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STATE OF SOUTH CAROLINA COUNTY OF BEAUFORT

AMENDED AND RESTATED MASTER DEED AND BY LAWS OF SEA CABIN RACQUET CLUB II HORIZONTAL PROPERTY REGIME AND DECLARATION OF RIGHTS, RESTRICTIONS, AFFIRMATIVE **OBLIGATIONS AND CONDITIONS** 

WHEREAS, The Developer, Sea Cabin Corporation, a South Carolina Corporation, was the former owner of certain real property easements, buildings and improvements located in the County of Beaufort, State of South Carolina, which is more particularly described in the Exhibit "A" attached hereto and incorporated herein by reference (hereinafter referred to as the "Property");

WHEREAS, Developer submitted the Property to the provisions of the Horizontal Property Act of South Carolina, Title 27, Chapter 31, of the South Carolina Code of Laws, 1976, (hereinafter referred to as "The Act") hereby creating a regime known as the Sea Cabin Racquet Club II Horizontal Property Regime;

WHEREAS, Developer published a plan for the individual ownership of the several Condominiums of the Property together with an undivided ownership interest in the General Common Elements and Limited Common Elements of the Property as defined in the original Master Deed and the declarations thereof constituting covenants, conditions, reservations and restrictions which run with the property and bind and inure to the benefit of the Developer, it's successors and assigns and all subsequent owners of any interest in the Property, their grantees, successors, heirs, executors, administrators, legatees and/or assigns; and in The Act;

WHEREAS, Developer conveyed the Property pursuant to and subject to certain protective covenants, conditions, restrictions, reservations, liens and charges hereinafter set forth;

WHEREAS, the original Master Deed is recorded in Deed Book 297 at Page 1657 in the Office of the Register of Deeds for Beaufort County, South Carolina;

WHEREAS, it is the intention and desire of the Sea Cabin Racquet Club II Horizontal Property Regime Council of Co-Owners to consolidate into one (1) document all such various covenants, restrictions, rights, past and present amendments and affirmative obligations and conditions, etc., which constitute covenants running with the property described herein; and

WHEREAS, Council of Co-Owners of Sea Cabin Racquet Club II Horizontal Property Regime wish to consolidate, combine, amend and restate the original Master Deed and By Laws and all amendments thereto so that after consolidation, combination, amendment and restatement the covenants will read as hereinafter provided; and

WHEREAS, at the Annual Meeting of the Co-Owners, duly noticed and held on February 22, 2020, at which a quorum was present, the Co-Owners did by sufficient vote adopt this Master Deed, as amended and restated;

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, for due and valuable consideration WE, THE SEA CABIN RACQUET II HORIZONTAL PROPERTY REGIME COUNCIL OF CO-OWNERS, hereinafter the "Association", hereby declare this Master Deed is amended and restated from the original Master Deed and includes all amendments as attached hereto or to be subsequently recorded with the Office of the Register of Deeds for Beaufort County, South Carolina, and shall be known as the "Master Deed".

The Association further agrees as follows:

#### **PREAMBLE**

The provisions of this Master Deed and the covenants contained herein shall have precedence over the original covenants and all amendments and additions thereto, and in case of any conflict these covenants shall apply.

# ARTICLE I DEFINITIONS

In addition to the definitions contained in the foregoing documents and the Act, the following terms shall have the following meanings:

Act or Horizontal Property Act: means and refers to The Horizontal Property Act of the South Carolina, Title 27, Chapter 31, Code of Laws of South Carolina, 1976

**Assessment:** means a share of the funds required for the payment of Common Expenses or capital improvements, expenses, and maintenance, and required reserves which from time to time are assessed to some or all of the Co-Owners.

Association: means the Council of Co-Owners of Sea Cabin Racquet Club II Horizontal Property Regime

**Board:** means the Board of Directors

**Bylaws:** means the Bylaws of Sea Cabin Racquet Club II Horizontal Property Regime Council of Co-Owners **Common Elements:** means and includes all the Property excluding the Condominiums and specifically includes both the General Common Elements and Limited Common Elements.

Common Expenses: means all expenses of the Association shared by the Co-Owners.

**Common Surplus:** means the excess of all receipts of Association over and above the amount of Common Expenses and not otherwise reserved or designated for a specific use.

**Condominium:** means an "Apartment" as that term is used and defined in the Act and as depicted in the floor plan and dimensions of the Regime which are as shown in the Exhibits to the Original Master Deed. **Co-Owner:** means specifically owning a Condominium in the Regime.

**Mortgagee:** means any institutional or individual lender holding a recorded lien on the Property or any part or parts thereof.

Occupant: means any person or persons in residence in a Condominium.

Regime: means Sea Cabin Racquet Club II Horizontal Property Regime.

**Property:** means and includes that property contained within the Sea Cabin Racquet Club II Horizontal Property Regime and includes the land, the buildings, all improvements and structures thereon and all easements, rights and appurtenances belonging thereto and subject to all easements, reservations, restrictions, rights of way and rights of use as described herein and/or of record.

# ARTICLE II PROPERTIES

1. Land Description: The real property which is and shall be held, transferred, sold, conveyed, given, donated, leased and occupied subject to the conditions described herein is described as follows:

All that tract or parcel of land, situate, lying and being in Beaufort County, South Carolina, which is more particularly described in Exhibit "A" attached hereto and by specific reference made a part hereof.

2. Identification of Condominiums: There are seventy-two (72) Condominiums in the Regime. For the purpose of identification, all Condominiums in the building located in the Regime are identified by number and letter combination. The Condominiums are designated I1 through I12, J1 through J8, K1 through K12, L1 through L12, M1 through M12, N1 through N8 and O1 through O8. For a detailed description of the Condominiums, see Exhibit 1 to the Original Master Deed.

# ARTICLE III OPERATING ENTITY

The operating entity of the Regime shall be the Association. The Association shall have all the powers and duties set forth in the Act as well as all the powers and duties granted to and imposed upon it by the Master Deed and the By-Laws of the Association, and, in addition, all other powers and duties necessary to operate the Regime; provided, however, that in the event of conflict the provisions of the Act shall control if mandatory; otherwise, the Master Deed shall control. Every Co-Owner whether he has acquired his Condominium by purchase, gift, device or other conveyance or transfer, by operation of law or otherwise, shall be bound by this Master Deed, The Act, the By-Laws and any and all Rules and Regulations of the Association.

## ARTICLE IV ADMINISTRATION

1. Board of Directors: The Association shall be governed by a Board of Directors. The Board is responsible for administration of the Regime and the maintenance, repair, replacement and operation of the Common Elements as herein provided, the enforcement of all rules, regulations, by-laws, and those acts required of the Association by Master Deed and/or the Act shall be the responsibility of the Association. Such administration shall be in accordance with and under the powers granted by the provisions of the Act, this Master Deed and the By-Laws of the Association.

2. Agreements: The Association through its Board shall be and hereby is authorized to enter into such agreements and to bind itself and all Co-Owners as it may deem necessary or desirable for the administration and operation of the Regime. Each Co-Owner by buying, acquiring or holding an interest in any Condominium thereby agrees to be bound by the terms and conditions of all such agreements entered into or to be entered into by the Board on behalf of the Association. A copy of all such agreements shall be made available at the management office of the Association for review by each Co-Owner.

### ARTICLE V BY-LAWS

The operation of the Regime shall be governed by the By-Laws of the Association which are attached to this Master Deed, and made a part hereof. No modification of, or amendment to, the By-Laws shall be valid unless set forth in or annexed to a duly recorded amendment. The By-Laws may be amended in the manner provided for therein, but no amendment to said By-Laws shall be adopted which will affect or impair the vitality or priority of any mortgage upon the Property or any portion thereof without written consent of all Mortgagees of record.

# ARTICLE VI MEMBERSHIP AND VOTING RIGHTS

- 1. Membership: Every Co-Owner is a member of Association.
- 2. Voting Rights: For each Condominium owned, one person (who shall be the Co-Owner if only one person owns the Condominium) shall be designated and known (and is hereinafter referred to) as the "Voting Member". If a Condominium is owned by more than one person the Co-Owners of said Condominium shall designate one of them as the Voting Member and notify the Secretary in writing of such designation. In the case of a corporate Co-Owner, an officer or employee thereof shall be the Voting Member and the Secretary shall be notified in writing of such designation. The Voting Member so designated shall remain the Voting Member until the Secretary is given written notice of a change. The vote of each Voting Member shall not be divisible. By reason of all of the Condominiums having an equal value with relation to the Property, there shall be appurtenant to each Condominium one vote which shall be voted by the Voting Member at all matters to come before the Council of Co-Owners. Each Voting Member shall be entitled to cast his vote at any meeting of the Association. He shall be entitled to attend such meeting or meetings in person to vote or to cast his vote by proxy as is provided in the By-Laws of the Association.

# ARTICLE VII PROPERTY RIGHTS

1. General: Each of the Co-Owners shall own together with his Condominium an undivided interest in the Common Elements and such undivided interest is stated as a percentage of ownership in the said Common Elements. Fee title to each Condominium shall include both the Condominium and the respective undivided interest in the Common Elements, said undivided interest of the Common Elements to be deemed to be conveyed or encumbered as part of each respective Condominium. Any attempt to separate the fee title to a Condominium from the undivided interest in the Common Elements shall be null and void.

- 2. Use of Common Elements: The Association and Co-owners thereof, the successors and assigns of each, and all parties who own or may own an interest in and to the Common Elements and any of them shall have no right to bring any action whatsoever for partition or division of the real property which constitutes all or any portion of the Common Elements. Rules and Regulations governing the use of the Property, in addition to those specified herein, may be promulgated by the Board, which may be amended by the Board in the manner herein provided. Each Co-owner by his purchase of a Condominium and acceptance of delivery of such conveyance shall be bound by all such Rules and Regulations and, further shall be solely responsible for obedience by the Co-Owner, his or her family, guests invitees, servants or other Occupants(s) of the Condominium owned by such Co-Owner. Any person actually occupying a Condominium may use the General Common Elements and those Limited Common Elements (if any) reserved for the use of that Condominium during the time said Occupant is actually in residence in the Condominium.
- 3. Limited Common Elements: If any areas are or shall be reserved for the use of the Occupant(s) of certain Condominium(s) to the exclusion of others, such are and/or shall be designated as Limited Common Elements. Any expense for maintenance, repair or replacement relating to Limited Common Elements shall be treated as, and paid for as, part of the Common Expenses unless otherwise specifically provided in this Master Deed and the Exhibits hereto.
- 4. Parking: Parking spaces are located within the Common Elements. No parking spaces shall be assigned to any particular Condominium or Condominiums nor shall they be numbered unless mutually agreed to by all Co-Owners and their Mortgagees of record (in which case such assigned parking spaces shall be Limited Common Elements): provided, however, in any case, the Occupant of each Condominium shall be entitled to the use of at least one parking space and such other additional parking spaces as determined by the Association.

# ARTICLE VIII ASSESSMENTS

- 1. Purpose: The Association through its Board shall have the power to fix and to provide for the Common Expenses of the Regime and such other sums as are necessary for the care, repair, replacement, maintenance, preservation and improvement to the Common Elements (both general and limited) of the Property. The Board will have the power to fix and determine from time to time, the sum or sums necessary and adequate to provide for a general operating reserve, a reserve fund for replacements, a reserve fund for insurance deductible (if appropriate) and such other expenses as are provided for herein, or deemed necessary and appropriate expenses of the Regime. The procedure for the determination of sums necessary and Assessments upon Co-Owners and the method of collection of the same shall be as set forth in the By-Laws, as provided here and in the Exhibits hereto and in the Act.
- 2. Amount of Assessments: The Common Expenses of the Regime including the obligation of each Co-Owner under any agreements entered into by the Association shall be shared by the Co-Owners. Each Co-Owner (one Condominium) shall be responsible for sharing 1/72<sup>nd</sup> of the Common Expenses and Assessments which ratio shall remain regardless of any increase or decrease in the purchase price of a Condominium, its location, or the building square footage of such Condominium.

3. Due Dates: A Co-Owner shall become liable for the payment of Assessments upon issuance of a statement of Assessment by the Board. Regular Assessments shall be due and payable on the first day of each month and monthly bills for the same need not be delivered or mailed to the Co-Owners by the Board; provided, however, that on or about December 1 of the preceding year the amount of regular monthly Assessments (Common Expenses) due from each Co-Owner for each month of that year shall be mailed or delivered by the Association to each Co-Owner and provided further that a notice of any increase or decrease in regular monthly Assessments (Common Expenses) shall likewise be mailed or delivered to each and every Co-Owner by the Association no later than thirty days prior to the time the first regular monthly Assessment so changed shall be due.

4. Late Payment: Assessments and installments that are unpaid for over ten days after due date shall bear interest in an amount not to exceed eighteen (18%) per annum from the due date until paid in full.

5. Delinquent Payment: Should a Co-Owner fail to pay an Assessment as required under the terms of this Master Deed for the period of time as specified herein and the same becomes delinquent, the Association may deny the Co-Owner and/or any Occupant(s) of that Co-Owner's Condominium the use and enjoyment of the recreational amenities until such time as all Assessments are paid. Should such rights of use be suspended, there shall be no reduction in the Assessments due and payable by Co-Owner. Delinquent Co-Owners shall not be entitled to vote on any matters unless and until their account is brought current or a mutually agreeable payment plan is approved by the Association.

6. Lien Rights: The Association and its Board shall have a lien on each Condominium together with the Common Elements appurtenant thereto for all charges imposed by the Association pursuant to this Master Deed, the Bylaws, or any applicable Rule or Regulation. Such lien shall include, but is not limited to, any Assessment not paid when due which may be collected and/or the lien foreclosed upon as provided in the Act, as well as any costs, fees, fines, or other such charges. Reasonable attorney's fees and costs incurred incident to the collection of such Assessments, or other charges for the enforcement of such lien, together with all sums advanced and paid by the Association for taxes and payments on account of a superior mortgage lien or encumbrance which may be required to be advanced by the Association to preserve and protect its lien, shall also be payable by the delinquent Co-Owner and secured by such lien. The Association may take such action as it deems necessary to collect Assessments or other charges, including the right to bid at the foreclosure sale of such lien, and further may settle and/or compromise the same if deemed in its best interest. No mortgagee of any mortgage of record or other purchaser of a Condominium who obtains title to the same at the foreclosure sale of such mortgage shall be liable for the share of the Common Expenses or Assessments and other charges accruing after the date of recording of such mortgage but prior to the acquisition of title by such acquirer, except to such extent and in such circumstances as is provided in the Act. The purchaser of a Condominium (other than a purchaser at a foreclosure sale as described above) shall be jointly and severally liable with the seller for the amounts owing by the latter up to the time of the conveyance, without prejudice to the purchaser's right to recover from the other party the amounts paid by him as such joint debtor. The Association shall, upon request, provide a purchaser with a statement of such amounts due by the seller and the purchaser's liability under this section shall be limited to the amount as set forth in the statement. The Board of Directors shall have the right to assign any claim and/or lien rights for the recovery of any unpaid sums to any lien owner, Co-Owner or group of Co-Owners or to any third

party. Each mortgagee of record shall be provided, if it is so requested, with the annual estimated budget of the Regime and any financial statements of the Regime and/or the Association.

- 7. Co-Owner Special Assessment: All maintenance, repair and replacement in general and/or limited to any Common Elements or any part(s) thereof made necessary by the negligence or misuse of any Occupant(s) of any Condominium(s) shall be at the sole expense of the Co-Owner(s) of such Condominium(s) and the Association shall have the right to levy an Assessment against such Co-Owner(s) for same which Assessment shall be of the same force and effect as all other Assessments.
- 8. Common Surplus: Any Common Surplus of the Association shall be owned by each of the Co-Owners in the same portion as their percentage ownership in the Common Elements.
- 9. Exemption: No Co-Owner may exempt himself from liability for his contribution toward the Common Expenses or other Assessments duly made by the Association and/or the Board by waiver of the use or enjoyment of any of the Common Elements or the recreational facilities of the Regime or by abandonment of his Condominium.

# ARTICLE IX USE AND OCCUPANCY

- 1. Use: The Co-Owner of each Condominium shall occupy and use his Condominium as a single-family private dwelling for residential purposes for himself, members of his family and/or his social guests, tenants, or designees and for no other purposes.
- 2. Rental: Nothing herein contained shall prevent any Co-Owner from renting or leasing his Condominium to third parties; provided, however, such Condominium shall, if so leased or rented, be used for residential purposes only by such leasee or renter and in compliance with this Master Deed and its Exhibits, the Act and Rules and Regulations promulgated by the Association. All persons residing in the Condominium shall be required to sign a registration form, provided by the Association for such purpose, whereby they agree to comply with the terms and conditions of this Master Deed, the By-laws and any Rules and Regulations adopted pursuant thereto, which statement shall include an acknowledgement signed by the resident(s) indicating receipt of copies of the Master Deed, By-laws and any Rules and Regulations. Co-Owners are liable for any violations by their respective tenants and/or residents. A copy of any written lease agreement must be provided to the Association.
- 3. Commercial Use: The Property shall be utilized for residential purposes and all commercial activities upon or within the Property are hereby prohibited; provided, however, that this prohibition shall not be interpreted as preventing the Association, or its agents from maintaining offices, including signage pertaining thereto, upon the Property. Notwithstanding the above, the Board may upon written request, permit Co-Owners to conduct activities in their Condominium which might otherwise be characterized as commercial in nature so long as:<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> This Section was previously amended by the 10<sup>th</sup> and 16<sup>th</sup> Amendments.

- (a) The activity is conducted entirely within the Condominium and there is no outside storage or display of any products, equipment, goods or materials;
- (b) The use is clearly incidental and secondary to the principal use of the Condominium;
- (c) The activity is conducted only by a person or persons properly residing in the Condominium;
- (d) There is no customer, client or employee traffic to and from the Condominium;
- (e) No sign, symbol, logo or name plate, identifying a business or business activity, is displayed anywhere on the Property or Condominium;
- (f) The use is not apparent or detectable from the exterior of the Condominium by sight, sound or smell;
- (g) The use does not otherwise create a nuisance or disturbing or offensive noise, vibration, smoke, dust, odor, heat, glare, unhealthy or unsightly condition, traffic or parking problem; and
- (h) The use does not violate any law, statute, ordinance or regulation of, or permit issued by, the United States of America, the State of South Carolina, County of Beaufort, Town of Hilton Head Island, or any political sub-division thereof.
- 4. Rules and Regulations: In addition to such other Rules and Regulations as the Board may adopt and record, the following Rules and Regulations shall apply to the Property:
- a. Guests: Guests and invitees of an Occupant of a Condominium and/or the Co-Owner of the Condominium himself (if there is another Occupant at that time) may only be permitted to use the Common Elements, if at all, with the express permission of the Association and subject to such terms and conditions as the Association may determine at its sole discretion, including the payment of additional compensation therefor, it being understood and agreed that said Common Elements are primarily designed for the use and enjoyment of the Occupants of the Condominiums and that use by others may be limited or not permitted at all during certain times of day and/or certain weeks or months of the year and the Association shall determine the foregoing in its sole discretion including the manner and method in which the Common Elements are to be used and under what circumstances.
- <u>b. Children:</u> All Occupant's children and children of guests or invitees who are under such age as determined by the Board must be accompanied by an adult to such portions of the Common Elements as the Board determines.
- c. Annoyance: No-Co-Owner shall permit or suffer anything to be done or kept in or about his Condominium or upon the Common Elements which will obstruct or interfere with the rights of other Co-Owners, their guests or assigns or annoy them by creating any unreasonable noises or otherwise, nor shall any Co-Owner permit or commit any nuisance or illegal act in or about the Property.
- <u>d. Noise:</u> Occupants of Condominiums shall use extreme care to avoid excessive noises or the use of musical instruments, radios, television and/or amplifiers etc. that may disturb other Occupants, and in the event so notified by the Association, such Occupant shall immediately cease and desist such activity.

<u>e. Hanging Items:</u> It is prohibited to hang garments, rugs, etc., from windows or from any of the sides or from any of the buildings or parts thereof. It is prohibited to dust rugs, etc., from the windows or to clean rugs, etc. By beating on the exterior part of any of the buildings.

<u>f. Trash:</u> It is prohibited to throw or place garbage or trash outside the disposal installation(s) provided for such purposes.

g. Pets: No animals or pets of any kind shall be kept in any Condominium or any property of the Regime except with written consent of and subject to the Rules and Regulations adopted by the Board; provided, however, that such shall not in any case be kept, bred or maintained for any commercial purposes, and provided further that upon allowing any animals or pets or any kind to be kept, any such causing or creating a nuisance or unreasonable disturbance may be permanently removed from the Property by the Association upon three (3) days written notice to the owner thereof. Once permission to allow a pet to be kept in any Condominium is given, it shall not be withdrawn or terminated unless such pet has caused or created a nuisance or unreasonable disturbance as provided herein.

h. Appurtenances: No Co-Owner shall cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors or windows of the Condominiums or upon the general or Limited Common Elements nor shall he cause any type of plants, shrubbery, flower, vine or grass outside a Condominium nor shall he cause awning or storm shutters, screens, enclosures, and the like to be affixed or attached to any Condominium, limited or general Common Element; nor shall he place any furniture, equipment or objects outside a Condominium except with the written consent of the Board. No clothesline or similar device shall be allowed on any portion of the Property nor shall clothes be hung anywhere except where designated by the Board. Co-Owners may not screen or enclose any exterior deck and/or balcony which abuts his Condominium with any type of material without the prior written consent of the Board. No electrical wiring for electrical or telephone installation, television antennae, machines or air conditioning Condominiums, etc. on the exterior of the buildings or that protrude through the walls or roof of any building is permitted except as authorized by the Board.

<u>i. Signs:</u> There shall be no signs, advertisements or notices of any type on the Common Elements, Condominiums, or buildings except as consented to by the Board.

j. Antennas: There shall be erected no exterior antennae aerials except as consented to by the Board.

<u>k. Other:</u> No person shall use the Common Elements or any part(s) thereof or a Condominium or any part of the Property in any manner contrary to, or not in accordance with, such Rules and Regulations pertaining thereto as any from time to time promulgated by the Board.

#### 5. Disciplinary Action:

a. Co-Owner: The Association shall have the right in its sole discretion to suspend any Co-Owner and/or Occupant of that Co-Owner's Condominium from the use of the recreational amenities within Common Elements for a period not to exceed thirty (30) days for any violation of the provisions hereto and/or said Rules and

Regulations pertaining to the Common Elements. Should such rights of use be suspended, there shall be no reduction in the Assessments due and payable by Co-Owner. Such remedy is not exclusive. Suspension of rights due to non-payment of Assessments shall not be limited to thirty (30) days, but shall continue until the account is brought current or a mutually agreed upon payment plan is approved by the Board.

<u>b. Renter:</u> A tenant may be evicted for non-compliance in accordance with Article IX, Section 2. Guests and invitees may be removed from the Property and/or refused further entrance by the Association or its designee for non-compliance, the Co-Owner of that Condominium shall be liable for all damages caused by his tenants, guests and/or invitees, and the costs thereof shall be a lien upon his Condominium the same as the lien for unpaid Common Expenses.

### ARTICLE X ARCHITECTURAL CONTROL

To preserve the original architectural appearance of the Regime, no exterior construction of any nature whatsoever except as specified in this Master Deed shall be commenced or maintained upon any building, other structure, and/or common area and all other additions as are herein specified shall be architecturally compatible with existing structures. No Co-Owner shall paint, decorate or change the color of any exterior surface, gate, fence or roof, nor shall any Co-Owner change the design or color of the exterior or lighting, nor shall any Co-Owner install, erect or attach to any part of the exterior any sign of any kind whatsoever, nor shall any exterior addition or change, including without limiting the generality of the foregoing, the erection or construction of any fence or wall, be made unless and until plans and specifications showing the nature, kind, shape, height, material, color and location of the same shall have been submitted and approved in writing as to the harmony of exterior design, color and location in relation to the surrounding structures by the Association (or its designee). Nothing contained herein shall prevent the Association from conducting maintenance, repairs and/or replacements of the Common Elements, including the right to make substitutions in materials when, in the discretion of the Board, such substitutions are reasonably necessary or advisable.

### ARTICLE XI MAINTENANCE AND ALTERATIONS

#### 1. Association Maintenance:

a. Common Elements: The Association shall be responsible for the maintenance and repair and replacement of the Common Elements and all portions of the Property not required to be maintained and/or repaired and/or replaced by individual Co-Owners. The Association through its Board may enter into agreements with such firm(s), person(s), or company(ies), or may join with other horizontal property regimes and /or entities as it may determine from time to time to provide for the maintenance and/or repair of the Property and any properties belonging to the Regime.

<u>b. Management:</u> The Board may, on behalf of the Association, contract for or join with other councils of Co-Owners in contracting for the maintenance and management of the Regime and may delegate to such contractor or manager all of the power, rights and duties of the Association and its Board except such as are

specifically required by this Master Deed, by its By-Laws or by the Act to have approval of the Board and/or of the Association. Nothing herein contained shall prevent the Association through the Board from entering into such management agreement(s) and from assigning some or all of its powers and/or rights and/or duties granted and/or imposed herein and the Act to a management firm for such period(s) as may be agreed pursuant to such an agreement.

c. Co-Owner Condominium: Notwithstanding each Co-Owner's duty of maintenance, repair, replacement and other responsibilities to his Condominium, the Association through its Board may enter into agreements with any such firm(s), person(s), or company(ies), as it may determine from time to time to provide certain services and/or maintenance for and/or on behalf of the Co-Owners whereby maintenance and services are provided on a regularly scheduled basis, such as air conditioning maintenance services, exterminating services and other types of maintenance and services as the Board deems advisable and for such periods of time and on such basis as it determines.

d. Equipment Leases: The Board may enter into bulk service agreements for the provision of certain services, including but not limited to cable and/or internet services, and grant easements for the location and/or installation of the same if it determines advisable. Said agreements shall be on behalf of each of the Co-Owners and the monthly Assessment due from each Co-Owner for Common Expenses shall be increased by such sum as the Board deems fair and equitable under the circumstances in relation to the monthly charge for said equipment, maintenance, or services. Each Co-Owner shall be deemed a party to such agreement with the same force and effect as though said Co-Owner has executed said agreement. It is understood and agreed that the Association through its Board shall execute said agreements as the agent for each Co-Owner. The aforesaid Assessment shall be deemed to be an Assessment under the provisions of Article VIII of this Master Deed.

#### 2. Alterations and Additions:

<u>a. Common Elements:</u> There shall be no alterations or additions to the Common Elements or any part(s) thereof except as may be authorized by the Board in writing. Alternations or additions which prejudice the rights of any Co-Owner and his Mortgagee of record shall not be made unless the consent of both have been obtained. The cost of the foregoing shall be assessed as Common Expenses.

<u>b. Co-Owner Benefit:</u> Where alterations or additions as aforesaid are exclusively or substantially exclusively for the benefit of the particular Co-Owners(s) requesting the same, then the cost of such alterations or additions shall be assessed against and collected solely from the Co-Owners(s) exclusively or substantially exclusively benefiting therefrom. The Assessment shall be levied in such proportion as may be determined as fair and equitable by the Board taking into account the benefit of each and the relative value of each such Condominium as opposed to the others so improved. Unless a different percentage shall be required under the Act, where such alterations or additions exclusively or substantially exclusively benefit Co-Owners(s) requesting same, said alterations or additions shall only be made when authorized by the Board and approved by not less than 75% of the total vote of the Co-Owners exclusively or substantially exclusively benefitting therefrom, and where said Co-Owners are 10 or less, the approval of all but 1 shall be required.

c. Mortgagee Approval: Where the approval of Co-Owners for alterations or additions to the Common Elements of this Regime is required, the approval of Mortgagees whose mortgages encumber Condominiums in this Regime representing not less than 90% of the total unpaid dollar indebtedness as to principal on said Condominiums at said time shall also be required.

#### 3. Co-Owner Maintenance: Each Co-Owner is hereby required:

To maintain in good condition and repair his Condominium and all interior surfaces within a. Maintenance: his Condominium and the entire interior of his Condominium and to maintain and repair the fixtures and equipment therein, which includes, but is not limited to, the following, where applicable: Air conditioning and heating units, including condensers and all appurtenances thereto wherever situated, hot water heaters, refrigerators, ranges and ovens and all other appliances, drains, plumbing fixtures and connections, sinks, all plumbing and water lines within the Condominium, electric panels, electrical outlets and fixtures within the Condominium, interior doors, windows, screens, and glass; all exterior doors, (except the painting of the exterior of an exterior door shall be a Common Expense of the Regime) and pay for his telephone service. Water, sewage, disposal and waste fees, electricity or other utility charges, if applicable, shall be part of the Common Expenses if billed to the Regime; however, if the individual bills are sent to each co-Owner by the provider of such services, each such Co-Owner shall pay said bill for his Condominium individually. If electricity for the Condominiums and all other purposes for the Regime is metered to the Regime as a whole, rather than to individual Condominiums, such shall be a Common Expense and therefore each Co-Owner of a Condominium will pay an equal share of the same without regard to the amount of actual use of electricity in his Condominium. Where a Condominium is carpeted, the cost of maintaining and replacing the carpeting shall be borne by the Co-Owner of the said Condominium. Each Co-owner shall maintain, care for and preserve those portions of the Limited Common Elements (if any) exclusively for his use or exclusively for his use together with certain other Co-Owners as provided in Article VIII.3 hereof. Where there is a light fixture or fixtures attached to the exterior wall or walls of the Condominium, the Co-Owner thereof shall replace same by the same color and bulb wattage at his cost and expense unless the Board decides to replace same as a Common Expense of the Regime. Co-Owners are required to promptly replace fogged windows and/or doors with Association approved products. Notwithstanding the foregoing, and in addition to all other rights and remedies provided for herein, the Association shall have the right, but not the obligation, to repair and/or replace windows and/or doors and any casements and flashing associated therewith, without prior notice or consent of the Co-Owners, if in the course of conducting repairs to the Common Elements (including exterior siding or roofing) such repair or replacement is reasonably required. In such instance, the costs of such repair and/or replacement shall be charged to the Co-Owner(s) of the Condominium affected.

b. Alterations: Not to make or cause to be made any structural addition or alteration to his Condominium or to the Common Elements or any part(s) thereof. Alterations within a Condominium may be made with prior written consent of the Board and any Mortgagee holding a mortgage upon such Condominium as could be affected by such alteration. Co-Owner shall be liable for all damages to any other Condominium(s), Common Element(s) or any property caused by the Co-Owner's contractor, sub-contractor or employee whether such damage be caused by negligence, accident or otherwise. Co-Owner is responsible for ensuring that the work is properly permitted and performed by a licensed contractor in accordance with South Carolina Department of

Labor, Licensing and Regulation requirements. Failure to adhere to this requirement may result in the Board issuing a stop work order, in addition to such other rights and remedies it may have.

- c. Condominium Access: To allow the Board or its representative or agent or employee to enter into his Condominium for the purposes of maintenance, inspection, repair or replacement of improvements within the Condominium and/or Common Elements or to determine in the case of emergency, circumstances threatening the Condominium and/or Common Elements, or to determine compliance with the provisions of this Master Deed and/or any By-Law or Rule or Regulations of the Association.
- 4. Compliance Enforcement: In the event that a Co-Owner fails to maintain his Condominium and all parts thereof as required or makes any alterations or additions without the required consent or otherwise violates the provisions, hereof, the Board on behalf of the Association shall have the right to proceed with an action at law for damages or to obtain an injunction to prevent such activity and/or to require compliance with the provisions hereof, with the By-Laws, the Act or any Rules and Regulations. In lieu thereof and in addition thereto, the Board shall have the right to levy an Assessment against such Co-Owner and/or his Condominium for such sums necessary to remove any unauthorized additions or alterations and/or restore the property to good condition and repair. Said Assessments shall have the same force and effect as all other special Assessments. The Board shall have the right to have its employees or agents, or sub-contractors appointed by it enter a Condominium at all reasonable times to do such work as it deems necessary to enforce compliance with the provisions hereof.
- <u>5. Exterior Painting:</u> The Board shall determine the exterior color scheme of all buildings and all exterior and interior color scheme(s) of the Common Elements and shall be responsible for the maintenance thereof and no Co-Owner shall paint an exterior wall, door, window or any exterior surface or place anything thereon or affix anything thereto without the written consent of the Board.

# ARTICLE XII INSURANCE

1.Requirement: The Board of the Association shall obtain insurance upon the Property, all premiums of which shall be included as part of the Common Expenses. In the event such insurance provides for, requires or contains a deductible, the Association shall assess the Co-Owners to provide reserves sufficient to cover all such deductibles or maintain a line-of-credit sufficient to cover the costs thereof

#### 2. Mortgagee Rights:

- <u>a. Approval:</u> First Mortgagees owning and holding mortgages encumbering Condominiums in the Regime shall have the right to approve such insurance policy or policies, reserves sufficient to cover deductible(s) (if appropriate) and the company or companies insuring upon such insurance coverage and the amount thereof.
- <u>b. Claims:</u> The proceeds of such insurance and deductible reserves (if appropriate) shall be administered in accordance with the Act.
- 3. Insufficiency: If the property is not insured, or there are insufficient deductible reserves and /or if the insurance proceeds are insufficient to cover the costs of reconstruction, rebuilding costs shall be paid in accordance with

the Act. Failure or refusal of payment of any of the Co-Owners shall become a lien on his Condominium in such amount and may be enforced in the manner provided for collection of unpaid Assessments.

- 4. Co-Owner insurance: Nothing herein contained or contained in the By-Laws shall prevent or prejudice the right of such Co-Owner and/or his mortgagee(s) from insuring his Condominium on his account and for the benefit of himself and/or his mortgagee(s).
- 5. Reconstruction: Any repair and/or restoration must be substantially in accordance with the plans and specifications for the original buildings and improvements or as the buildings or improvements were last constructed or according to plans approved by the Board and all Mortgagees of record, which approval shall not be unreasonably withheld. Notwithstanding the foregoing, when conducting any repair and/or restoration, the Board may, in its sole discretion, substitute like-kind materials based on current permitting requirements, availability, or other reasonable grounds as may be recommended or advised by its architect, contractor, engineer or other such professional.
- 6. Power to Compromise Claim: The Board is hereby irrevocably appointed agent for each Co-Owner for the purpose of compromising and settling claims arising under insurance policies purchased under the provisions of this Article and to execute and to deliver releases therefore upon the payment of claims.
- 7. Mortgagees' Right to Advance Premiums: Should the Association fail to pay insurance premiums when due or should the Association fail to comply with other insurance requirements required herein or by the Act or imposed by Mortgagees having the right to impose the same, said Mortgagees or any one of them shall have the right to obtain insurance policies and to advance such sums as are required to maintain or procure such insurance and to the extent of the monies so advanced said Mortgagee(s) shall be subrogated to the Assessment and lien rights of the Association and its Board as against the individual Co-Owners for the payment of such as an item of Common Expense.
- 8. Other Insurance: The Board of the Association is authorized to purchase such additional insurance and for such additional purposes, including, if required by law or deemed advisable by it, workmen's compensation insurance, to carry out its purpose and/or to protect the Regime, its Common Elements, Condominiums, the co-Owners, thereof and their Mortgages.
- 9. Authorized Companies: Any and all insurance coverage(s) obtained by the Association pursuant to this Article must be obtained from insurance companies authorized to do business in the State of South Carolina and having an Alfred M. Best Financial Rating of at least "A", which companies shall be affirmatively presumed to be good and responsible companies and the Board, the Association and First Mortgagees shall not be responsible for the quality of financial responsibility of the insurance company(ies) provided same are so rated and are licensed and approved to do business and provide such coverage in the state of South Carolina.

#### **ARTICLE XIII**

#### MISCELLEANEOUS PROVISIONS

- 1. Condominium Ownership Description: The Co-owners of the respective Condominiums shall not be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, floors and ceilings surrounding their respective Condominiums nor shall any Co-Owner be deemed to own pipes, wires, conduits, or other public utility lines running through said respective Condominiums which are utilized for or serve more than one Condominium, which items are hereby made a part of the Common Elements. Each Co-Owner shall, however, be deemed to own the walls and partitions which are contained in said Co-Owner's Condominium and shall also be deemed to own the interior decorated and finished surfaces of the perimeter walls, floors, and ceiling including plaster, paint, wallpaper, etc.; however, all load-bearing walls and, where applicable, the floor between the first or ground floor and second floor and/or the floor between the second floor and third floor located within a Condominium are part of the Common Elements to the unfinished surface of said walls and/or floors.
- 2. Encroachment: Each Co-Owner, by acceptance of title to his Condominium, does agree thereby that if any portions of a Condominium encroaches upon any portions of the Common Elements or another Condominium or any part of the Common Elements encroaches upon any Condominium, that there shall and does exist a valid easement for such encroachment and for maintenance of the same so long as it stands. In the event a building or buildings or other improvements or a Condominium or Condominiums within a building are partially or totally destroyed and then rebuilt, the Co-Owners of the Condominiums so affected agree that encroachments on parts of the Common Elements or Condominiums as aforedescribed due to construction shall be permitted and that a valid easement for said encroachment and the maintenance thereof shall exist.

#### 3. Taxes:

- a. Condominium: The Co-Owner of each and every Condominium shall pay for his Condominium the ad valorem taxes that accrue annually to the Condominium. Payment of the ad valorem taxes shall be in accordance with the laws of the State of South Carolina and in the time-frame allowed by the notice of the tax being due. Payment shall be made to the tax assessor for Beaufort County, or to such future legally authorized governmental officer or other authority having jurisdiction over the same. In the event that there is a deviation by the taxing authorities from the valuation of the Condominiums, each Co-Owner shall pay the ad valorem taxes or special Assessments accruing to his Condominium and there shall be no contribution or adjustment from any other Co-Owner.
- <u>b. Common Elements:</u> For the purposes of ad valorem taxation, the interest of the Co-Owner of a Condominium in his Condominium and Common Elements appurtenant thereto shall be considered a Condominium. The value of said Condominium shall be equal to the percentage of the value of the entire Regime as then constituted, including land and improvements, as has been assigned to said Condominium and as set forth in this Master Deed. The total of all said percentages equals 100 percent of the value of all the land and improvements as it shall then be constituted.
- 4. Easements: The Association and the Co-Owners thereof, its successors, assignees and designees, are granted an easement over, through and across the paved areas of the Common Elements and are further granted a pedestrian easement over and across the Common Elements of the Regime upon such paths and ways as are suitable for pedestrian traffic. No right shall ever accrue to the public from the above described easements (other

than those present easements of right-of-way already recorded) and said easements shall endure for as long as the Regime.

5. Property Acquisition: The Association when authorized by a vote of the majority of the total voting members of the Association and the Mortgagees of record encumbering Condominiums who represent the majority of the dollar mortgaged indebtedness against this Regime, may together with other Associations and/or others, purchase and/or acquire and enter into agreements from time to time, to acquire leaseholds, memberships, and other possessory or use interests in lands and/or facilities, including, but not limited to country clubs, golf courses, marinas, and other recreational facilities, whether or not contiguous to lands of the Regime, intended to provide for the enjoyment and/or recreation and/or other use and/or benefit of the Co-Owners. The expenses of such ownership, rental, membership fees, operations, replacement and other undertakings in connection therewith shall be Common Expenses together with all other expenses and costs herein or by law defined as Common Expense. The provisions of this paragraph are paramount to and superior to the other parts of this Master Deed as to matters set forth in this paragraph.

6. First Mortgagee: Where a Mortgagee by some circumstances fails to be a first mortgagee but it is evident was intended to be a first mortgagee, it shall nevertheless for the purposes of the Master Deed and the exhibits hereto be deemed to be a First Mortgagee of record.

7. Mortgagee Rights: notwithstanding any other provisions hereof, any Mortgagee shall, upon request:

- a. be permitted to inspect the books and records of the Association, during normal business hours;
- receive a copy of any audit performed for the Association;
- c. receive written notice of all meetings of the Association, and be permitted to designate representative to attend and observe all such meetings;
- d. receive written notification from the Association of any default by any of its Mortgagors in the performance of his obligations to the Association which is not cured within thirty (30) days.
- 8. Government Rights: The real property submitted to a horizontal property regime herewith and to be submitted, is subject to conditions, limitations, restrictions, reservations and all matters of record, the rights of the United States of America, the State of South Carolina, and any governmental authority or agency as to any submerged lands and as to any lands being below the natural high water line of the surrounding bodies of water, taxes, applicable zoning ordinances now existing or which may hereafter exist, easements for ingress and egress for pedestrian and vehicular purposes, easements for utility services and drains now existing or hereafter granted and thereafter the Association shall be empowered to grant the foregoing easements. The consent and approval of the individual Co-Owners and their Mortgagees shall not be required. The right to grant the foregoing easements shall be subject to said easements not structurally weakening the buildings and improvements upon the Property and not unreasonably interfering with the enjoyment of the Property by the Co-Owners nor adversely affecting the security of any Mortgagee without its written consent.

- 9. Duration: All provisions of this Master Deed and all Exhibits hereto and amendments hereof shall be construed as covenants running with the land and of every part thereof and interest therein including, but not limited to, every Condominium and the appurtenances thereto and every Co-Owner and/or Occupant of the Property or any part thereof or owning any interest therein, his heirs, executors, successors, administrators and assignees shall be bound by all the provisions of this Master Deed and Exhibits hereto and any amendments to the same, and the Act.
- 10. Notices: Whenever notices are required to be sent hereunder, the same may be delivered to each Co-Owner either personally or by mail addressed to such Co-Owner at his place of residence in the Regime unless the Co-Owner has by written notice, duly receipted for, specified a different address. Proof of such mailing or personal delivery by the Association shall be given by affidavit of the person mailing or personally delivering such notice. Notices to the Association (including the Board) shall be delivered by mail to the Secretary of the Association at the Secretary's address within the Regime, or in the case of the Secretary's absence, then to the President of the Association at his address in the Regime; provided, however, that the Association may specify a different address by written notice duly receipted for. The change of the mailing address of any party as specified herein shall not require an amendment to this Master Deed. Notices required to be given the personal representative of a deceased Co-Owner may be delivered either personally or by mail to such party at his or its address appearing in the records of the probate court wherein the estate of such deceased Co-Owner is being administered.
- 11. Enforcement: In addition to all other remedies provided for in this Master Deed, the By-laws, Rules and Regulations (if any), the Act, or other relevant statutory provision, should the Association find it necessary to bring an action to enforce compliance with any provisions of law, the Act, this Master Deed and/or the Exhibits attached hereto, upon finding by the court that the violation occurred, the Association shall recover any fines assessed as a result of such violation, together with its reasonable attorneys' fees and costs incurred in prosecuting such action and such fees and costs shall be considered part of the lien against the Co-Owners' Condominium.
- 12. Severability: If any term, covenant, provisions, phrase or other element of this Master Deed or the Exhibits hereto or the Act or any section, clause, phrase, work or the application thereof in any circumstances is held invalid or unenforceable for any reason whatsoever, such holding shall not be deemed to affect, alter, modify, or impair in any manner whatsoever any other term, provision, covenant or element of this Master Deed, Exhibits and the Act.
- 13. Interpretation: Whenever the context so requires, the use of any gender shall be deemed to include all genders and the use of the singular shall include the plural and plural shall include the singular. The provisions of this Master Deed shall be literally construed to effectuate its purposes of creating a uniform plan for the operation and development of a horizontal property regime. Any caption used in this Master Deed and the Exhibits attached hereto is inserted solely as a matter of convenience and shall not be relied upon and/or be used to construe the effect of meaning of the text of this Master Deed or Exhibits hereto annexed.

### ARTICLE XIV AMENDMENTS

- 1. Approval: This Master Deed may be amended at the regular or any special meeting of the Co-Owners of the Regime, called and convened in accordance with the By-Laws upon the affirmative vote of Voting Members casting not less than two-thirds (2/3rds) of the total vote of the Voting Members of the Association; provided, however, that this Master Deed may not be cancelled nor any amendment be made hereto having as its effect a termination of the Regime without the written agreement of all the Co-owners of Regime and all Mortgagees holding mortgages of record upon the Regime or any portion thereof, as provided in the Act.
- 2. Restrictions: All amendments hereto shall be recorded and certified as required by The Act. No amendments(s) shall change any Condominium, any Condominium or the proportionate share of the Common Expenses or Common Surplus attributable to each Condominium, nor the voting rights to any Condominium unless all Co-Owners of the Regime and all Mortgagees holding any mortgage or other lien upon the Property or any part thereof shall join in the execution of such amendment. No amendment shall be passed which shall materially impair or prejudice the rights and priorities of any Mortgagee or change the provisions of this Master Deed with respect to Mortgagees and any right of protection, direct or indirect afforded Mortgagees (whether expressly mentioned or not), without the written approval of all Mortgagees of record.

### ARTICLE XV DISSOLUTION AND TERMINATION

The Regime may be voluntary terminated at any time upon the terms and conditions and in the manner set forth and described in the Act; provided, however that unless otherwise required by law or in the Act, before the Regime may be terminated, all Mortgagees of record of any Condominium or any other part of the Property of the Regime must agree in writing to accept such termination and to accept as security the undivided portions of the Property owned by the debtor(s) of each. In the event of such termination, the Co-Owners shall become tenants in common in the real property and improvements constituting the Condominiums and Common Elements. The ownership of each Co-Owner upon such termination as tenants in common shall be the same percentage as his percentage ownership in the Common Elements at that time. The termination of the Regime automatically dissolves the Association.

### ARTICLE XVI ACCEPTANCE

The Association by its execution of this Master Deed approves the provisions hereof and all covenants, terms, conditions, duties and obligations hereof and exhibits hereto and the Act. Each Co-Owner by virtue of acceptance of a Deed of Conveyance of a Condominium and/or any portion of or interest in the Common Elements and other parties by virtue of their occupancy of Condominiums or use of the Common Elements' hereby approve the foregoing and do agree to be bound by all terms, conditions, duties and obligations contained herein and in the Exhibits hereto and the Act.

SEA CABIN RACQUET CLUB II HORIZONTAL PROPERTY REGIME
Witness

SEA CABIN RACQUET CLUB II HORIZONTAL PROPERTY REGIME

By:

James Ackerman, President

II Horizontal Property Regime, appeared before me the date below written, and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this day of April, 2020.

Notary Public of South Carolina

My Commission Expires:

OTAN

MOTAN

IN WITNESS WHEREOF, the Association has caused this instrument to be executed by its appropriate

#### **EXHIBIT A**

#### **DESCRIPTION OF PROPERTY**

All those certain pieces, parcels or tracts of land, together with improvements thereon, situate, lying and being on Hilton Head Island, Beaufort County, South Carolina, and being shown and described and designated Parcels A and B on a plat prepared by Civil Engineering of Columbia dated February 23, 1979, and plot plans of Comprehensive Architects, said tract being described as follows and consisting of Parcel A (containing 1.78 acres), Parcel B, (containing 1.27 acres) and a non-exclusive easement for ingress and egress over and upon Parcel C, being particularly as shown on said plot plan; said real property being shown upon said plat and plot plan as having the following metes and bounds, to-wit:

PARCEL A. Beginning at the southernmost corner of the 1.78 acre parcel, designated Parcel A, at an iron pipe and proceeding north 35° 38' west for a distance of 314.82' to an iron pipe; thence turning and running north 54° 22' east for a distance of 245.61' to an iron pipe; thence turning and running south 35° 39' east for a distance of 315.00' to an iron pipe; thence turning and running south 54° 22' west for a distance of 245.68' to an iron pipe at the point of commencement.

#### AND ALSO

PARCEL B. Beginning at the southernmost point of Parcel B as designated on the said plat and plot plan containing approximately 1.27 acres and proceeding north 35° 39' west for a distance of 300.00' to an iron pipe; thence turning and running north 54° 21' east for a distance of 184.90' to an iron pipe; thence turning and running south 35° 39' east for a distance of 299.98' to an iron pipe; thence turning and running south 54° 20' west for a distance of 184.85' to the iron pipe at the point of beginning.

#### AND ALSO

TOGETHER with a non-exclusive easement of right-of-way for ingress and egress at all times and for all purposes in common with all others having a like right, title or interest into, over, across and upon Parcel C, as shown on said plat and plot plan, which is appurtenant to and run with the title to Parcels A and B as shown on said plat and plot plan.

Being portions of properties conveyed to Sea Cabin Corporation, by deed of Sea Pines Plantation Company which is recorded in the Office of the Clerk of Court for Beaufort County, South Carolina in Deed Book 244 at Page 1887, and by deed of Harold D. Depkin recorded in said Office in Deed book 281 at Page 1137.