: (continued)

- 4) Provided that the closing of shellfish beds is mitigated with a plan approved by the Coastal Council, S.C. Wildlife & Marine Resources Department and S.C. Department of Health & Environmental Control.
- 5) Provided that the applicant provide a restroom facility at the marina.

FILED IN DEED - M BOOK 436 PAGE 576
FILED AT 092400 ON 12/04/85



FILED IN DEED - M BOOK 436 PAGE 512
FILED AT 092400 ON 12/04/85

81

pg. 57

SHEET LACP 5

PURPOSE THE ...
CREEK ...

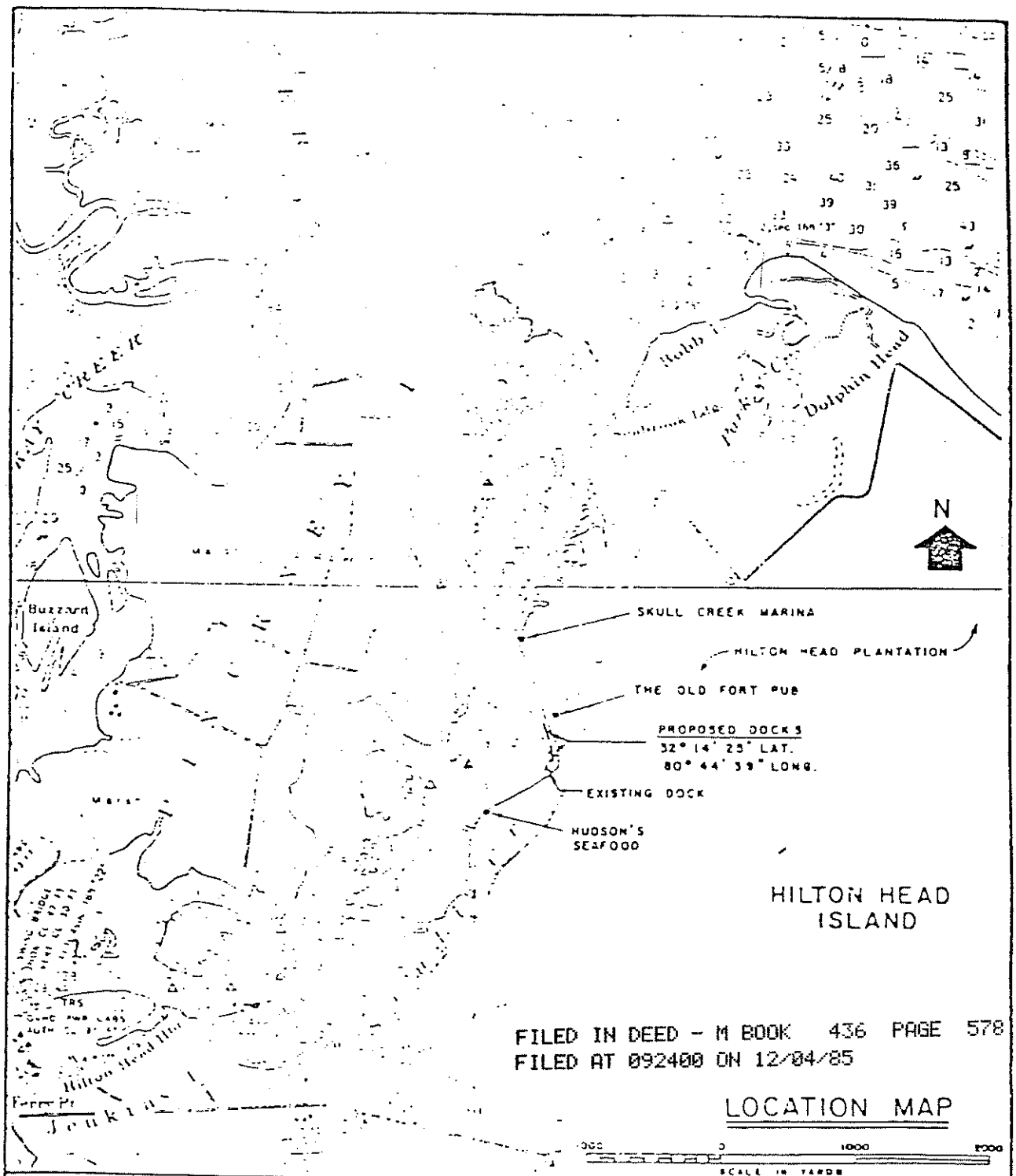
DATUM MEAN ...

NAME AND ADDRESS
PROPERTY OWNER

THE ...

AT LION HEAD ISLAND
COUNTY OF BEAUFORT
STATE OF SOUTH CAROLINA

APPLICATION BY
THE DELTA GROUP
2 CORPUS CHRISTI CIRCLE
SUITE 101, PROFESSIONAL BLDG.



FILED IN DEED - M BOOK 436 PAGE 578
FILED AT 092400 ON 12/04/85

LOCATION MAP

0 1000 2000
SCALE IN YARDS

[SHEET 1 OF 6]

PURPOSE: THE VILLAGE ON SKULL
CREEK COMMUNITY DOCKS

DATUM MEAN SEA LEVEL

NAME AND ADDRESS OF ADJACENT
PROPERTY OWNERS

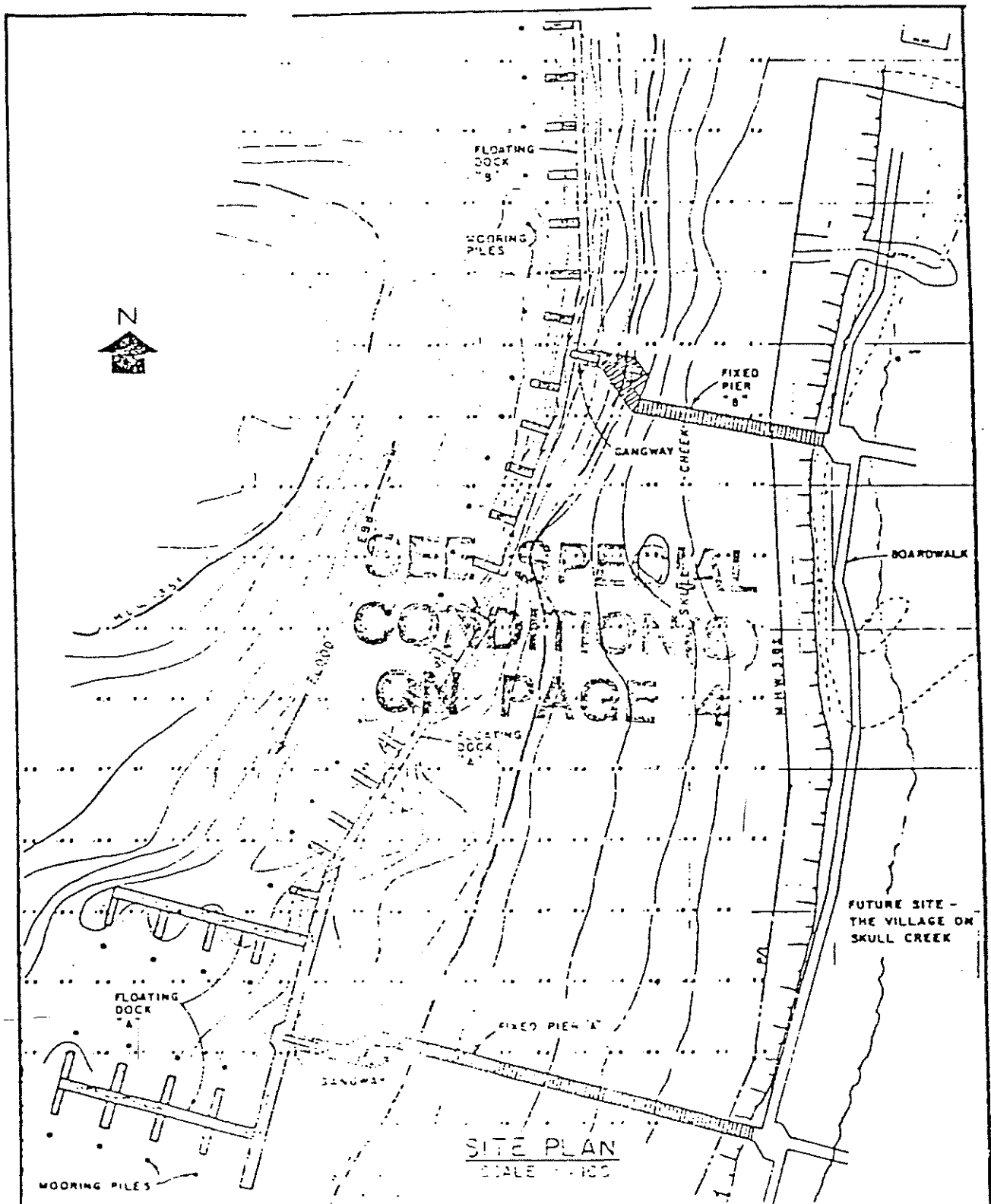
THE HILTON HEAD PLANTATION, CO
P.O. BOX 1607, FAIRFIELD BRANCH
HILTON HEAD ISLAND, SC 29929

AT HILTON HEAD ISLAND
COUNTY OF BEAUFORT
STATE OF SOUTH CAROLINA

APPLICATION BY:

THE DELTA GROUP
2 CORPUS CHRISTI CIRCLE
SUITE 101, PROFESSIONAL BLDG.
HILTON HEAD ISLAND, SC. 29928

DATE 14 DECEMBER 1981



SHEET 2 OF 6

PURPOSE: THE VILLAGE ON SKULL
CREEK COMM. N.T. BOOKS

DATUM MEAN SEA LEVEL

NAME AND ADDRESS OF ALL ADJUTANT
PROPERTY OWNERS:

THE HILTON HEAD PLANTATION CO
P.O. BOX 1607, FAIRFIELD BRANCH
HILTON HEAD ISLAND, SC 29928

AT: HILTON HEAD ISLAND
COUNTY OF: BEAUFORT
STATE OF: SOUTH CAROLINA

APPLICATION BY:
THE DELTA GROUP
2 CORPUS CHRISTI CIRCLE
SUITE 101, PROFESSIONAL BLDG.
HILTON HEAD ISLAND, SC 29928

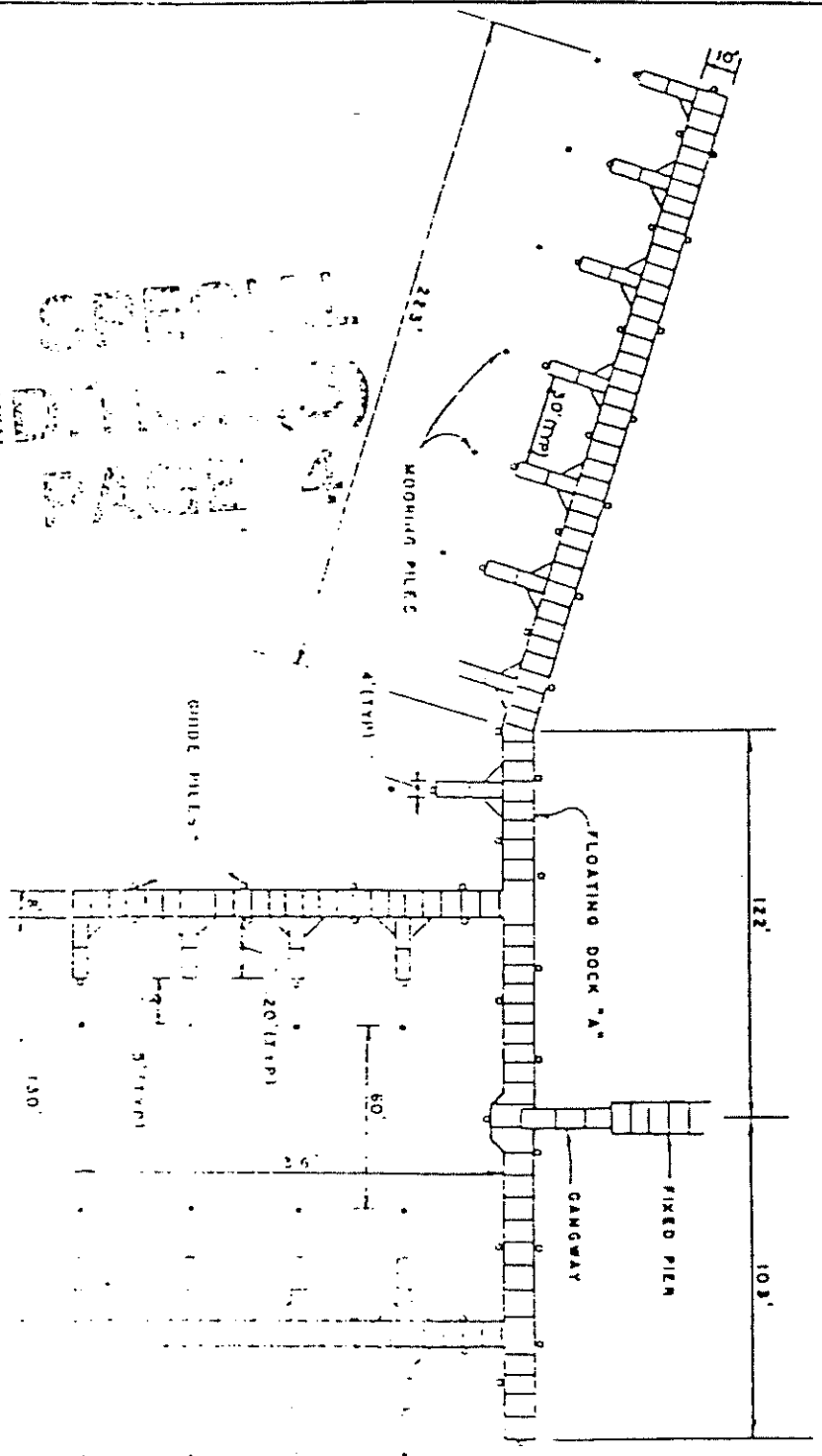
DATE: 14 DECEMBER 1981

FILED IN DEED - M BOOK 43
FILED AT 092400 ON 12/04/85

PAGE 579

SEE SPECIAL
CONDITIONS
ON PAGE 4

LAYOUT PLAN - FLOATING DOCK "A"
SCALE: 1" = 60'



SHEET 3 OF 6

PURPOSE: THE VILLAGE
CREEK CO.

DATUM: MEAN SEA

NAME AND ADDRESS
PROPERTY OWNERS

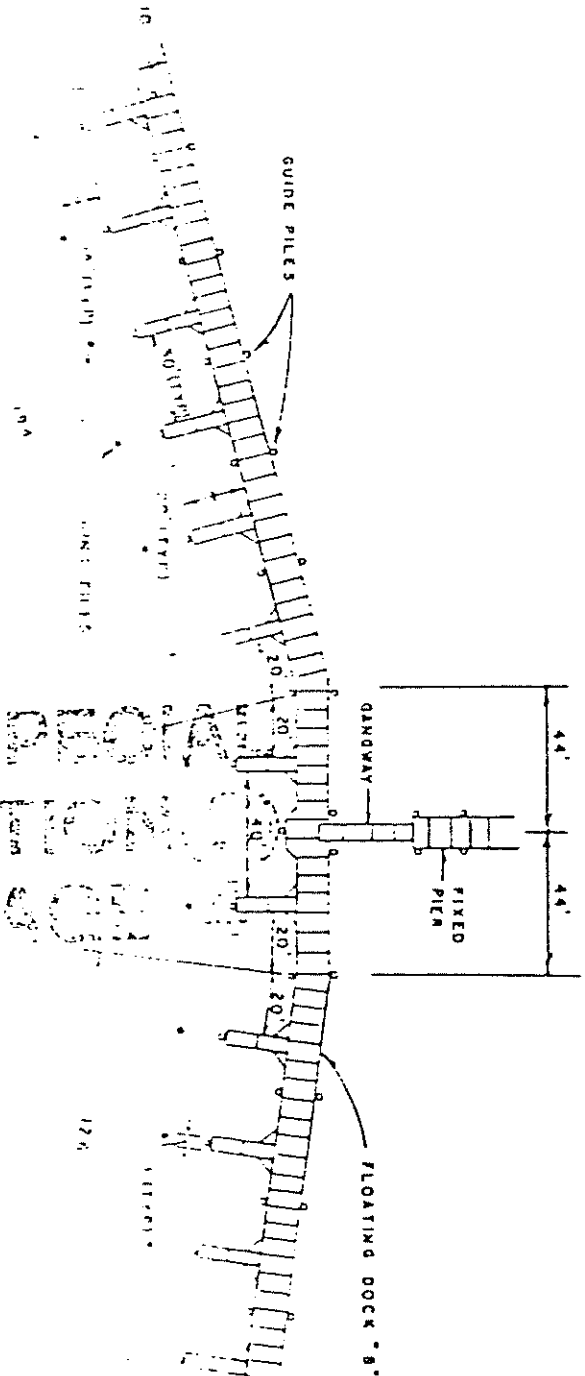
THE HILTON HEAD
P.O. BOX 1607
HILTON HEAD

HILTON HEAD ISLAND
COUNTY OF: BEAUFORT
STATE OF: SOUTH CAROLINA

PREPARED BY:
THE DELTA GROUP
2 CORPUS CHRISTI CIRCLE
SUITE 101, PROFESSIONAL BLDG.
HILTON HEAD ISLAND, SC 29928

SEE SPECIAL
CONDITIONS
ON PAGE 2

LAYOUT PLAN - FLOATING DOCK "B"
SCALE: 1" = 60'



SHEET 4 OF 5

PURPOSE: THE VILLAGE OF
CREEK COMM

HILTON HEAD ISLAND
COUNTY OF: BEAUFORT
STATE OF: SOUTH CAROLINA

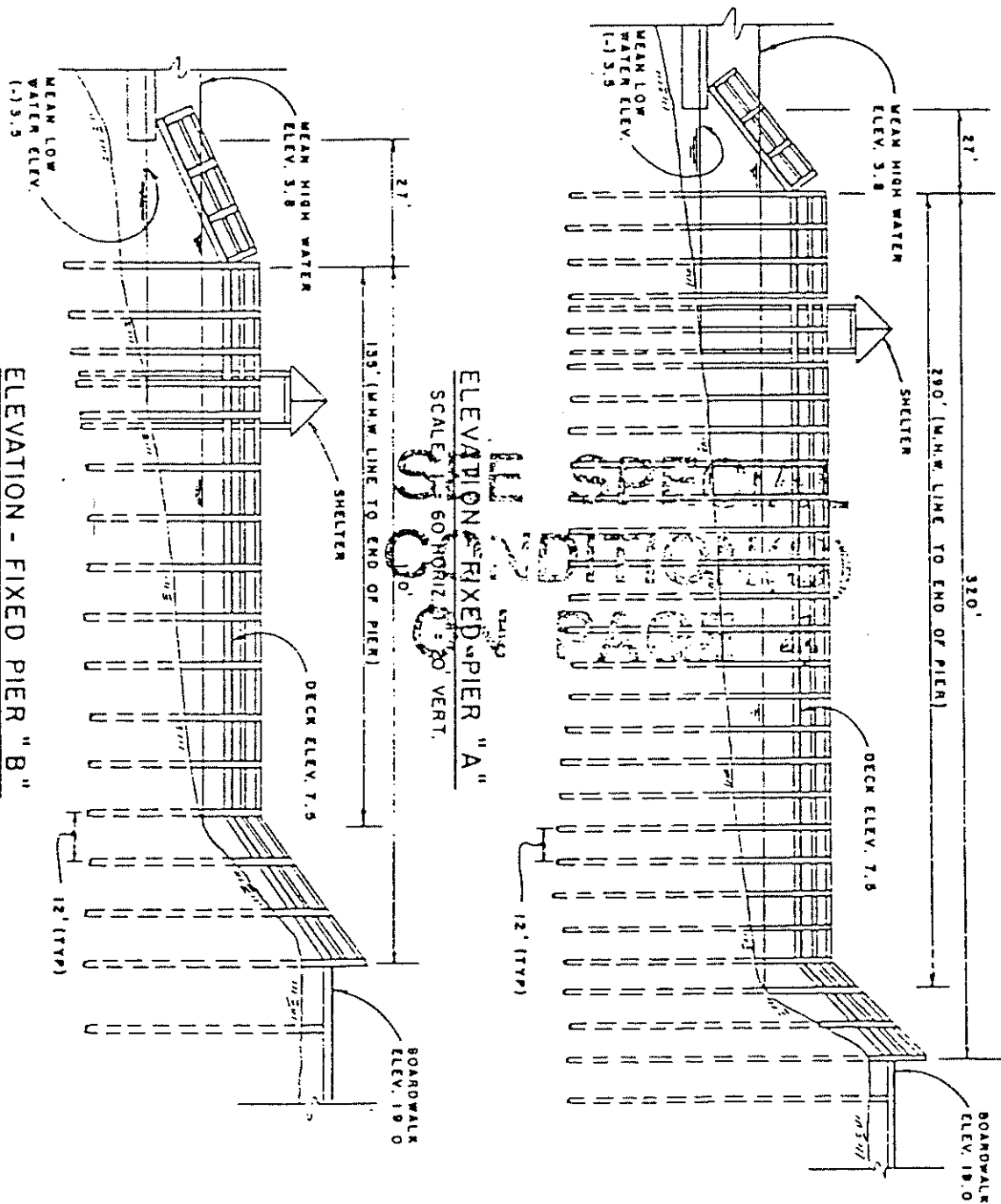
DATUM: MEAN SEA LEVEL

NAME AND ADDRESS OF
PROPERTY OWNERS:

THE HILTON HEAD PLANTATION
P.O. BOX 1607, FAIRFIELD
HILTON HEAD ISLAND, SC 29928

APPLICATION BY:

THE DELTA GROUP
2 CORPUS CHRISTI CIRCLE
SUITE 101, PROFESSIONAL BLDG.
HILTON HEAD ISLAND, SC 29928
DATE: 11 DECEMBER 1981



SHEET 2 OF 2

PURPOSE: THE VILLAGE ON SKULL CREEK COMMUNITY DOCKS

DATUM: MEAN SEA LEVEL

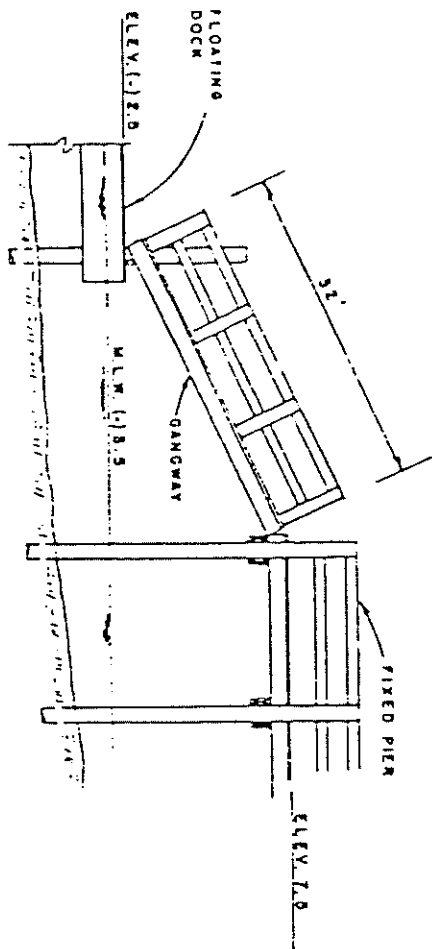
NAME AND ADDRESS OF ADJACENT PROPERTY OWNERS:

THE HILTON HEAD PLANTATION CO.
 P.O. BOX 1607, FAIRFIELD BRANCH
 HILTON HEAD ISLAND, S.C. 29928

AT: HILTON HEAD ISLAND
 COUNTY OF: BEAUFORT
 STATE OF: SOUTH CAROLINA

APPLICATION BY:
 THE DELTA GROUP
 2 CORPUS CHRISTI CIRCLE
 SUITE 101, PROFESSIONAL BLDG.
 HILTON HEAD ISLAND, SC 29928

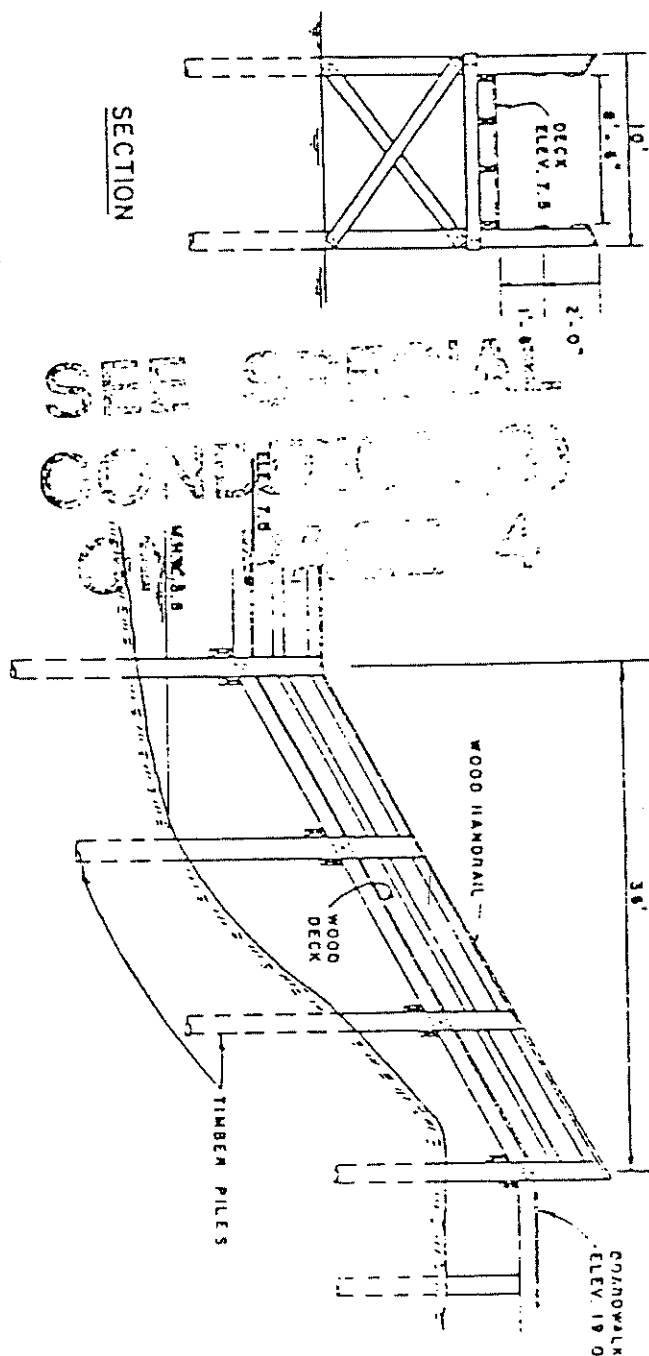
DATE: 14 DECEMBER 1981



ELEVATION AT GANGWAY

TYPICAL FIXED PIER DETAILS
NOT TO SCALE

ELEVATION AT ENTRANCE RAMP



SECTION

SHEET 5 OF 6

PURPOSE: THE VILLAGE ON SKULL CREEK COMMUNITY DOCKS

DATUM: MEAN SEA LEVEL

NAME AND ADDRESS OF ADJACENT PROPERTY OWNERS:

THE HILTON HEAD PLANTATION CO.
P.O. BOX 1607, FAIRFIELD BRANCH
HILTON HEAD ISLAND, S.C. 29929

AT: HILTON HEAD ISLAND

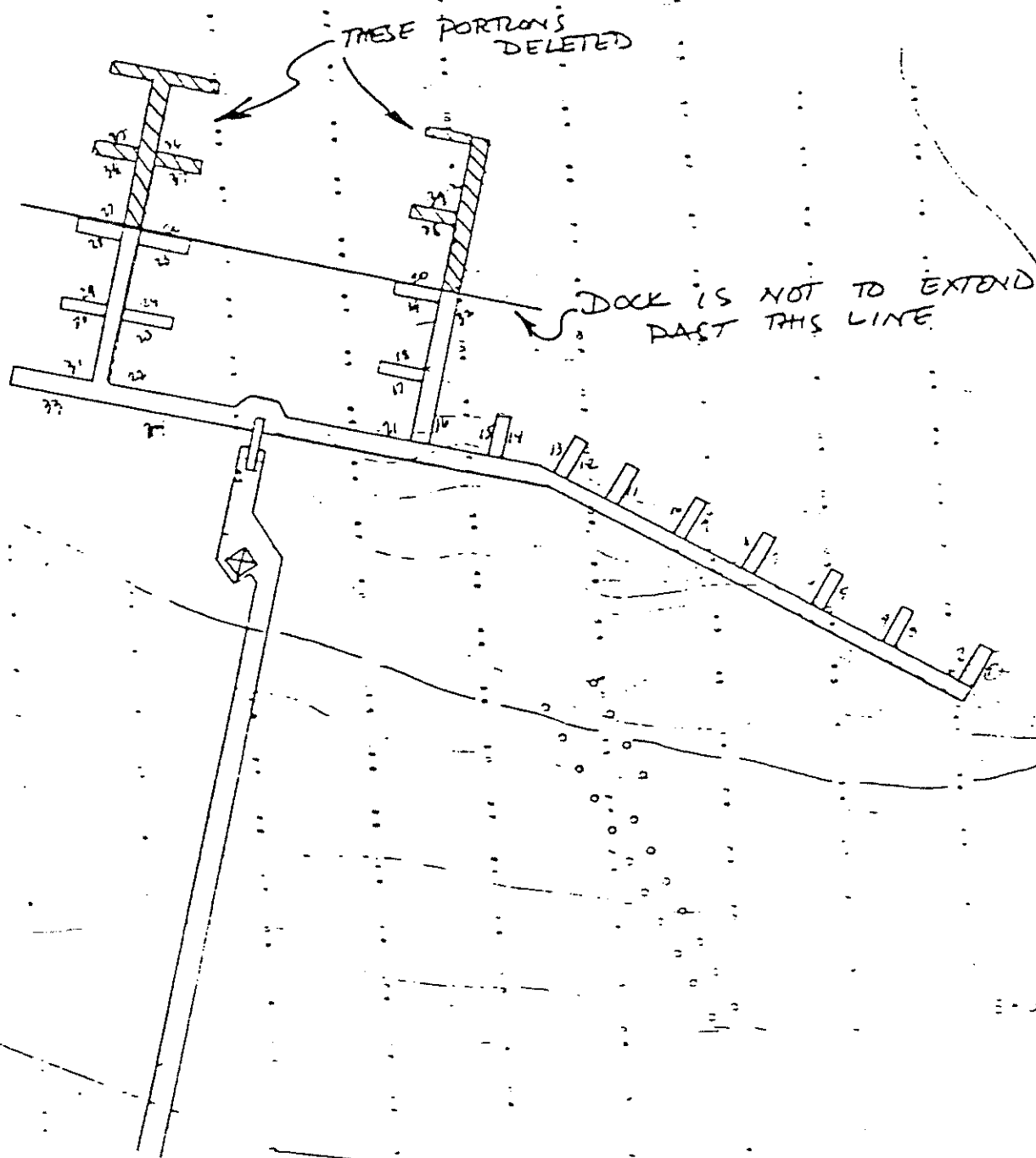
COUNTY OF: BEAUFORT

STATE OF: SOUTH CAROLINA

APPLICATION BY:

THE DELTA GROUP
2 CORPUS CHRISTI CIRCLE
SUITE 101, PROFESSIONAL BLDG
HILTON HEAD ISLAND, SC 29929

DATE: 11 DECEMBER 1991



FILED IN DEED - M BOOK 436 PAGE 584
FILED AT 092400 ON 12/04/85

ATTACHMENT A

EXHIBIT "I-1"

VILLAGES OF SKULL CREEK DOCK HORIZONTAL PROPERTY REGIME (II)

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT) ASSIGNMENT

The undersigned, The Delta Group, does hereby assign unto Villages of Skull Creek Dock Horizontal Property Regime (II) that certain South Carolina Coastal Council Permit Number 82-3C-022 with an issue date of May 19, 1982, which was issued to The Delta Group and authorized the construction of a community docking facility on lands in Beaufort County, South Carolina.

THE DELTA GROUP

Catherine J. Mayes
(Witness)

By: John P. Reed
Reed Realty, Inc.
John P. Reed, President

Sharon L. Arnold
(Witness)

By: Kumar K. Viswanathan
KKV Enterprises, Inc.
Kumar K. Viswanathan, President

DATE: 11/27/85

The undersigned, Villages of Skull Creek Dock Horizontal Property Regime (II), does hereby accept the foregoing terms, conditions and obligations existing with regard to said permit as were applicable to The Delta Group, at the date of its issuance and thereafter until the date of this Assignment and the undersigned, Villages of Skull Creek Dock Horizontal Property Regime (II), does hereby agree to discharge all such responsibilities and abide by such requirements as are imposed by the aforesaid permit.

FILED IN DEED - M BOOK 436 PAGE 585
FILED AT 092400 ON 12/04/85

BETHEA, JORDAN
GRIFFIN, P. A.
ATTORNEYS AND
COUNSELLORS AT LAW
HILTON HEAD ISLAND, S. C.

VILLAGES OF SKULL CREEK DOCK
HORIZONTAL PROPERTY REGIME (II)

By: Villages of Skull Creek (II)
Dock Owners' Association, a
South Carolina Eleemosynary
Corporation to be formed

Catherine J. Mayes
(Witness)

By: Peter A. Mortensen
Peter A. Mortensen,
Petitioner and Director

Sharon L. Arnold
(Witness)

By: Gregory W. Sams
Gregory W. Sams,
Petitioner and Director

DATE: 11/27/85

FILED IN DEED - M BOOK 436 PAGE 586
FILED AT 092400 ON 12/04/85

EXHIBIT "I-2"

VILLAGES OF SKULL CREEK DOCK HORIZONTAL PROPERTY REGIME (II)

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT) ASSIGNMENT

The undersigned, THE DELTA GROUP, does hereby assign unto VILLAGES OF SKULL CREEK DOCK HORIZONTAL PROPERTY REGIME (II) that certain Department of The Army Permit Number 82-3C-022 with an issue date of May 19, 1982, which was issued to THE DELTA GROUP and authorized the construction of a community docking facility in Skull Creek adjacent to Skull Creek Drive in Hilton Head Plantation, Hilton Head Island, Beaufort County, South Carolina. A photocopy of said Permit is attached hereto and incorporated herein as Exhibit "A".

THE DELTA GROUP

Catherine J. Mayes
(Witness)

By: John P. Reed
Reed Realty, Inc.
John P. Reed, President

Shawn R. Arnold
(Witness)

By: Kumar K. Viswanathan
KKV Enterprises, Inc.
Kumar K. Viswanathan, President

DATE: 11/21/85

FILED IN DEED - M BOOK 436 PAGE 588
FILED AT 092400 ON 12/04/85

The undersigned, VILLAGES OF SKULL CREEK DOCK HORIZONTAL PROPERTY REGIME (II), does hereby accept the foregoing Assignment and does agree to be bound by all of the terms, conditions and obligations existing with regard to said permit as were applicable to THE DELTA GROUP, at the date of its issuance and thereafter until the date of this Assignment and the undersigned, VILLAGES OF SKULL CREEK DOCK HORIZONTAL PROPERTY REGIME

BETHEA, JORDAN
RIFFIN, P. A.
FORNEYS AND
COUNSELLORS AT LAW
HILTON HEAD ISLAND, S. C.

(II), does hereby agree to discharge all such responsibilities and abide by such requirements as are imposed by the aforesaid Permit.

VILLAGES OF SKULL CREEK DOCK
HORIZONTAL PROPERTY REGIME (II)

By: Villages of Skull Creek (II)
Dock Owners' Association, a
South Carolina Eleemosynary
Corporation to be formed

Catherine J. Mayes
(Witness)

By: Peter A. Mortensen
Peter A. Mortensen,
Petitioner and Director

Steven P. Arnold
(Witness)

By: Gregory W. Sams
Gregory W. Sams,
Petitioner and Director

DATE: 11/27/85

FILED IN DEED - M BOOK 436 PAGE 589
FILED AT 092400 ON 12/04/85

STATE OF SOUTH CAROLINA)
COUNTY OF BEAUFORT)

PROBATE

PERSONALLY appeared before me CATHERINE MAYES
who, on oath, says that s/he saw the within named VILLAGES OF
SKULL CREEK (II) DOCK OWNERS' ASSOCIATION, by its appropriate
officers, sign and seal the within Assignment, and as its act and
deed, deliver the same, and that s/he with STEVEN ARNOLD
witnesses the execution thereof.

Catherine J. Mayes

SWORN to before me this
27th day of November, 1985.

Steven P. Arnold
Notary Public for South Carolina

My Commission Expires: July 21, 1992

BETHEA, JORDAN
GRIFFIN, P. A.
ORNEYS AND
COUNSELLORS AT LAW
MILTON HEAD ISLAND, S. C.

d. That if the activity authorized herein is not started on or before 30th day of April, 19 83 (one year from the date of issuance of this permit unless otherwise specified) and is not completed on or before 30th day of June, 19 85 (three years from the date of issuance of this permit unless otherwise specified) this permit, if not previously revoked or specifically extended, shall automatically expire.

p. That this permit does not authorize or approve the construction of particular structures, the authorization or approval of which may require authorization by the Congress or other agencies of the Federal Government.

q. That if and when the permittee desires to abandon the activity authorized herein, unless such abandonment is part of a transfer procedure by which the permittee is transferring his interests herein to a third party pursuant to General Condition t hereof, he must restore the area to a condition satisfactory to the District Engineer.

r. That if the recording of this permit is possible under applicable State or local law, the permittee shall take such action as may be necessary to record this permit with the Register of Deeds or other appropriate official charged with the responsibility for maintaining records of title to and interests in real property.

s. That there shall be no unreasonable interference with navigation by the existence or use of the activity authorized herein.

t. That this permit may not be transferred to a third party without prior written notice to the District Engineer, either by the transferee's written agreement to comply with all terms and conditions of this permit or by the transferee subscribing to this permit in the space provided below and thereby agreeing to comply with all terms and conditions of this permit. In addition, if the permittee transfers the interests authorized herein by conveyance of realty, the deed shall reference this permit and the terms and conditions specified herein and this permit shall be recorded along with the deed with the Register of Deeds or other appropriate official.

II. Special Conditions: (Here list conditions relating specifically to the proposed structure or work authorized by this permit):

a. That any modification or minor addition to the work shown on the attached plans is authorized provided such modification or addition is required as a precondition to issuance of a permit by the State of South Carolina.

b. That, if the activity hereby authorized, requires certification by the S.C. Coastal Council, the permittee understands that this authorization is not effective until such certification has been issued or waived by the appropriate authority.

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The following Special Conditions will be applicable when appropriate:

STRUCTURES IN OR AFFECTING NAVIGABLE WATERS OF THE UNITED STATES:

- a. That this permit does not authorize the interference with any existing or proposed Federal project and that the permittee shall not be entitled to compensation for damage or injury to the structures or work authorized herein which may be caused by or result from existing or future operations undertaken by the United States in the public interest.
- b. That no attempt shall be made by the permittee to prevent the full and free use by the public of all navigable waters at or adjacent to the activity authorized by this permit.
- c. That if the display of lights and signals on any structure or work authorized herein is not otherwise provided for by law, such lights and signals as may be prescribed by the United States Coast Guard shall be installed and maintained by and at the expense of the permittee.
- d. That the permittee, upon receipt of a notice of revocation of this permit or upon its expiration before completion of the authorized structure or work, shall, without expense to the United States and in such time and manner as the Secretary of the Army or his authorized representative may direct, restore the waterway to its former conditions. If the permittee fails to comply with the direction of the Secretary of the Army or his authorized representative, the Secretary or his designee may restore the waterway to its former condition, by contract or otherwise, and recover the cost thereof from the permittee.

e. Structures for Small Boats That permittee hereby recognizes the possibility that the structure permitted herein may be subject to damage by wave wash from passing vessels. The issuance of this permit does not relieve the permittee from taking all proper steps to insure the integrity of the structure permitted herein and the safety of boats moored thereto from damage by wave wash and the permittee shall not hold the United States liable for any such damage.

MAINTENANCE DREDGING

- a. That when the work authorized herein includes periodic maintenance dredging, it may be performed under this permit for _____ years from the date of issuance of this permit (ten years unless otherwise indicated);
- b. That the permittee will advise the District Engineer in writing at least two weeks before he intends to undertake any maintenance dredging.

DISCHARGES OF DREDGED OR FILL MATERIAL INTO WATERS OF THE UNITED STATES:

- a. That the discharge will be carried out in conformity with the goals and objectives of the EPA Guidelines established pursuant to Section 404(b) of the FWPCA and published in 40 CFR 230;
- b. That the discharge will consist of suitable material free from toxic pollutants in other than trace quantities;
- c. That the fill created by the discharge will be properly maintained to prevent erosion and other non-point sources of pollution; and
- d. That the discharge will not occur in a component of the National Wild and Scenic River System or in a component of a State wild and scenic river system.

DUMPING OF DREDGED MATERIAL INTO OCEAN WATERS:

- a. That the dumping will be carried out in conformity with the goals, objectives, and requirements of the EPA criteria established pursuant to Section 102 of the Marine Protection, Research and Sanctuaries Act of 1972, published in 40 CFR 220.228.
- b. That the permittee shall place a copy of this permit in a conspicuous place in the vessel to be used for the transportation and/or dumping of the dredged material as authorized herein.

This permit shall become effective on the date of the District Engineer's signature.

Permittee hereby accepts and agrees to comply with the terms and conditions of this permit.

Steven W. Ray
PERMITTEE
The Delta Group

5/6/82

DATE

BY AUTHORITY OF THE SECRETARY OF THE ARMY.

FILED IN DEED - M BOOK 436 PAGE 591A
FILED AT 092400 ON 12/04/85
19 MAY 1982

Bernard E. Stalmann, LTC.

DATE

DISTRICT ENGINEER,
U.S. ARMY, CORPS OF ENGINEERS

JERRY T. HINES

Major Corps of Engineers

Transferee hereby agrees to comply with the terms and conditions of this permit.

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COUNTY STAMPS .00
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TRANSFEE

HENRY JACKSON

CLERK OF COURT BFT CNTY, SC

U S GOVERNMENT PRINTING OFFICE 1980-624-404 3-1

82-30 022

EXHIBIT "J"

VILLAGES OF SKULL CREEK DOCK HORIZONTAL PROPERTY REGIME (II)

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

JOINDER OF MORTGAGEE 436 PAGE 592
FILED IN DEED BOOK
FILED AT 892400 ON 12/04/85

WHEREAS, CITY FEDERAL SAVINGS AND LOAN ASSOCIATION ("City"), is the owner and holder of a construction loan mortgage upon certain real property located on Hilton Head Island, South Carolina, described on Exhibit "A" and Exhibit "B" to the Master Deed of Villages of Skull Creek Dock Horizontal Property Regime (II); and

WHEREAS, said construction loan mortgage secures a promissory note in the original principal sum of TWO HUNDRED FORTY-THREE THOUSAND NINE HUNDRED AND NO/100 DOLLARS (\$243,900.00), from THE DELTA GROUP, in favor of City, and said mortgage is dated March 27, 1985, and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Mortgage Book 333 at Page 1653 on March 28, 1985 (the "Mortgage").

NOW KNOW ALL MEN BY THESE PRESENTS, that City hereby joins in the Master Deed of Villages of Skull Creek Dock Horizontal Property Regime (II) subject to the provisions of the Horizontal Property Act of South Carolina for the sole purpose of consenting to the creation by the Sponsor of a Horizontal Property Regime on the portion specified below of the property upon which it has a lien; provided that City does not release or waive any of the covenants contained in the Mortgage other than the covenant contained in Section 1.09 of the Mortgage, which deals with easements placed upon the property, as such covenant is modified by the Master Deed; provided further that City makes no representations or warranties as to the validity of the documents creating the Regime nor the development and physical construction of the Regime itself; City agrees only that the lien of said mortgage on that portion of the property hereinabove set out shall hereafter be upon the following described property on Hilton Head Island, Beaufort County, South Carolina:

ALL those certain Boat Slip Units of Villages of Skull Creek Dock Horizontal Property Regime (II), Phase 1, a Condominium Regime according to the foregoing Master Deed thereof to which this Joinder is attached, together with all of the undivided shares in the common elements appertaining to the following described Boat Slip numbers:

130, 131, 132, 133, 134, 135, 136, 137, 138, 139,
140, 141, 142, 143, 160, 161, 162, 163 and 164,
inclusive.

WITNESSES:

George T. Hodges
Cheryl T. Webb

CITY FEDERAL SAVINGS AND LOAN
ASSOCIATION

By: Shirley B. Woods
Vice President
Attest: Melva E. Scroggins
Asst. Vice President/Ass. Secretary

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

PROBATE

PERSONALLY appeared before me George T. Hodges,
who, on oath, says that s/he saw the within named CITY FEDERAL
SAVINGS AND LOAN ASSOCIATION by Shirley B. Woods its Vice President
sign the within Joinder of Mortgage, and Melva E. Scroggins,
its Asst. Secretary attest the same, and the said Corporation, by
said officers, seal said Instrument, and, as its act and deed,
deliver the same, and the s/he with Cheryl T. Webb
witnessed the execution thereof.

George T. Hodges

SWORN to before me this
26th day of November, 1985.

Cheryl T. Webb
Notary Public for Alabama

My Commission Expires: 7/12/89

RECORDED THIS 1042 DAY
OF December 1985
IN BOOK R PAGE 210
FEES, \$
Mary Ann Gray / SB
AUDITOR, BEAUFORT COUNTY, S. C.

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CLERK OF COURT BFT CNTY, SC