

Berkeley County  
Cynthia B. Forte  
Register of Deeds  
Moncks Corner 294616120

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As

Recorded On: February 22, 2006

Masters Deed

Parties: RIVER REACH POINTE LLC

To

RIVER REACH POINTE MARINA HORIZONTAL PRO

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Comment:

**\*\* Examined and Charged as Follows: \*\***

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**\*\* THIS PAGE IS PART OF THE INSTRUMENT \*\***

I hereby certify that the within and foregoing was recorded in the Clerk's Office For: Berkeley County, SC

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ATTN: REAL ESTATE DEPT

CHARLESTON SC 29402



Cynthia B Forte - Register of Deeds

**PARTS OF THIS MASTER DEED ARE SUBJECT TO ARBITRATION UNDER SECTION 15-48-10. ET. SEQ. SOUTH CAROLINA CODE OF LAWS 1976, AS AMENDED.**

## **MASTER DEED FOR RIVER REACH POINTE MARINA HORIZONTAL PROPERTY REGIME**

**(An Expandable Regime)**

### **SUBMERGED LAND NOTICE**

**ALL ACTIVITIES ON OR OVER AND ALL USES OF THE SUBMERGED LAND SUBJECT TO THIS MASTER DEED ARE SUBJECT TO THE JURISDICTION OF ALL LOCAL, STATE AND FEDERAL AUTHORITIES HAVING JURISDICTION IN REGARD THERETO, INCLUDING, WITHOUT LIMITATION, THE SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL AND THE UNITED STATES CORPS OF ENGINEERS. A CO-OWNER IS LIABLE TO THE EXTENT OF HIS OR HER OWNERSHIP FOR ANY DAMAGES TO, ANY INAPPROPRIATE OR UNPERMITTED USES OF, AND ANY DUTIES OR RESPONSIBILITIES CONCERNING ANY SUBMERGED LAND, COASTAL WATERS, OR ANY OTHER CRITICAL AREA.**

**Notice: The Units created herein are subject to certain transfer restrictions as set forth in Section 2.1(p) and 2.1(z)**

**HAYNSWORTH SINKLER BOYD, P.A.  
P.O. Box 340  
CHARLESTON, SC 29402**

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**PARTS OF THIS MASTER DEED ARE SUBJECT TO ARBITRATION UNDER  
SECTION 15-48-10. ET. SEQ. SOUTH CAROLINA CODE OF LAWS 1976, AS  
AMENDED.**

STATE OF SOUTH CAROLINA	)	MASTER DEED FOR
	)	RIVER REACH POINTE MARINA
COUNTY OF BERKELEY	)	HORIZONTAL PROPERTY REGIME

THIS Master Deed made this the 21<sup>st</sup> day of February, 2006, by River Reach Pointe, LLC, ("Declarant"), owner in fee simple of and/or the holder of an exclusive license relating to the use of the property described herein, who does hereby declare as follows:

**ARTICLE I: SUBMISSION OF PROPERTY**

Section 1.1 Declarant submits all of its right, title and interest in and to the Property situated in Berkeley County, South Carolina, described on Exhibit "A" attached hereto, including the improvements now or hereafter thereon, to the provisions of the Horizontal Property Act, Section 27-31-10, et seq., of the South Carolina Code of Laws 1976, as amended (the "Act"), the provisions of which, unless expressly provided otherwise herein, are incorporated by reference and form a part of this Master Deed, for the specific purpose of creating and establishing the RIVER REACH POINTE MARINA HORIZONTAL PROPERTY REGIME. Reference is also made to other provisions of this Master Deed and the site, dock plans and elevations attached as Exhibit "B" hereto for: i) a description of the dimensions and location of each "Apartment," as such term is defined in the Act (and such being hereinafter referred to as "Unit"); ii) the location and approximate dimensions of the Common Elements; and iii) such other information as is required by the Act.

**ARTICLE II: DEFINITIONS**

Section 2.1 The following words and phrases shall have the meanings herein ascribed to them:

(a) Access/Utility Easement: A non-exclusive easement in perpetuity across and upon designated real property which provides ingress to and egress from the Property to a public highway and also a means of providing utilities to the Property.

(b) Act: Section 27-31-10, et seq., of the South Carolina Code of Laws 1976, as amended, and as the same may from time to time be amended and which amendment(s) applies to this Horizontal Property Regime (sometimes hereinafter referred to as the "Regime").

(c) Appurtenant Interest: (i) the undivided interest in the Common Elements and in the Access/Utility Easement appurtenant to a Unit; (ii) the interest of a Co-Owner in any Unit acquired by the Council of Co-Owners or the proceeds of the sale thereof, if any; and (iii) the

interest of a Co-Owner in any other right, right of membership, claim, cause of action or asset of the Regime or the Council of Co-Owners.

(d) Board of Directors: The Board of Directors of the Council of Co-Owners, consisting of natural persons elected by the Co-Owners to direct the operation of the Regime. During the "Declarant Control Period," Declarant shall have the power to elect the Board of Directors.

(e) Common Charges: The charges assessed against Units for their share of Common Expenses.

(f) Common Elements: The Property subjected to this Master Deed, save and excepting the Units. The Common Elements shall also include (i) easements through the Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services to the Units and the Common Elements; (ii) an easement of support in every portion of a Unit which contributes to the support of the Dock System; (iii) easements through the Units and the Common Elements for utilities, drainage, maintenance, repair and replacement of the Units and the Common Elements; and (iv) riparian rights arising from or attendant to the Property which are not part of a Unit.

(g) Common Expenses and Reserves: (i) Expenses of administration and/or maintenance, repair or replacement of the Common Elements; (ii) expenses declared to be Common Expenses by the Condominium Instruments or by the Act; (iii) special assessments and expenses agreed upon as Common Expenses by Board of Directors on behalf of the Council of Co-Owners; and (iv) reasonable reserves provided for in the Condominium Instruments or agreed upon by the Board of Directors, including, but not limited to, repair, replacement or addition to the Common Elements or any other property acquired or held by the Council of Co-Owners. Assessments for dredging all Units and surrounding and adjacent waters, as necessary and as may be permitted by the local, state or federal government authority having jurisdiction, shall be Common Expenses.

(h) Common Profits: The balance of all income, rent, profits, and revenues from Common Charges remaining after the deduction of Common Expenses.

(i) Condominium or Regime: The Property hereby submitted to the Act by the recordation of the Condominium Instruments.

(j) Condominium Instruments: This Master Deed, the By-Laws and any other instrument recorded pursuant to the provisions of the Act. Any exhibit, schedule or certification accompanying a Condominium Instrument and recorded simultaneously therewith shall be deemed an integral part of that Condominium Instrument. To the extent permitted by law, an amendment to or certificate of any Condominium Instrument shall, from the time of the recordation or filing or such amendment or certification, be deemed an integral part of the affected Condominium Instrument, whether or not such amendment or certification was made in accordance with the Act.

(k) Co-Owner: The Person or Persons owning a Unit (including Declarant) and the attendant

undivided interest in Common Elements specified and established in this Master Deed, and, subject to the restrictions set forth in Section 2.1(p), the heirs, executors, successors and assigns of such Person or Persons.

(l) Council of Co-Owners: The River Reach Pointe Marina Council of Co-Owners, Inc., a non-profit corporation incorporated under the laws of South Carolina, consisting of the Co-Owners acting as a group in accordance with the Condominium Instruments.

(m) Declarant and Successor Declarant: River Reach Pointe, LLC, a South Carolina limited liability company, or any Successor Declarant, which is defined to mean any assignee or transferee of Declarant, whether voluntary or involuntary.

(n) Declarant Control Period: That period of time during which Declarant has the right to appoint and remove any member or members of the Board of Directors of the Association in accordance with Section 12.3 hereof.

(o) Dock or Dock System: The system of docks, pilings, ramps, and walkways shown on the site and dock plans attached hereto as Exhibit "B."

(p) Dock Unit: Each separately delineated place, defined by the Usable Moorage Length and Usable Moorage Width as shown on the site and dock plans attached hereto as Exhibit "B," constituting a slip for moorage of vessels, located adjacent to, and including a specified part of, the Dock System, intended for any type of independent use, and with a direct exit to the Common Elements which, by and through a non-exclusive easement in perpetuity, leads to a public highway, together with the Appurtenant Interest appertaining to such Unit. Each Unit shall include the exterior vertical surface of the adjacent Dock and an exclusive Moorage Easement with respect to the adjoining one-half of the exterior horizontal surface of the adjacent Dock and the adjacent waters within the boundaries of the Unit (to the natural depth), and all cleats, electrical switches, wiring, pipes, ducts, conduits, and television, telephone, and electrical receptacles and boxes serving that Unit exclusively, the surfaces of the foregoing being the boundaries of such Unit, whether or not such spaces are contiguous. Excluded from a Unit, however, are all chutes, pipes, flues, ducts, wires, conduits and other facilities running through the Dock System for the purpose of furnishing utility or similar services to the other Units or the Common Elements. Ownership of the Dock Units is restricted to Owners of Lots in River Reach Pointe Subdivision ("Subdivision"), as such terms are defined in the Declaration of Covenants, Conditions, Restrictions and Easements for River Reach Pointe dated January 11, 2005, and recorded in the ROD Office for Berkeley County on March 29, 2005 in Book 04600, at Page 00300 ("POA Covenants"). Accordingly, the Owner of a Dock Unit may only transfer or sell such Dock Unit to another Owner of a Lot in the Subdivision who is a member of the River Reach Pointe Property Owners Association, Inc. (the "POA").

(q) Eligible Mortgagees: Those holders of first mortgages secured by Units in the Condominium who have requested notice of certain items as set forth in this Master Deed.

(r) Improvements: Any construction included in the Regime.

(s) Majority or Majority of Co-Owners: The owners of at least fifty-one percent (51%) of the total voting power in the Council of Co-Owners. The voting power of each Co-Owner shall be equal to the percentage interest in the Common Elements shown on the Percentage Interests attached hereto as Exhibit "C," Any specified percentage, portion or fraction of Co-Owners, or of mortgagees, unless otherwise stated in the Condominium Instruments, means such percentage, portion or fraction in the aggregate of such voting power. During the Declarant Control Period, Declarant shall have the majority voting power in the Council of Co-Owners. Subject to permitting, Declarant has the right to subject additional property to the terms of this Master Deed in Stage 2 consisting in the aggregate of no more than 10 additional Units, and when such additional property is added the voting power of each Co-Owner will be affected in the manner hereinafter set forth in Article V.

(t) Manager: A person or entity engaged to perform management services for the Regime and the Council of Co-Owners.

(u) Master Deed: This document and all exhibits attached hereto.

(v) Moorage Easement: An exclusive easement appurtenant, which is a part of each Unit, in favor of each Co-Owner which grants to such Co-Owner the exclusive right to use the adjoining one-half of the exterior horizontal surface of the adjacent Dock, for the length of the Unit along such Dock, for moorage, storage and tying off of vessels, the exclusive right (as to the Association and other Unit Owners) to the riparian use of the waters adjacent to such Dock within the space designated as part of such Unit, and generally all other uses which will not obstruct free walking access (including portage) of other Unit Owners and their guests and invitees.

(w) Notice and Comment: The right of a Co-Owner to receive notice of action proposed to be taken by or on behalf of the Council of Co-Owners, and the right to comment thereon.

(x) Notice and Hearing: The right of a Co-Owner to receive notice of action proposed to be taken by or on behalf of the Council of Co-Owners, and the right to be heard thereon.

(y) Person: An individual, corporation (for profit or nonprofit), Council of Co-Owners, trustee or other entity capable of holding an interest in property.

(z) POA Unit: Pursuant to Section 5.2, Declarant reserves the right to add the POA Unit to the Condominium in a future amendment to this Master Deed. Upon amendment of the Master Deed to include the POA Unit within the Condominium, the POA Unit will include the pier head, which is located at the furthestmost point extending southeast into the Wando River, all as more particularly shown on the site and dock plans attached hereto as Exhibit "B," constituting a specified part of the Dock System, intended for common use among the Owners of Dock Units hereunder and the owners of Lots in the Subdivision, as such terms are defined in the POA

Covenants, and with a direct exit to the Common Elements which, by and through a non-exclusive easement in perpetuity, leads to a public highway, together with the Appurtenant Interest appertaining to such Unit. Specifically, the POA Unit shall include (1) the decking of the pier head and (2) all cleats, electrical switches, wiring, pipes, ducts, conduits, and television, telephone, and electrical receptacles and boxes serving the POA Unit exclusively, the surfaces of the foregoing being the boundaries of such POA Unit, whether or not such spaces are contiguous. Excluded from the POA Unit, however, are all chutes, pipes, flues, ducts, wires, conduits and other facilities running through the Dock System for the purpose of furnishing utility or similar services to the other Units or the Common Elements. Upon Declarant's conveyance of the POA Unit to the POA, the POA shall hold record title to such Unit and such POA Unit shall, for all purposes, be deemed as Common Area (as such term is defined in the POA Covenants) to the owners of Lots (as such term is defined in the POA Covenants) in the Subdivision for use as a community dock for the POA. The permanent moorage of vessels to the POA Unit is expressly prohibited. Without the unanimous consent of the Owners of Dock Units hereunder and the owners of Lots (as such term is defined in the POA Covenants) in the Subdivision, and subject to any applicable governmental regulations and requirements, ownership and title to the POA Unit shall remain in the name of the POA, the POA Unit may not be subdivided and the POA Unit shall remain Common Area to the Owners of Lots in the Subdivision. Notwithstanding the foregoing, and subject to any applicable governmental regulations and requirements, in the event that the Owners of Dock Units hereunder and the owners of Lots (as such term is defined in the POA Covenants) in the Subdivision ever unanimously approve a change in ownership or title to the POA Unit, ownership of the POA Unit shall immediately, and without further action, be restricted to Owners of Lots in the Subdivision in the same manner as the restriction on ownership of Dock Units. All owners of Lots (as such term is defined in the POA Covenants) in the Subdivision are hereby granted a permanent, non-exclusive, appurtenant easement over and across the general Common Elements hereunder necessary for the use and enjoyment of the POA Unit.

(aa) Property: The property described on the attached Exhibit "A," which is hereby submitted to the provisions of the Condominium Act by this Master Deed. Declarant has the right to subject additional property to the terms of this Master Deed as hereinafter provided in Article V.

(bb) Regulations: Regulations for the use of the Units and the Common Elements and for the conduct of Persons within the Regime, promulgated by the Board of Directors.

(cc) Trustee: The entity, if any, designated by the Board of Directors as the Trustee for the receipt, administration and disbursement of funds derived from insured losses, condemnation awards, special assessments for uninsured losses and like sources.

(dd) Unit: Means each Dock Unit or the POA Unit. As used herein, the word "Unit" is in strict adherence with the term "Apartment" as defined in the Horizontal Property Act, Section 27-31-20, South Carolina Code of Laws, 1976, as amended.

(ee) Usable Moorage Length: The amount of a Unit's linear footage along an adjacent Dock and available for the moorage of vessels. The Usable Moorage Length for each Unit is depicted on Exhibit "B."

(ff) Usable Moorage Width: The amount of a Unit's linear footage lying perpendicular to an adjacent Dock and available for the moorage of vessels. The Usable Moorage Width for each Unit is depicted on Exhibit "B."

### ARTICLE III: NAME OF REGIME

Section 3.1 The name of the Regime is RIVER REACH POINTE MARINA HORIZONTAL PROPERTY REGIME.

### ARTICLE IV: DESCRIPTION OF THE PROPERTY

Section 4.1 The existing property subjected to the Master Deed is described on Exhibit "A" attached hereto. As hereinafter set forth in Article V, Declarant has the right to add additional property to the terms of the Master Deed.

### ARTICLE V: DESCRIPTION OF DOCK SYSTEM

Section 5.1 Initially. Included within the Property subjected to this Master Deed is a Dock System consisting of eight (8) Dock Units, a community covered pier, a center dock walkway and finger piers, all as more particularly shown on Exhibit "B" attached hereto ("Stage 1"). The Dock Units are situated within the Wando River in Berkeley County, South Carolina, and said Units are shown running perpendicular to the center dock walkway.

Section 5.2 Subsequent Stages. Subject to permitting, Declarant proposes and reserves the right, but not the obligation, to develop and add one or two subsequent stages to the Regime, with the first stage being set forth in Section 5.1 above. Declarant hereinafter has the right, but not the obligation, to subject additional property to this Master Deed, subject to the following restrictions:

- (a) The maximum number of Units in the second stage of development is three (3) Units, consisting of Dock Unit 9 and Dock Unit 10 and the POA Unit, as generally shown on Exhibit "B" attached hereto ("Stage 2"). The POA Unit consists of the pier head, which is located at the furthestmost point extending southeast into the Wando River.
- (b) The maximum number of Units in the third stage of development is ten (10) Units, as generally shown on Exhibit "B" attached hereto ("Stage 3").
- (c) The dates by which Declarant may submit the additional stages to this Master Deed is not to exceed twenty (20) years from the date this Master Deed is recorded.

(d) The nature and proposed use of any additional Common Elements will be the same as those in this Master Deed and such Common Elements will not substantially increase the proportionate amount of the Common Expenses payable by existing Unit owners.

(e) Declarant shall have the right, but not the obligation, and without the necessity of the consent of the Council of Co-Owners or any Co-Owner, to bring within the plan and operation of the Master Deed the referenced additional properties by means of one or more Supplemental Master Deeds, which shall describe the property or properties to be annexed and shall state that it is being made pursuant to Article V of the Master Deed for the purpose of annexation and that the jurisdiction of the Master Deed and of the Council of Co-Owners shall extend to and cover the property or properties to be annexed.

Nothing contained herein shall require Declarant to add the subsequent stages in any certain order. The designations of Stages "2" and "3" do not imply that Stage 2 will be added prior Stage 3. Declarant reserves the right, but not the obligation, to add Stage 2 and/or Stage 3 and the right, but not the obligation, to add Stage 3 prior to Stage 2 or vice versa.

The final location of the Stage 2 Units and the Stage 3 Units may change based on final permitting requirements of the South Carolina Office of Coastal and Resource Management and the U.S. Corps of Engineers. At such time as the permitting issues are final, Declarant reserves the right to amend this Master Deed for the purpose of showing, describing and adding the Units in Stage 2 and/or Stage 3 to this Master Deed.

Upon recordation of a Supplemental Master Deed, the owners of the property annexed shall have a right and easement of enjoyment in and to the Common Elements, shall incur an obligation of assessments for Common Expenses for the cost of improvement, operation and maintenance of the Common Elements, and in all ways the owner of the properties annexed shall become an Owner and member of the Council of Co-Owners upon becoming the record title holder of fee simple title in and to any Unit.

In the event that Declarant elects to add one or both of the subsequent stages, Declarant reserves the right to relocate and/or redefine the POA Unit to be a pier head that is located at the furthestmost point extending southeast into the Wando River.

Section 5.3 Effect of Annexation on Percentage Interests. The voting power of each Co-Owner is equal to the percentage interest in the Common Elements shown on the Percentage Interests attached hereto as Exhibit "C," and if Declarant elects to subject additional Units in Stage 2 and/or Stage 3 to the Master Deed, thereby increasing the total Percentage Interests, the voting power of each Co-Owner will be affected. Included on the schedule attached hereto as Exhibit "C" is a chart showing the percentage interest of each original Co-Owner with stage two and/or stage 3 of the development, assuming Declarant elects to proceed with one or both of the subsequent stages. If Declarant adds less than all of the Units in either of the subsequent stages to the Regime, a new Exhibit "C" will be attached to the Supplemental Master Deed showing the

Percentage Interests based on the number of Units added to the Regime.

#### ARTICLE VI: DESCRIPTION OF UNITS

Section 6.1 Units. The Dock Units consist generally of dock slips of generally uniform lengths and widths, as more particularly depicted on the site and dock plans attached as Exhibit "B". The Dock Units are numbered Dock Units 1 through 8, and are situated perpendicular to the center dock walkway. The perimeter dimensions of each Dock Unit are more particularly depicted on the site and dock plans attached as Exhibit "B". Each Dock Unit shall include the space of water area and air located within the horizontal and vertical boundaries thereof. If Declarant elects to develop and add Stage 2, The POA Unit will consist generally of a pier head at the furthestmost southeast portion of the Dock System, and will be more particularly depicted on a revised site and dock plan. The POA Unit shall be deemed Common Area (as such term is defined in the POA Covenants) for the benefit of Owners of Lots in the Subdivision and shall be used solely for courtesy use with no permanent moorage of vessels allowed.

#### ARTICLE VII: DESCRIPTION OF COMMON ELEMENTS

Section 7.1 Common Elements. The Common Elements are as follows:

- (a) The Property, excluding the Units, and including, but not limited to, the land (highground) to which the floating dock system is affixed, the mooring and floating dock pilings, finger piers (slip fingers) separating units, stairway, gangplank, common walkways and ramps, fixed pier, decking, handrails, ramp gate, pontoons, power posts and power substations, mechanical and equipment area, fish cleaning tables, benches, trash disposal area, hoses and hose storage areas, pipes, wires, conduits, and public utility lines located within the Property other than within the Unit boundary.
- (b) All navigational lights and installations outside of the Units, such as service pedestals (power poles) for services such as power, light, water and other similar utilities.
- (c) Such easements through the Units for conduits, pipes, ducts, plumbing, wiring and other facilities for the furnishing of utility services to the Units, general common elements and limited common elements and easements for access, maintenance, repair, reconstruction or replacement of structural members, equipment, installations and appurtenances, and for all other services necessary or convenient to the existence, maintenance, safety and use of the Property, whether or not such easements are erected during construction of the condominium property or during reconstruction of all or any part thereof.
- (d) All areas not designated as a limited common element and not described as lying within the boundary of a Unit as described herein, and all other elements of the Property constructed or to be constructed on the Property, rationally of common use or necessary to the existence,

upkeep and safety of the Property and in general all other devices or installations existing for common use.

Section 7.2 Limited Common Elements. The Limited Common Elements are those areas which are reserved for the exclusive use of a Unit or Units to which they are adjacent to the exclusion of other Units, including, but not limited to, the finger piers and the utility service pedestals located on the finger piers and the pier head adjacent to, and serving, the specific Units.

Section 7.3 Access/Utility Easements The Council of Co-Owners and each owner of a Unit shall have a non-exclusive easement for the purpose of extending utilities and access to the Property and the Units over and across necessary portions of the Common Area (as such term is defined in the POA Covenants), including without limitation H.O.A. – 2, as more particularly shown on the site plan attached hereto as Exhibit “B”. Until such time as Declarant dedicates the roads to the public, the Council of Co-Owners and the Owner of each Unit shall also have the non-exclusive right and easement over and across “River Reach Drive (50’ Private R/W)” and “Jervey Point Road (50’ Private R/W)” as shown on Exhibit “B” for the purpose of gaining access, ingress and regress to the Property and the Units.

**Section 7.4 WARRANTY. FOR A PERIOD OF ONE (1) YEAR FROM THE DATE OF ISSUANCE OF THE CERTIFICATE OF OCCUPANCY BY BERKELEY COUNTY, OR THE DATE OF INITIAL CONVEYANCE OF A UNIT BY THE DECLARANT FOR EACH PHASE OF THE PROJECT, WHICHEVER OCCURS FIRST, DECLARANT OR ITS CONTRACTOR WILL, AT NO COST TO THE ASSOCIATION OR ANY UNIT OWNER IN THAT PARTICULAR STAGE, REPAIR OR REPLACE ANY PORTION OF THE COMMON ELEMENTS AND LIMITED COMMON ELEMENTS WHICH ARE DEFECTIVE AS TO MATERIAL OR WORKMANSHIP, EXCEPT FIXTURES, ACCESSORIES, OR ANY OTHER ITEMS COVERED BY A WARRANTY OF MANUFACTURERS AND DEALERS. THE LIABILITY OF THE DECLARANT IS EXPRESSLY LIMITED TO SUCH REPAIRS OR REPLACEMENT AND DECLARANT MAKES NO OTHER WARRANTIES EXPRESSED OR IMPLIED, (INCLUDING, BUT NOT LIMITED TO, NO WARRANTY OF HABITABILITY NOR FITNESS FOR PURPOSE) OTHER THAN ANY WARRANTY OF TITLE CONTAINED HEREIN.**

Section 7.5 Easement and Maintenance Obligation of Lot Owners in Subdivision. Pursuant to and subject to the terms of Sections 2.1(z) and 5.2(a), the POA will hold record title to the POA Unit; therefore, as members of the POA, the Owners of Lots in the Subdivision will have a right to access and use such POA Unit. In addition, the Owners of Lots in the Subdivision are hereby granted a perpetual, non-exclusive, appurtenant easement over, across, and under the general Common Elements necessary for the use and enjoyment of the community covered pier, the center dock walkway and the pier head located within this Condominium (“Easement Areas”). In consideration of such easement rights, the Owners of Lots in the Subdivision, acting through the POA, shall have certain obligations to the Council of Co-Owners, including without limitation the obligation to share in the Common Expenses of the Condominium relating to the operation, management, repair, maintenance and replacement of the Easement Areas. Simultaneously with

the recording of this Master Deed, Declarant has recorded a Declaration of Easements and Obligations to address, with more specificity, the rights, covenants, obligations, duties, benefits, burdens, easements, and other provisions created by such an arrangement.

#### ARTICLE VIII: BASIC VALUE OF UNITS

Section 8.1 Basic Value of Units. The basic values of the Units, set for the sole purpose of complying with Section 27-31-60 of the Act, and being established irrespective of the Units' actual value, are shown on the Schedule of Values attached as Exhibit "C," said basic value being computed at the rate of One (\$1.00) Dollar for each Unit. As provided above in Article V, Declarant has the right to subject additional property to the terms of this Master Deed, and as such additional property is added, they shall be assigned basic values in the same manner.

#### ARTICLE IX: PERCENTAGE INTEREST

Section 9.1 Percentage Interest. The percentage interest appertaining to the Units are equivalent to the basic values of the Units, and the percentage interests appurtenant to each Unit, for each of the two stages of development of the Regime, are set forth on the schedule attached hereto as Exhibit "C."

#### ARTICLE X: UNIT OWNER'S RIGHTS AND OBLIGATIONS

Section 10.1 Co-Owner's Use Rights. Subject to this Master Deed and the By-Laws, a Co-Owner shall have: (i) an undivided ownership interest according to the Unit's percentage interest in the Common Elements; and (ii) the exclusive right to use his Unit, including the Moorage Easement appurtenant to the Unit. The ownership of a Unit may not be subdivided for the purpose of, or with the result of, creating integrated or horizontal ownership, whether by forming a corporation, partnership or limited liability company, by time-sharing or leasing, or otherwise, provided nothing herein contained is intended to prevent ownership of a Unit by an entity with five or less individual owners, members or shareholders.

Section 10.2 Compliance with Rules, Regulations; Enforcement. Each Co-Owner shall comply strictly with the By-Laws and with the administrative rules and regulations adopted pursuant thereto and with the covenants, conditions and restrictions contained in this Master Deed or the deed to the Unit. Each Co-Owner shall have a right of action against other Co-Owners and/or the Council of Co-Owners to enforce compliance by either or both of them with the By-Laws and the applicable rules, regulations, and restrictions promulgated by local, state and federal government authorities having jurisdiction, including, without limitation, the South Carolina Office of Coastal Resource Management, the South Carolina Department of Health and Environmental Control and the United States Corps of Engineers.

Section 10.3 Common Expense Liability. Subject to Section 10.11 below, the Co-Owners are bound to contribute toward the expenses of the Regime and the maintenance and repair of the

Common Elements and for other expenses incurred by the Council of Co-Owners. These Common Expenses shall be paid by assessments against the Co-Owners in proportion to their percentage interests in the Common Elements. On an annual basis, commencing at the first annual meeting, the Board of Directors shall establish the Council of Co-Owners' budget as provided in the By-Laws. The Initial Estimated Budget is attached hereto as Exhibit "E," and the initial annual assessment for each Unit shall be \$250.00. The annual assessment shall be billed in January of each year and shall be paid in full within 30 days of the billing date. The owners shall be subject to a ten (10%) percent late charge if the annual assessment is not timely paid.

Section 10.4 Purpose of Assessments. The Council of Co-Owners shall have the power to levy assessments as provided herein and in the Act. The assessments for Common Expenses provided for herein shall be used for the general purposes of promoting the health, safety, welfare, common benefit, and enjoyment of the Co-Owners and Occupants of Units in the Condominium as may be more specifically authorized from time to time by the Board of Directors.

Section 10.5 Creation of the Lien and Personal Obligation For Assessments. Each Co-Owner of any Unit, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Council of Co-Owners: (i) annual assessments or charges; (ii) special assessments; and (iii) specific assessments, all as herein provided. All such assessments, together with late charges, interest, costs, and reasonable attorney's fees actually incurred, and if the Board of Directors so elects, in the maximum amount permitted by the Act, shall be a charge on the Unit and shall be a continuing lien upon the Unit against which each assessment is made. Such lien shall be superior to all other liens, except (a) the liens of all taxes, bonds, assessments, and other levies which by law would be superior, and (b) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage with first priority over other Mortgages) made in good faith and for value. Such lien, when delinquent, may be enforced by suit, judgment, and foreclosure in the same manner as Mortgages are foreclosed under South Carolina law.

Such amounts shall also be the personal obligation of each person who was the Co-Owner of such Unit at the time when the assessment fell due and may be collected in the same manner as other debts or liens are collected under South Carolina law. Each Co-Owner and each successor-in-title to the Unit shall be jointly and severally liable for all assessments and charges due and payable at the time of any conveyance. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors; unless otherwise provided, the annual assessments shall be paid in full within 30 days of the billing date. No Owner may exempt such Owner from liability for or otherwise withhold payment of assessments for any reason whatsoever, including, but not limited to, nonuse of the Common Elements, the Council of Co-Owners's failure to perform its obligations required under this Master Deed, or inconvenience or discomfort arising from the Council of Co-Owners' performance of its duties. The lien provided for herein shall have priority as provided in the Act.

Section 10.6 Delinquent Assessments. All assessments and related charges not paid on or before the due date shall be delinquent, and the Co-Owner shall be in default.

(a) If any annual assessment or any part thereof is not paid in full when due or if any other charge is not paid when due, a late charge equal to the greater of ten dollars (\$10.00) or ten percent (10%) of the amount not paid, or such higher amounts as may be authorized by the Act, may be imposed without further notice or warning to the delinquent Owner and interest at the highest rate as permitted by the Act and adopted by resolution of the Board of Directors shall accrue from the due date.

(b) If part payment of assessments and related charges is made, the amount received shall be applied in the following order, and no restrictive language on any check or draft shall be effective to change the order of application:

(i) respectively, to any unpaid late charges, interest charges, and specific assessments (including, but not limited to, fines) in the order of their coming due;

(ii) to costs of collection, including reasonable attorney's fees actually incurred by the Council of Co-Owners; and

(iii) to any unpaid installments of the annual assessment or special assessments in the order of their coming due.

(c) If assessments, fines or other charges or any part thereof due from a Co-Owner are not paid when due, a notice of delinquency may be given to that Co-Owner stating that if the assessment, fine or charge remains delinquent for more than ten (10) days from the date of the notice of delinquency, the Board of Directors may accelerate and declare immediately due all of that Co-Owner's unpaid installments of the annual assessment and of any special assessment. If a Co-Owner fails to pay all assessments and related charges currently due within ten (10) days of the date of the notice of delinquency, the Board of Directors may then accelerate and declare immediately due all installments of the annual assessment and of any special assessment, without any further notice being given to the delinquent Co-Owner.

(d) If assessments and other charges or any part thereof remain unpaid more than thirty (30) days after the assessment payments first become delinquent, the Council of Co-Owners, acting through the Board of Directors, may institute suit to collect all amounts due pursuant to the provisions of the Master Deed, the By-Laws, the Act and South Carolina law and suspend the Co-Owner's and/or Occupant's right to vote and/or to use the Common Elements; provided, however, the Board of Directors may not limit ingress or egress to or from the Unit.

Section 10.7 Computation of Operating Budget and Assessment. It shall be the duty of the Board, prior to the beginning of each fiscal year, to prepare a budget covering the estimated costs of operating the Condominium during the coming year. The Board shall cause the budget and notice of the assessments to be levied against each Unit for the following year to be delivered to each member at least thirty (30) days prior to the end of the Council of Co-Owners's fiscal year. The budget and the assessment shall become effective unless disapproved at a duly called and

constituted meeting of the Council of Co-Owners by a vote of at least fifty-one (51%) of the total eligible voting power of the Council of Co-Owners and the Declarant (so long as the Declarant owns any portion of the Condominium); provided, however, if a quorum is not obtained at the such meeting, the budget shall become effective even though a vote to disapprove the budget could not be called at the meeting.

Notwithstanding the foregoing, in the event that the membership disapproves the proposed budget or the Board fails for any reason so to determine the budget for the succeeding year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the current year shall continue for the succeeding year. In such case, the Board may propose a new budget at any time during the year at a special meeting of the Council of Co-Owners. The proposed budget and assessment shall be delivered to the members at least thirty (30) days prior to the proposed effective date thereof and at least seven (7) days prior to the special meeting. The approval procedure set forth above for budgets considered at annual meetings shall also apply to budgets considered at special meetings.

Section 10.8 Special Assessments. In addition to the annual assessment provided for in Section 10.6 above, the Board of Directors may, at any time, and in addition to any other rights it may have, levy a special assessment against all Co-Owners as, in its discretion, it shall deem appropriate. Notice of any such special assessment shall be sent to all Co-Owners prior to becoming effective. Notwithstanding the above, for so long as the Declarant owns any portion of the Condominium, all special assessments must be consented to by the Declarant prior to becoming effective.

Section 10.9 Specific Assessments. The Board shall have the power to specifically assess expenses of the Council of Co-Owners against Units (a) receiving benefits, items, or services not provided to all Units within the Condominium that are incurred upon request of the Owner of a Unit for specific items or services relating to the Unit or (b) that are incurred as a consequence of the conduct of less than all Owners, their licensees, invitees, or guests. The Council of Co-Owners may also levy or specifically assess any Unit to reimburse the Council of Co-Owners for costs incurred in bringing the Unit into compliance with the provisions of the Master Deed, any applicable Supplemental Master Deed, the Articles, the By-Laws, and rules, provided the Board gives prior notice to the Unit Owner and an opportunity for a hearing.

Section 10.10 Capital Budget and Contribution. The Board shall annually prepare a capital budget which shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Council of Co-Owners, as shown on the capital budget. The capital contribution required, if any, shall be fixed by the Board and included within the budget and assessment as provided in Section 10.7 of this Article. A copy of the capital budget shall be distributed to each member in the same manner as the operating budget.

Notwithstanding any other provisions of this Master Deed, during the time in which the Declarant appoints the directors and officers pursuant to Article 3, Section 3.4 of the By-Laws, the Declarant shall not be required to prepare a capital budget, set any other capital contribution, or otherwise collect amounts for capital reserves. Any capital contribution collected by the Declarant shall not be collected against a Mortgagee which takes title to a Unit pursuant to foreclosure.

Section 10.11 Date of Commencement of Assessments. The obligation to pay assessments shall commence as to a Unit on the date on which such Unit is conveyed to a Person other than the Declarant. The first annual assessment levied on each Unit shall be adjusted according to the number of days remaining in the fiscal year at the time assessments commence on the Unit.

Section 10.12 Statement of Account. Any Co-Owner, Mortgagee, or a Person having executed a contract for the purchase of a Unit, or a lender considering a loan to be secured by a Unit, shall be entitled, upon written request, to a statement from the Association setting forth the amount of assessments due and unpaid, including any late charges, interest, fines, or other charges against a Unit. The Association shall respond in writing within ten (10) days of receipt of the request for a statement; provided, however, the Association may require the payment of a reasonable fee as a prerequisite to the issuance of such a statement. Such written statement shall be binding on the Association as to the amount of assessments due on the Unit as of the date specified therein.

Section 10.13 Intentionally Deleted.

Section 10.14 Dredging Assessments. As part of its budget, the Board of Directors shall assess and collect funds from the Co-Owners necessary to properly dredge any portions of the Property in order to provide for the safe passage of vessels owned by the Co-Owners. If the depth of the Property or any portions thereof is determined by the Board of Directors to be less than necessary for use by the Co-Owners, and if such is approved by the local, state and federal agencies having jurisdiction, then the Council of Co-Owners may take the necessary steps to dredge and such shall be a Common Expense.

Section 10.15 Intentionally Deleted.

Section 10.16 Voting Rights. In all matters on which the Council of Co-Owners takes action pursuant to its By-Laws, each Co-Owner shall have a vote equal to his percentage interest; provided, however, that during the Declarant Control Period, Declarant shall have full and complete control of the Council of Co-Owners' decisions; and provided further, however, that if a Unit owner has not paid the assessment applicable to his Unit within the 15-day time provided for payment of the same, then he shall have no voting rights until such time as the obligations, together with the late charge and any applicable costs of collection, have been paid in full.

Section 10.17 Easements Appurtenant to Unit Ownership.

(a) Each Co-Owner shall have an appurtenant easement in common with the other Co-Owners to use all pipes, wires, ducts, cables, conduits, utility lines, columns, supporting and sheltering structural members, and other like facilities located in any of the other Units or in the Common Elements and serving his Unit. Each Unit and the Common Elements shall be subject to an appurtenant easement in favor of the other Unit owners to use the pipes, ducts, cables, wires, conduits, utility lines and other facilities serving other Units or the Common Elements and located in each such Unit.

(b) Each Unit shall be subject to and shall have such appurtenant easements of support from and over such other Units and the Common Elements as may be necessary for the quiet enjoyment of such Unit.

ARTICLE XI: COUNCIL OF CO-OWNERS

Section 11.1 Name. The name of the Council of Co-Owners shall be River Reach Pointe Marina Council of Co-Owners, Inc. It shall be a non-profit corporation organized under the laws of South Carolina. The Regime shall be administered, supervised and managed by the Council of Co-Owners, which shall have its initial principal office at 65 Gadsden St., Suite 100, Charleston, South Carolina 29401, and which shall act by and on behalf of the Co-Owners of the Units in the Regime in accordance with this instrument, the By-Laws and the Act. The By-Laws, attached hereto as Exhibit "D," form an integral part of the plan of ownership herein described, shall govern the affairs of the Co-Owners of the Regime and shall be construed in conjunction with the provisions of this Master Deed.

Section 11.2 Rights. The Council of Co-Owners, acting through its Board of Directors, is vested with the rights, powers, privileges and duties necessary or incidental to the administration of the Regime, including the care and upkeep of the common elements, such rights, powers, privileges and duties being more particularly set forth in its Articles of Incorporation and the By-Laws.

Section 11.3 Membership: Each Co-Owner shall automatically, upon becoming the owner of a Unit, be a member of the Council of Co-Owners, and shall remain a member of said council until such time as his, her or its ownership ceases for any reason, at which time, his, her or its membership in the Council of Co-Owners shall automatically cease. Other than as an incident to a lawful transfer of the title to an Unit, neither membership in the Council nor any share in the assets of the Council shall be transferable, and any attempted transfer shall be null and void.

Section 11.4 Repair of Units: Notwithstanding the duty of the Council of Co-Owners to maintain and repair parts of the Regime, said council shall not be liable to a Co-Owner for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the Property or caused by the elements or the other Co-Owners or Persons.

Section 11.5 Access to Units: The Council of Co-Owners, acting through its Board of Directors, has the irrevocable right to have access to each Unit during reasonable hours as may be necessary for the maintenance, repair, or replacement of the Common Elements, or for making emergency repairs necessary to prevent damage to the Common Elements or to another Unit. The Council of Co-Owners shall also have the right, upon reasonable notice to the affected Co-Owners, to temporarily move any and all docks for maintenance, repair or dredging purposes, and/or require the Co-Owners' removal of vessels from their Units for such purposes or, in the event of a pending hurricane or storm, to avoid damage to the Common Elements that might occur if the vessels were not so removed.

Section 11.6 Easements for Maintenance and Operation: The Council of Co-Owners, acting through its Board of Directors, has the right to grant permits, licenses, and easements for access to and over the common elements for utilities, roads, and other purposes necessary for the proper maintenance or operation of the Regime.

Section 11.7 Enforcement of Agreements: The Council of Co-Owners shall have a right of action against any Co-Owner to enforce compliance with the By-Laws and with the administrative rules and regulations adopted pursuant thereto and with the covenants, conditions and restrictions contained in this Master Deed. Subject to the limitations of any other applicable provisions of South Carolina law, the Council of Co-Owners shall have a statutory lien against each Unit to secure payment of delinquent assessments, as well as interest, late charges and costs of collection (including reasonable attorneys' fees). Such lien shall be superior to all other liens, except (a) the liens of all taxes, bonds, assessments, and other levies which by law would be superior; (b) the lien or charge of any recorded first mortgage made in good faith and for value; and (c) labor or materialmen's liens, to the extent required by law. Such lien, when delinquent, may be enforced in the same manner as provided for the foreclosure of Mortgages under South Carolina law. All such costs and expenses of any such foreclosure shall be secured by the lien being foreclosed. The Council of Co-Owners may bid for the Unit, as applicable, at the foreclosure sale and acquire, mortgage, and convey the Unit. Sale or transfer of any Unit shall not affect the assessment lien or relieve such Unit from the lien for any subsequent assessments. However, the sale or transfer of any Unit pursuant to foreclosure of the first mortgage shall extinguish the lien as to any installments of such assessments due prior to the Mortgagee's foreclosure. Uncollected assessments shall be deemed Common Expenses collectible from Owners of all Units. The subsequent Co-Owner of the foreclosed Unit shall not be personally liable for assessments on such Unit due prior to such acquisition of title.

Section 11.8 Management of Regime: For the benefit of the Co-Owners and the Council of Co-Owners, and in order to maintain proper management of the Property, the Board of Directors is hereby expressly authorized to enter into a management agreement with a management company to be chosen by the Board of Directors regarding the management of the Regime.

Section 11.9 Sale of Dock Units. A Co-Owner intending to make a transfer or sale of a Dock Unit or any interest in a Unit shall give written notice to the Board of such intention within seven (7) days after execution of the transfer or sales documents. The Co-Owner shall furnish to the

Board as part of the notice (i) the name and address of the intended grantee; and (ii) such other information as the Board may reasonably require. Within seven (7) days after receiving title to a Unit, the purchaser of the Unit shall give written notice to the Board of his or her ownership of the Unit. Upon failure of a Owner to give the required notice within the seven-day time period provided herein, the Board may levy fines against the Unit and the Owner thereof, and assess the Owner for all costs incurred by the Association in determining his or her identity.

## ARTICLE XII: DECLARANT'S RIGHTS AND OBLIGATIONS

Section 12.1 Declarant Initial Owner of All Units: Declarant shall initially be the owner of all Units hereby created.

### Section 12.2 Easement Reservation:

(a) Declarant hereby reserves for itself, its agents, successors and assigns, a permanent, assignable, transmissible easement for utilities and for access, ingress and egress upon, over and across the Common Elements (i) for the purpose of construction, repair, replacement, maintenance, use and enjoyment of certain proposed docks and appurtenant structures which Declarant or its assigns may, at their sole option and discretion, develop, construct and/or have constructed contiguous to the Condominium within the adjacent waters of the River Reach Pointe Marina (ii) for the purpose of installing, replacing, repairing and maintaining utilities serving said docks and appurtenant structures; and (ii) for the purpose of discharging Declarant's obligation or exercising Declarant's rights and for doing all things reasonably necessary and proper in connection therewith.

(b) For so long as Declarant owns any Unit primarily for the purpose of sale, Declarant and its duly authorized contractors, representatives, agents, and employees shall have: (a) an easement for the maintenance of signs, a sales office, a business office, promotional facilities and model Units on the Condominium, together with such other facilities as in the opinion of Declarant may be reasonably required, convenient or incidental to the completion, renovation, improvement, development or sale of the Unit; (2) a transferable easement on, over, through, under and across the Common Elements and Limited Common Elements for the purpose of making improvements on the Condominium or any portion thereof, for the purpose of installing, replacing, repairing and maintaining all utilities serving the Condominium, and for the purpose of doing all things reasonably necessary and proper in connection therewith;

(c) As part of the Declarant's right to annex additional property to the Condominium, the Declarant reserves unto itself, and its successors and assigns, non-exclusive easements for ingress and egress over, under, and across all Common Elements and Limited Common Elements and such other reasonable right of access to, and use of, the Common Elements and Limited Common Elements as may be necessary for the construction, maintenance and marketing of the additional Units in Stage 2 and/or Stage 3.

(d) In the event Declarant is unable to proceed with Stage 2 or Stage 3 of the development as a result of permitting or planning issues, or for any other reason, Declarant reserves the right to form a separate condominium regime for the additional units. The separate condominium regime, and the owners of units therein, would have all of the rights reserved in (a), (b) and (c) above, and would have the right to use the Common Elements, and would share, pro-rata, in the maintenance and repair of said Common Elements.

Section 12.3 Right to Appoint and Remove Directors. The Declarant shall have the right to appoint and remove any member or members of the Board of Directors of the Association subject to such limitations as set forth below. The Declarant's authority to appoint and remove members of the Board of Directors of the Association shall expire on the first to occur of the following:

- (a) twenty-four (24) months after ninety percent (90%) of the Units in the Condominium have been transferred by the Declarant to Co-Owners other than a Person or Persons constituting the Declarant; or
- (b) the expiration of five (5) years after the date upon which this Master Deed is recorded in the ROD Office for Berkeley County; or
- (c) the date on which the Declarant voluntarily relinquishes such right by executing and recording an amendment to this Master Deed, which shall become effective as specified in such amendment.

Section 12.4 Number and Terms of Directors Appointed by Declarant. The Board of Directors of the Association shall be comprised initially of no less than three (3) and no more than five (5) Directors, who shall be appointed and/or reappointed by the Declarant, whose terms shall expire at the time of expiration of the rights of Declarant above.

Section 12.5 Sale and Leasing of Units. Notwithstanding anything to the contrary contained herein, Declarant shall have the right to sell units and to erect and maintain signs to facilitate such sales as it, in its sole discretion, deems appropriate and shall not be required to comply with the provisions of this Master Deed regarding signs and sales.

Section 12.6 Construction and Sale Period. Notwithstanding any provisions in this Master Deed, the By-Laws, Articles of Incorporation, use restrictions, rules and regulations, design guidelines, any amendments thereto, and related documents, for so long as Declarant owns any portion of the Condominium, it shall be expressly permissible for Declarant and any builder or developer approved by Declarant to maintain and carry on, upon such portion of the Condominium as Declarant may deem necessary, such facilities and activities as in the sole opinion of Declarant may be required, convenient, or incidental to Declarant's and such builder's or developer's development, construction, and sales activities related to the property described on Exhibits "A" and "B" to this Master Deed, including, but without limitation, the right of access, ingress or egress for vehicular and pedestrian traffic over, under, on or in the Condominium; the right to tie

into any portion of the Condominium with streets, driveways, parking areas and walkways; the right to tie into and/or otherwise connect and use (without a tap-on or any other fee for so doing), install, lay, replace, relocate, maintain and repair any device which provides utility or similar services including, without limitation, electrical, telephone, natural gas, water, sewer and drainage lines and facilities constructed or installed in, on, under and/or over the Condominium; the right to carry on sales and promotional activities in the Condominium; and the right to construct and operate business offices, signs, construction trailers, model Units, and sales offices. Declarant and any such builder or developer may use Units or offices owned by Declarant or such builder or developer as model Units and sales offices. Rights exercised pursuant to such reserved easement shall be exercised with a minimum of interference to the quiet enjoyment of affected property, reasonable steps shall be taken to protect such property, and damage shall be repaired by the Person causing the damage at its sole expense.

### ARTICLE XIII COMMON PROFITS

Section 13.1 Common Profits may, at the discretion of the Board of Directors, be:

- (a) Distributed among the Co-Owners according to the percentages of the undivided interests in the Common Elements;
- (b) Credited to their Common Charges according to the stated percentage; or
- (c) Used for any other purpose as the Board of Directors decides.

### ARTICLE XIV: USE RESTRICTIONS

Section 14.1 Moorage of Vessels. Each Dock Unit shall be used by the Co-Owner solely for the moorage of vessels. Subject to the provisions Section 14.2 below, such vessels must lie within the Dock Unit's boundaries (i.e., its Usable Moorage Length and Usable Moorage Width), with only such allowed overhangs as referenced in Section 14.2; provided further, however, that a Co-Owner's right to use these overhang areas shall at all times be further subject to Rules and Regulations promulgated by the Board of Directors from time to time and further subject to any restrictions imposed by a local, state or federal agency having jurisdiction. The permanent moorage of vessels to the POA Unit is expressly prohibited.

Section 14.2 Improvements and Alterations. No improvements or alterations of any nature whatsoever other than routine maintenance shall be permitted to a Unit without the written prior approval of the Board of Directors. Without limitation, no Dock Units may be improved with wide-body boat docks; outboard, sterndrive or jet boat docks; air, pontoon or catamaran docks; combination boat docks; or other similar improvements without the prior written consent of the Board of Directors. Boat lifts and associated equipment are expressly permitted, subject to the rules and regulations promulgated by the Board of Directors from time to time. All boat lifts and

associated equipment shall be deemed part of the Dock Units, the property of the owner of a Dock Unit and at the sole risk and expense of the owner of the Dock Unit. The owners of Dock Units are hereby notified that regulations of the Office of Coastal and Resource Management of the South Carolina Department of Health and Environmental Control ("OCRM") will prohibit the owners of Dock Units 2, 4, 6, 8 and 10 that have boat lifts located in such Dock Units from docking vessels larger than twenty-two feet (22') in length in such Dock Units. Provided, however, that if the owners of such Dock Units do not have boat lifts located in such Dock Units, such owners may dock vessels up to thirty-six feet (36') in length in such Dock Units, subject to the environmental limitations and conditions set forth in Section 14.12. The Owners of Dock Units 1, 3, 5, 7 and 9 may dock vessels up to thirty-six feet (36') in length in such Dock Units, with or without boat lifts, subject to the environmental limitations and conditions set forth in Section 14.12.

Section 14.3 Commercial Activities Prohibited. No commercial activities of any kind whatsoever shall be permitted without the consent of the Council of Co-Owners, acting through its Board of Directors; however, this restriction shall not apply to Declarant during the Declarant Control Period and during such time Declarant may use its Units for promotional, marketing, or display purposes. No owner of a Unit may lease such Unit to a third party without the consent of the Council of Co-Owners, acting through its Board of Directors. Except for Units owned by Declarant, no houseboats of any kind shall be permitted to occupy or dock within the Units unless authorized by the Council of Co-Owners. Further, no vessel moored at a Unit may contain a permanent "live-aboard," as such term may be reasonably defined by the Board of Directors from time-to-time in its rules and regulations.

Section 14.4 Intentionally Deleted.

Section 14.5 Rules and Regulations. The Board of Directors shall have the right to prescribe rules and regulations concerning and affecting, among other things, the manner of use, maintenance, operating procedures, procedures of transfer of the Units and the condition and maintenance of vessels to be moored thereto.

Section 14.6 Peaceful Enjoyment. No Co-Owner shall do, or permit to be done, anything upon or with his Unit or upon a vessel moored thereto, which would impair navigation or the soundness or safety of the Regime or which would be noxious or offensive or an interference with the peaceful possession and proper use of other Units, or which would require any alteration of or addition to any of the Common Elements to be in compliance with any applicable law or regulation, or which would otherwise be in violation of law.

Section 14.7 Use of Common Elements. All Co-Owners and their guests shall have a non-exclusive right to use and enjoy the Common Elements for the purposes for which they are intended, subject, however, to the following provisions: (a) no such use shall enter or encroach upon the lawful rights of any other persons; (b) the right of the Board of Directors to restrict the use and govern the operation of the Common Elements by promulgating reasonable rules and regulations with respect thereto, including the right to charge reasonable admission and other

fees for any facility or improvement located thereon and to impose reasonable limitation on the number of guests who may use such facilities and the hours of operation; (c) the right, hereby reserved to the Board of Directors, to suspend a Co-Owner's right to use the Common Elements during the period that an assessment of the Council of Co-Owner remains unpaid or for any other infraction of the Condominium Instruments; (d) the rights of Declarant as set forth herein; and (e) the Access/Utility Easement.

Section 14.8 Emergency Access. In case of any emergency, originating in, or threatening any Unit or vessel moored thereto, regardless of whether the Co-Owner, is present at the time of such emergency, as determined by the Council of Co-Owners or its designated agent, the Council of Co-Owners or its designated agent shall have the right to enter upon such Unit or enter upon any vessel moored at the Unit for the purpose of remedying or abating the cause of such emergency, and such right of entry shall be immediate. In addition, the Board of Directors, or its designated agent, shall have the right, but not the obligation, to relocate and re-moor a vessel moored at a Unit without notice to the owner of the vessel or Unit and without responsibility for damage caused thereby in the event of such relocation or re-mooring is made necessary by any emergency condition.

Section 14.9 Time-Sharing Prohibited. No Unit may be utilized for purposes of time-sharing or interval ownership, licenses, leases, or similar plans as those items 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.

Section 14.10 Leasing. Leasing of Units is expressly prohibited. No Unit may be leased to a third party..

Section 14.11 Signs. Except as may be required by legal proceedings and subject to Declarant's rights reserved in this Master Deed, no signs or advertising posters of any kind shall be maintained or permitted within the Property. The approval of any signs and/or posters shall be upon such conditions as may from time to time be determined by the Council of Co-Owners.

Section 14.12 Disclosure Regarding Water Depths. By acceptance of a deed to a Unit, each Owner of a Unit hereby acknowledges that Declarant makes no representations or warranties regarding the water depths in and around the Dock System or the sizes of vessels that may or may not be able to navigate and dock in and around the Dock System. Each Owner acknowledges that due to environmental conditions and processes, including without limitation accretion, erosion and the accumulation of silt and sand, the water depths in and around the Dock System will vary from time to time. Each Owner takes title to a Unit subject to such environmental conditions and processes and Declarant shall not be liable for any such changes or a Unit Owner's inability to navigate or dock a vessel in or around the Dock System.

## ARTICLE XV: BY-LAWS

Section 15.1 The By-Laws of the Council of Co-Owners shall be as set forth on Exhibit "D" attached hereto and made a part hereof.

## ARTICLE XVI: AMENDMENTS

### Section 16.1 Amendments.

(a) This Master Deed shall be amended, except as provided in (b) below, only by vote of Co-Owners owning seventy-five percent (75%) of the Units and only by and with the consent of Declarant, at any meeting of the Council of Co-Owners duly called for such purpose, following written notice to all Co-Owners, except that no such amendment shall change the rights reserved to Declarant, the boundaries of any Unit, the basic values of the Units and the undivided interest in the Common Elements appertaining thereto, the liability for Common Expenses appertaining to the Units, or rights to Common Profits appertaining thereto. No amendment shall be effective until recorded in the Berkeley County ROD Office.

(b) For so long as the Declarant has the right to appoint and remove directors of the Council of Co-Owners as provided in this Master Deed, the Declarant may unilaterally amend this Declaration for any purpose. Thereafter, the Declarant may unilaterally amend this Declaration at any time and from time to time if such amendment is necessary (i) to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (ii) to enable any reputable title insurance company to issue title insurance coverage on the Units; (iii) to enable any institutional or governmental lender, purchaser, insurer or guarantor of Mortgage loans, including, to make, purchase, insure or guarantee Mortgage loans on the Units; (iv) to satisfy the requirements of any local, state or federal governmental agency; or (v) to correct scrivener's errors. However, any such amendment shall not adversely affect the title to any Unit unless the Owner shall consent in writing.

Section 16.2 By-Laws. The system of administration adopted by the By-Laws may be modified at anytime in accordance with Article VIII, Section 1 of the By-laws, but such modification shall not be operative until recorded in the same office as this Master Deed.

## ARTICLE XVII: POWER OF ATTORNEY TO BOARD OF DIRECTORS

Section 17.1 Each Co-Owner by the acceptance of a deed or by the exercise of any incident of ownership, grants to the Persons who shall, from time to time, constitute the Board of Directors an irrevocable power of attorney, coupled with an interest, to acquire title to any Unit whose owner desires to surrender or sell the same or which may be the subject of foreclosure of judicial sale, in the name of the Board of Directors or its designees, corporation or otherwise, on behalf of a Co-Owners; and to convey, sell, mortgage or otherwise deal with any such Unit so acquired.

### ARTICLE XVIII: PERSONS AND UNITS AFFECTED

Section 18.1 All present and future Co-Owners, mortgagees and occupants of Units shall be subject to and shall comply with the provisions of the Condominium Instruments as they now exist and as they may be amended from time to time. The acceptance of a deed or the exercise of any incident of ownership or the entering into occupancy of a Unit shall constitute agreement that the provisions of such Condominium Instruments are fully accepted and ratified by such Co-Owner, mortgagee or occupant, and all such provisions shall be deemed and taken to be covenants running with the Unit and shall bind any Persons having at any time any interest or estate in such Unit as though the provisions of this Section had been recited and stipulated at length in each and every deed or conveyance thereof.

### ARTICLE XIX: TERMINATION

Section 19.1 Termination. The Co-Owners may remove the Property from the provisions of the Act and of the Condominium Instruments, by an instrument to that effect, recorded and containing the signatures of one hundred percent (100%) of the Co-Owners, provided one hundred percent (100%) of the holders of all liens affecting any of the Units consent thereto or agree in either case by recorded instruments that their liens be transferred to an undivided interest in the Property.

Section 19.2 Ownership. Upon the removal of the Property from the provisions of the Act and the Condominium Instruments, the Co-Owners shall be deemed to own the Property as tenants in common, with undivided interest in the same percentages as the undivided interests previously owned by each in the Common Elements.

Section 19.3 Re-submission. The removal provided for in this Article shall not bar the subsequent re-submission of the Property to the provisions of the Act.

### ARTICLE XX: BOUNDARIES; EASEMENTS FOR ENCROACHMENT

Section 20.1 Boundaries. The existing physical boundaries, as defined in the Condominium Instruments, of any Unit or Common Element now existing or as reconstructed in substantial conformity with the plot plans shall be conclusively presumed to be its boundaries, regardless of the shifting, settlement, or lateral movement of any dock, bulkhead or piling and regardless of minor variations between the physical boundaries as described in this Master Deed or shown on the condominium plan and the existing physical boundaries of any such Unit or Common Element. This presumption applies only to encroachments within the Regime.

Section 20.2 Encroachments. If any portion of any Common Element encroaches on any Unit or if any portion of a Unit encroaches on any Common Element, as a result of the duly authorized repair of the Unit, a valid easement for the encroachment and for the maintenance of the same shall exist so long as the Dock System stands. The purpose of this Section is to protect the Co-

Owners, except in cases of willful and intentional misconduct by them or their agents or employees, and not to relieve Declarant or any contractor, subcontractor, or materialmen of any liability which any of them may have by reason of any failure to adhere substantially to the plot plans.

Section 20.3 Easement Granted to the Council of Co-Owners. There shall be, and Declarant does hereby grant, a general easement in favor of the Council of Co-Owners upon, across, above, and under all of the Property and improvements submitted herein, and expressly including the Units, for ingress, egress, installation, replacing, repairing, and maintaining the Common Elements, and in general for dredging, access, repair, maintenance, ingress and egress, and any other purposes reasonably related to the purposes, rights and duties of the Council of Co-Owners. By virtue of this easement, the Council of Co-Owners shall be expressly permitted to erect and maintain any necessary equipment on the Common Elements and to affix and maintain wires, conduits, cables and the like on, above, across, under and through improvements in the Property, including the Dock System and the Units. Should any person furnishing any service covered by this section request a specific easement by separate recordable documents, the Council of Co-Owners shall have the right to grant such easement under the terms hereof.

Section 20.4 Destruction. If any part of the Condominium is destroyed partially or totally as a result of fire, hurricane, storm or other casualty, or as a result of condemnation or eminent domain proceedings, and then is reconstructed, encroachment of any Unit on any Common Element, due to such reconstruction, shall be permitted and valid easements for such encroachments and the maintenance of them shall exist so long as the Unit exists.

#### ARTICLE XXI: NO SEVERANCE OF OWNERSHIP

Section 21.1 No Co-Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Unit without including the Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more such interest, without including all such interests, shall be deemed to include the interest of interests so omitted, even though the latter shall not be expressly described therein. No part of the Appurtenant Interests of any Unit may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit to which such interests are appurtenant.

#### ARTICLE XXII: DECLARANT'S RIGHTS RESERVED

Section 22.1 As long as Declarant is a Co-Owner, Declarant and its duly authorized agents, representatives and employees may maintain and show its Units for sale.

Section 22.2 Declarant reserves the right to perform such work and repairs on the Property, other than Units which Declarant does not own, and the further right to control all such work and repairs, and the right of access thereto, until its completion.

Section 22.3 Declarant reserves the right to post signs and displays in the Common Elements to promote sales of Units, and to conduct general sales activities.

Section 22.4 So long as Declarant owns any Unit for sale, no action may be taken by the Council of Co-Owners that would be detrimental to the sales of Units by Declarant.

Section 22.5 Intentionally Deleted.

### ARTICLE XXIII: CONDEMNATION

Section 23.1 Common Elements. If any part of the Regime shall be taken or condemned by any authority having the power of eminent domain, such that no Unit, nor Common Element appurtenant thereto is taken, all compensation and damages for and account of the taking, exclusive of compensation for consequential damages to certain affected Units, shall be payable to the Council of Co-Owners, or a Trustee, either as trustee for all Co-Owners and mortgagees according to the loss or damages to their respective interests. The Board of Directors, shall have the right to act on behalf of the Co-Owners with respect to the negotiation and litigation of the issues with respect to the taking and compensation affecting the Common Elements, without limitation on the right of the Co-Owners to represent their own interests. Such proceeds shall be used in accordance with the provisions of the By-Laws. Nothing herein is to prevent Co-Owners whose Units are specifically affected by the taking or condemnation from joining in the condemnation proceedings and petitioning on their own behalf for consequential damages relating to loss of value of the affected Units, or personal improvements therein, exclusive of damages relating to Common Elements. In the event that the condemnation award does not allocate consequential damages to specific Co-Owners, but by its terms includes an award for reduction in value of Units without such allocation, the award shall be divided between the affected Co-Owners and the Council of Co-Owners or Trustee, as their interests may appear.

Section 23.2 Units. If part or all of the Regime shall be taken or condemned by an authority having the power of eminent domain, such that any Unit or apart thereof is taken, the Board of Directors shall have the right to act on behalf of the Co-Owners with respect to the Common Elements as in Section 23.1 hereinabove, and the proceeds shall be payable as outlined therein. The Co-Owners directly affected by such taking shall represent and negotiate for themselves with respect to the damages affecting their respective Units. The awards so made shall be distributed through the Board of Directors or Trustee first to restore the Units and the Common Elements of the Regime in the same manner as provided for restoration under the By-Laws to the extent possible, attempting to rebuild docks containing new Units of the same number, size and basic plan as the Units taken with any excess award distributed in accordance with the provisions of the By-Laws. In the event that the Board of Directors determines that such a taking so removes docks containing Units that they cannot effectively be restored or replaced substantially in compliance with the dock plans, and unless seventy-five percent (75% ) of the Co-Owners and holders of first mortgages encumbering seventy-five percent (75%) of the undivided interest in the Common Elements subject to mortgages vote to accept an alternative plan, then the Council

of Co-Owners shall submit the issue to arbitration in accordance with the Rules of the American Arbitration Council of Co-Owners for remedies with respect to the continued existence or reform of the Regime and the division of the award as to the taken and remaining Units.

#### ARTICLE XXIV: INSURANCE

Section 24.1 The Council of Co-Owners shall obtain and maintain at all times as a Common Expense insurance for the Property with commercially reasonable limits insuring against risks, without prejudice to each Co-Owner to insure that Owner's Unit for that Co-Owner's account and benefit. In case of fire, hurricane, storm or any other disaster, all insurance proceeds attributable to the Dock System shall be used to reconstruct the Dock System to equal or better condition than the Dock System prior to the casualty; provided, however, that the construction shall not be compulsory when the damage comprises the whole or to the extent of eighty (80%) percent of the then replacement cost of the Dock System. In such case, if unanimously agreed upon by all Co-Owners of Dock Units and the holders of mortgage liens affecting at least seventy-five (75%) percent of the Dock Units subject to mortgages, the insurance proceeds shall be delivered pro rata to such Co-Owners, after any cleanup and removal of the Dock System remnants. In the event insurance proceeds are insufficient to cover the cost of reconstruction, the unfunded rebuilding cost shall be a Common Expense. Each Co-Owner shall carry, at such owner's expense, liability insurance with commercially reasonable limits covering the Co-Owner's vessels and Unit, and naming the Council of Co-Owners as a co-insured. In addition, to the extent not covered by the Council of Co-Owners' insurance, each Co-Owner shall carry, at such owner's expense, insurance to cover the improvements and betterments made to the Unit by the owner of such Unit, including without limitation boat lifts and associated equipment.

#### ARTICLE XXV: MORTGAGEES

Section 25.1 Notice Requirements for Eligible Mortgagees. Whenever any mortgagee desires to avail itself of the provisions of this Master Deed with respect to Eligible Mortgagees, it shall furnish written notice thereof to the Council of Co-Owners by CERTIFIED MAIL at the address shown in the Articles of Incorporation, and any amendments thereto, identifying the Unit or Units upon which any such mortgagee holds any first lien or identifying any Unit or Units owned by such mortgagee and such notice shall designate the place to which notices, reports or information are to be given by the Council of Co-Owners to such Eligible Mortgagees.

Section 25.2 Title. Any first mortgagee obtaining title to a Unit pursuant to the remedies provided in the mortgage or foreclosure of the mortgage will not be liable for such Unit's unpaid assessments or Common Charges which accrue prior to the acquisition of title to such Unit by the mortgagee.

Section 25.3 Notices. In addition to any other notices required to be given by the Council of Co-Owners to holders of first mortgage liens on Units, the following notices shall be provided to a such mortgagees from which the Council of Co-Owners has received written request: (i) written notice at least thirty (30) days prior to the effective date of an amendment to the Master Deed or

the By-Laws; (ii) written notice of any default by any Owner whose Unit is subject to a mortgage lien, given to such lien holder, of any obligation of such Owner provided for in the Master Deed or the By-Laws on which default is not cured within thirty (30) days after the same shall occur; and (iii) written notice to mortgagees of record of substantial damage or destruction to the Dock System.

Section 25.4 Failure of Mortgagee to Respond. Any mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Council of Co-Owners does not receive a written response from the mortgagee within 30 days of the date of the Council of Co-Owners' request, provided such request is delivered to the mortgagee by certified or registered mail, return receipt requested.

## ARTICLE XXVI: MISCELLANEOUS

Section 26.1 Captions and Gender. The captions contained in the Condominium Instruments are inserted only as a matter of convenience and for reference, and in no way describe the scope or intent of the Condominium Instruments. The use of the masculine gender shall be deemed to refer to the feminine and neuter gender and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

Section 26.2 Waiver. No provision contained in the Condominium Instruments shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 26.3 Invalidity. The invalidity of any provision of the Condominium Instruments shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder.

Section 26.4 Conflict. In the event of any conflict between the Condominium Instruments and the provisions of the statutes, the provisions of the statutes shall control. In the event of any conflict between this Master Deed and any other Condominium Instrument, this Master Deed shall control.

Section 26.5 Conditional Rights. All rights of a Co-Owner in and to his Unit and/or his percentage interest in the Common Elements is subject to restrictions imposed by local, state or federal entities with jurisdiction. By acceptance of a deed to a Unit, a Co-Owner acknowledges receipt of copies of the permits and licenses issued to the Declarant in connection with the construction of the Dock System, and also acknowledges an obligation to conform his use of the Unit to the restrictions imposed on it by any local, state or federal entity with jurisdiction.

Section 26.6 Covenants Running With the Land. All provisions of this Master Deed will be construed to be covenants running with the land, and with every part thereof and interest therein, including, but not limited to, every Unit and the appurtenances thereto; and each and every provision of this Master Deed will bind and inure to the benefit of the Declarant and all Owners

and claimants of the Regime or any part thereof or interest therein, and their heirs, executors, administrators, successors and assigns.

Section 26.7 Enforcement. Each Owner will comply strictly with the By-Laws and with the Rules and Regulations of the Association, as either of the same may be lawfully amended from time to time, and with the covenants, conditions and restrictions set forth in this Master Deed and in the deed to his Unit. Failure to comply with any of the same will be grounds for an action to recover sums due, for damages or injunctive relief, or for all three, maintainable by the Board of Directors on behalf of the Association or by any aggrieved Owner. In addition, the rights of any Owner or lessee of an Owner, their families, invitees or guests to use and to enjoy the Common Area may be suspended by the Board of Directors for continued violation of the Rules and Regulations. Failure by the Association or any Owner to enforce any of the foregoing will in no event be deemed a waiver of the right to do so thereafter.

(a) Authority and Enforcement. Subject to the provisions of Section 26.7(b) hereof, upon the violation of this Master Deed, the By-Laws, or any rules and regulations duly adopted hereunder, including, without limitation, the failure to timely pay any Assessments, the Board will have the power (i) to impose reasonable monetary fines which will constitute an equitable charge and a continuing lien as a specific Assessment, (ii) to suspend an Owner-Member's right to vote in the Association, or (iii) to suspend an Owner's or Occupant's right to use any of the Common Areas. The Board will have the power to impose all or any combination of these sanctions, and may establish each day a violation remains uncured as a separate violation for which a fine is due; provided, however, an Owner's access to its property over the private roads and streets constituting Common Areas will not be terminated hereunder. An Owner or Occupant will be subject to the foregoing sanctions in the event of such a violation by such Owner or Occupant. Any such suspension of rights may be for the duration of the infraction and for any additional period thereafter, not to exceed thirty (30) days.

(b) Procedure. Except with respect to the failure to any Assessments, the Board will not impose a fine, suspend voting rights, or infringe upon or suspend any other rights of an Owner or other Occupant of the Project for violations of the Master Deed, By-Laws, or any rules and regulations of the Association, unless and until the following procedure is followed:

(i) Demand to Cease and Desist. Written demand to cease and desist from alleged violation will be served upon the Owner responsible for such violation specifying:

(A) The alleged violation;

(B) The action required to abate the violation; and

(C) A time period of not less than ten (10) days during which the violation may be abated without further sanction, if such violation is a continuing one, or if the violation is not a continuing one, a statement that any further violation of the same provision of

this Master Deed, the By-Laws, or of the rules and regulations of the Association may result in the imposition of sanctions after notice and hearing.

(ii) Notice of Hearing. Within twelve (12) months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same violation subsequently occurs, the Board may serve such Owner with written notice of a hearing to be held by the Board in executive session. The notice will contain:

- (A) The nature of the alleged violation;
- (B) The time and place of the hearing, which time will be not less than ten (10) days from the giving of the notice;
- (C) An invitation to attend the hearing and produce any statement, evidence, and witnesses on his behalf; and
- (D) The proposed sanction to be imposed.

(iii) Hearing. The hearing will be held in executive session of the Board of Directors pursuant to the notice and will afford the alleged violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard will be placed in the minutes of the meeting. Such proof will be deemed adequate if a copy of the notice together with a statement of the date and matter of delivery is entered by the officer, director, or other individual who delivered such notice. The notice requirement will be deemed satisfied if an alleged violator appears at the meeting. The minutes of the meeting will contain a written statement of the results of the hearing and the sanction imposed, if any.

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IN WITNESS WHEREOF, the undersigned Declarant has executed this Master Deed on the day and year first hereinabove written.

WITNESSES:

James H. Sudduth  
Elizabeth Salvo

**River Reach Pointe, LLC**

By: Charles M. Huff  
Its: Member

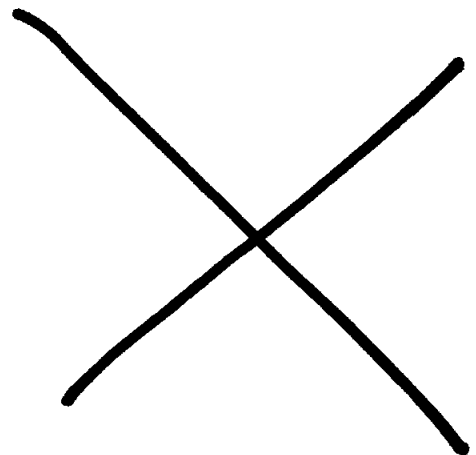
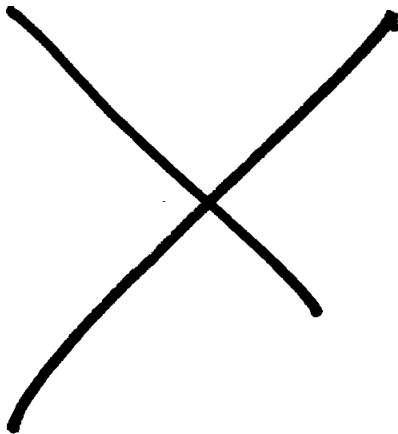
STATE OF SOUTH CAROLINA    )  
  )  
COUNTY OF CHARLESTON    )

The foregoing Master Deed was acknowledged before me this 21 day of February, 2006, by River Reach Pointe, LLC, by Charles M. Huff, its Member.

Mary Elizabeth Salvo  
Notary Public for South Carolina  
My Commission Expires: 11/19/09  
[SEAL]

**EXHIBIT "A"**

PROPERTY SUBMITTED



**EXHIBIT "A"****PROPERTY SUBMITTED**

All those certain docks, piers, floating docks, common areas and all other real and personal property comprising of the River Reach Pointe Marina, and containing within its boundaries Dock Unit 1, Dock Unit 2, Dock Unit 3, Dock Unit 4, Dock Unit 5, Dock Unit 6, Dock Unit 7 and Dock Unit 8, all as shown on that certain plat entitled "EXHIBIT "B" TO MASTER DEED OF RIVER REACH POINTE MARINA HORIZONTAL PROPERTY REGIME RIVER REACH POINTE SUBDIVISION, LOCATED ON RIVER REACH DRIVE, NEAR CAINHOY TOWNSHIP BERKELEY COUNTY, SOUTH CAROLINA" ("Plat") prepared by Conner Engineering and dated February 16, 2006, which plat is attached to this Master Deed as Exhibit "B".

The property described above is subject to the following:

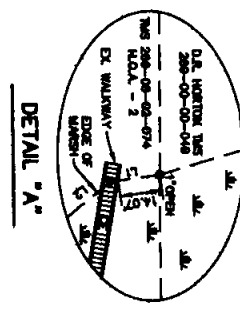
1. All facts and conditions which may be shown on the Plat and physical examination of the Unit;
2. Taxes for the year 2006 and subsequent years which are a lien but not yet due and payable;
3. Terms, Conditions, Reservations, Easements, Rights to Repurchase, Assessments and Obligations of the Master Deed;
4. All applicable zoning and/or development laws and ordinances, including those of Berkeley County;
5. Navigable servitude of the U.S. Government and State of South Carolina or any political division thereof and rights of the public to the use of any navigable waters covering any land included in the description of the insured premises;
6. Rights and jurisdiction vested in the South Carolina Department of Health and Environmental Control – Office of Coastal Resources Management by law, including the power of said agency to mandate the removal or modification of any docking facility constructed in accordance with its permitting authority;
7. 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 use vested in the South Carolina Department of Health and Environmental Control – Office of Coastal Resources Management;
8. Restrictions and conditions set out and imposed by the Horizontal Property Act, Chapter 31, Code of Laws of the State of South Carolina, 1976;
9. The terms and conditions of all permits and licenses issued by federal, state and local

governments, their respective agencies, and quasi-governmental or private agencies having jurisdiction over the Project, including the U.S. Army Corps of Engineers, the South Carolina Department of Health and Environmental Control, the Office of Coastal Resources Management and Berkeley County.

10. Possible rights reserved to the State of South Carolina to the State of South Carolina to that area lying between the low water mark and the high water mark of abutting waterways, and sometimes referred to as "Tide Lands" and "Marshlands."
11. Interest created by or limitations on use imposed by the federal coastal zone management act or other federal law or regulations, or by South Carolina Code Section 48-39-10 through 48-39-200, as amended, or any regulations promulgated pursuant to state or federal laws;
12. All easements established in connection with the development of the above-described property; and
13. All matters shown on the site and dock plans attached to the Master Deed as Exhibit "B".

## **EXHIBIT "B"**

### **SITE AND DOCK PLANS, ELEVATIONS AND ENGINEER'S CERTIFICATE**



**LOCATION MAP**  
(NOT TO SCALE)

**DETAIL "A"**

NOTES:  
1. THIS PROPERTY IS LOCATED IN FLOOD ZONE AE (ELEV. 9) AND AE (ELEV. 11) AS PER FIRM PANEL NO. 45015C007260 AND 0737-0 DATED 10/16/03 (PANEL DATED 10/16/03). FLOOD ZONE WILL BE DETERMINED BY SEALING FROM FEMA MAPS. CONSULT WITH LOCAL BUILDING OFFICIALS FOR REVISIONS TO PLANS BEFORE CONSTRUCTION.  
2. REBARING SHOWN HEREIN ARE MINIMUM AND AS SUCH ARE SUBJECT TO LOCAL ATTRIBUTION.

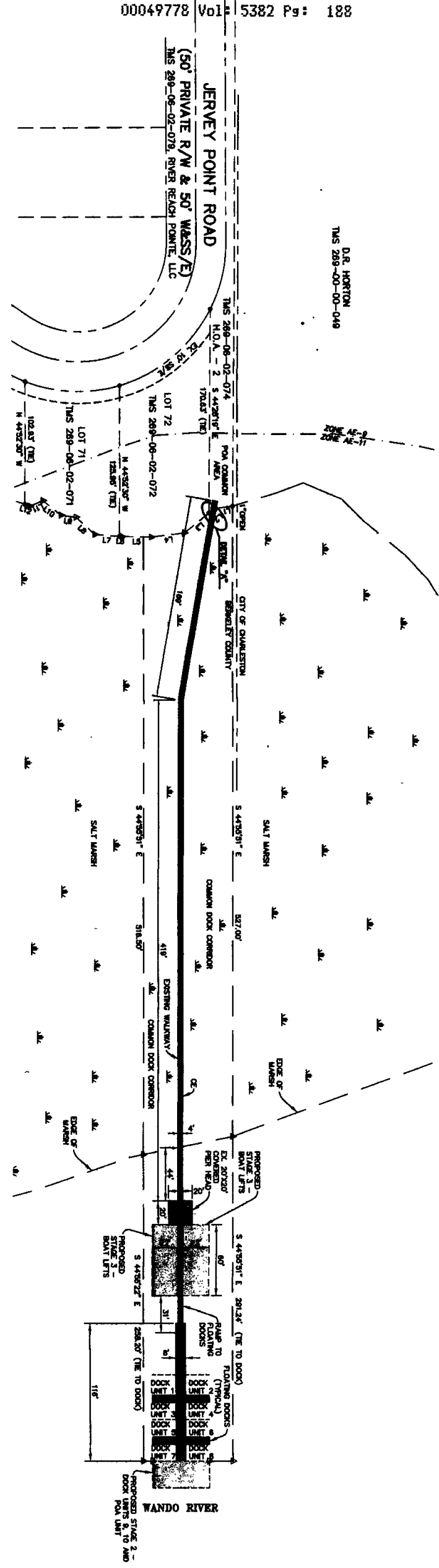
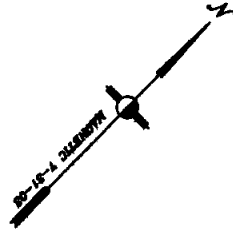
REFERENCES:  
1. TUS 200-08-02-07A.  
2. REFERENCE PLAT BY COMMON ENGINEERING, INC. DATED JANUARY 26, 2004 AND RETURNED IN CAS Q PAGE 361-C, 361-D & 362-A IN THE BERNELLY COUNTY REC.

- CALCULATED POINT, NO BANNER SET
- COMMON ELEMENT
- CONDOMINIUM ELEMENT
- CO-OWNERS, M.C.
- LIMITED CO-OWNERS ASSOCIATION, INC.
- FLOOR PLANS, PROPERTY OWNER'S ASSOCIATION, INC.
- REAR PORCH (1/2' WALLS NOTED)
- REAR SET (1/2')
- PLANNING

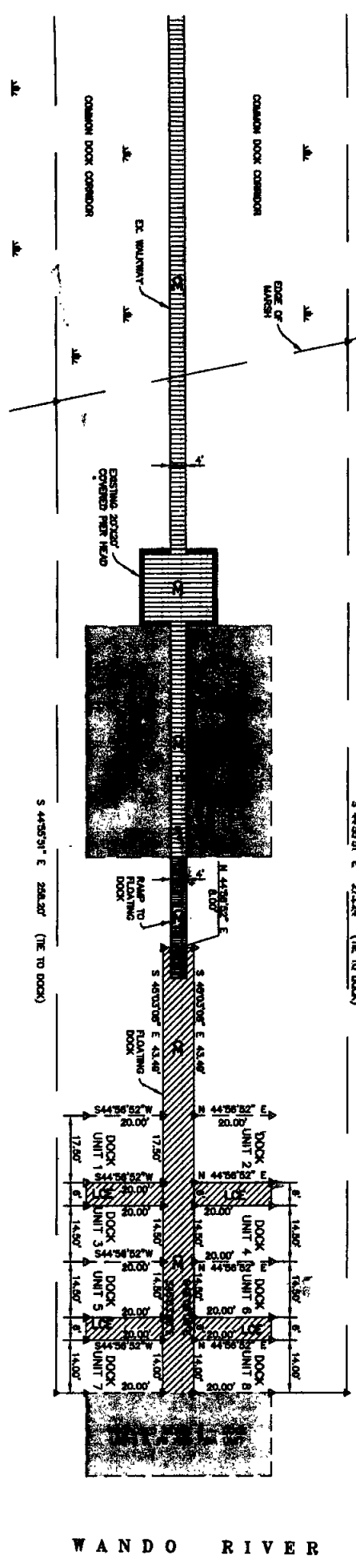
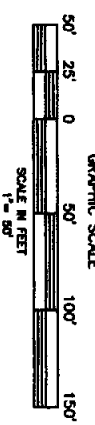
LINE		LINE VALUE	
LINE	LENGTH	BEARING	
L1	15.832	S 27.410° W	
L2	8.068	S 09.017° E	
L3	26.832	S 08.172° E	
L4	26.41	S 17.130° E	
L5	24.861	S 48.055° E	
L6	2.32	S 49.293° E	
L7	21.10	S 49.293° E	
L8	21.280	S 47.033° E	
L9	12.940	S 45.525° E	
L10	13.541	S 45.263° E	
L11	12.045	S 22.256° W	
L12	4.302	S 44.376° W	

[illegible]

) S.C. Registration Number 14183



**PLAN VIEW**  
**SCALE: 1"=50'**

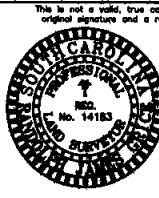


**ENLARGE VIEW**



**EXHIBIT "B" TO MASTER DEED  
OF RIVER REACH POINTE MARINA  
HORIZONTAL PROPERTY REGIME  
RIVER REACH POINTE SUBDIVISION  
LOCATED ON RIVER REACH DRIVE, NEAR CAINHOY TOWNSHIP  
BERKELEY COUNTY, SOUTH CAROLINA**


Revision	By	Appd.	MM/DD/YY
Issued	By	Appd.	MM/DD/YY
1777 Dock Survey As-built/dwg	DLC/RUG	RUG	02-18-08
Dwg. Name	Desn.	Chkd.	MM/DD/YY



**CONNOR ENGINEERING, INC.**

**Engineers — Surveyors — Planners**  
**2587 Ashley River Road**  
**Charleston, South Carolina 29414**  
**Phone: 766-0462 Fax: 766-1001**  
**Email: mail@connoreng.com**

## ENGINEER'S CERTIFICATE

  
\_\_\_\_\_  
Notary Public for South Carolina  
My Commission Expires: FEBRUARY 22 2011

## **EXHIBIT "C"**

### **SCHEDULE OF BASIC VALUES AND PERCENTAGE OWNERSHIP FOR STAGE 1, STAGE 2 AND STAGE 3**

**EXHIBIT "C"**  
**SCHEDULE OF BASIC VALUES AND PERCENTAGE OWNERSHIP**  
**OF COMMON ELEMENTS FOR STAGE 1**

---

**STAGE 1 - DOCK UNITS 1 THROUGH 8**

---

<b>Unit Description</b>	<b>Value</b>	<b>% Interest in Common Elements</b>
Dock Unit 1	\$ 10,000.00	12.5%
Dock Unit 2	\$ 10,000.00	12.5%
Dock Unit 3	\$ 10,000.00	12.5%
Dock Unit 4	\$ 10,000.00	12.5%
Dock Unit 5	\$ 10,000.00	12.5%
Dock Unit 6	\$ 10,000.00	12.5%
Dock Unit 7	\$ 10,000.00	12.5%
Dock Unit 8	\$ 10,000.00	12.5%
 Total	 \$ 80,000.00	 100.0000%

## STAGE 2 - DOCK UNITS 1 THROUGH 10 AND POA UNIT

Unit Description	Value	% Interest in Common Elements
Dock Unit 1	\$ 10,000.00	9.09%
Dock Unit 2	\$ 10,000.00	9.09%
Dock Unit 3	\$ 10,000.00	9.09%
Dock Unit 4	\$ 10,000.00	9.09%
Dock Unit 5	\$ 10,000.00	9.09%
Dock Unit 6	\$ 10,000.00	9.09%
Dock Unit 7	\$ 10,000.00	9.09%
Dock Unit 8	\$ 10,000.00	9.09%
Dock Unit 9	\$ 10,000.00	9.09%
Dock Unit 10	\$ 10,000.00	9.09%
POA Unit	\$ 10,000.00	9.09%
Total	\$ 110,000.00	100.0000%

**EXHIBIT "C"**  
**SCHEDULE OF BASIC VALUES AND PERCENTAGE OWNERSHIP**  
**OF COMMON ELEMENTS FOR STAGE 1, STAGE 2 & STAGE 3**

---

**STAGE 3 - DOCK UNITS 1 THROUGH 10**  
**AND POA UNIT**  
**AND BOAT LIFT UNITS 1 THROUGH 10**

---

<b>Unit Description</b>	<b>Value</b>	<b>% Interest in Common Elements</b>
Dock Unit 1	\$ 10,000.00	4.7619%
Dock Unit 2	\$ 10,000.00	4.7619%
Dock Unit 3	\$ 10,000.00	4.7619%
Dock Unit 4	\$ 10,000.00	4.7619%
Dock Unit 5	\$ 10,000.00	4.7619%
Dock Unit 6	\$ 10,000.00	4.7619%
Dock Unit 7	\$ 10,000.00	4.7619%
Dock Unit 8	\$ 10,000.00	4.7619%
 Dock Unit 9	 \$ 10,000.00	 4.7619%
Dock Unit 10	\$ 10,000.00	4.7619%
POA Unit	\$ 10,000.00	4.7619%
 Boat Lift Unit 1	 \$ 10,000.00	 4.7619%
Boat Lift Unit 2	\$ 10,000.00	4.7619%
Boat Lift Unit 3	\$ 10,000.00	4.7619%
Boat Lift Unit 4	\$ 10,000.00	4.7619%
Boat Lift Unit 5	\$ 10,000.00	4.7619%
Boat Lift Unit 6	\$ 10,000.00	4.7619%
Boat Lift Unit 7	\$ 10,000.00	4.7619%
Boat Lift Unit 8	\$ 10,000.00	4.7619%
Boat Lift Unit 9	\$ 10,000.00	4.7619%
Boat Life Unit 10	\$ 10,000.00	4.7619%
 Total	 \$ 210,000.00	 100%

**EXHIBIT "C"**  
**SCHEDULE OF BASIC VALUES AND PERCENTAGE OWNERSHIP**  
**OF COMMON ELEMENTS FOR STAGE 1 & STAGE 3**

**DOCK UNITS 1 THROUGH 8**  
**AND BOAT LIFT UNITS 1 THROUGH 10**

<b>Unit Description</b>	<b>Value</b>	<b>% Interest in Common Elements</b>
Dock Unit 1	\$ 10,000.00	5.5555%
Dock Unit 2	\$ 10,000.00	5.5555%
Dock Unit 3	\$ 10,000.00	5.5555%
Dock Unit 4	\$ 10,000.00	5.5555%
Dock Unit 5	\$ 10,000.00	5.5555%
Dock Unit 6	\$ 10,000.00	5.5555%
Dock Unit 7	\$ 10,000.00	5.5555%
Dock Unit 8	\$ 10,000.00	5.5555%
Boat Lift Unit 1	\$ 10,000.00	5.5555%
Boat Lift Unit 2	\$ 10,000.00	5.5555%
Boat Lift Unit 3	\$ 10,000.00	5.5555%
Boat Lift Unit 4	\$ 10,000.00	5.5555%
Boat Lift Unit 5	\$ 10,000.00	5.5555%
Boat Lift Unit 6	\$ 10,000.00	5.5555%
Boat Lift Unit 7	\$ 10,000.00	5.5555%
Boat Lift Unit 8	\$ 10,000.00	5.5555%
Boat Lift Unit 9	\$ 10,000.00	5.5555%
Boat Lift Unit 10	\$ 10,000.00	5.5555%
Total	<u>\$ 180,000.00</u>	<u>100.0000%</u>

## **EXHIBIT "D"**

### **ARTICLES OF INCORPORATION AND BY-LAWS OF THE RIVER REACH POINTE MARINA COUNCIL OF CO-OWNERS, INC.**

CERTIFIED TO BE A TRUE AND CORRECT COPY  
AS TAKEN FROM AND COMPARED WITH THE  
ORIGINAL ON FILE IN THIS OFFICE

00049778 Vol: 5382 Pg: 196

FEB 15 2006

Mark Hammond  
SECRETARY OF STATE OF SOUTH CAROLINA

STATE OF SOUTH CAROLINA  
SECRETARY OF STATE

NONPROFIT CORPORATION  
ARTICLES OF INCORPORATION

TYPE OR PRINT CLEARLY IN BLACK INK

1. The name of the proposed corporation is The River Reach Pointe Marina Council of Co-Owners, Inc.
2. The initial registered office of the nonprofit corporation is 75 Beattie Place, Two Liberty Square, Greenville, South Carolina 29601.

The name of the registered agent of the nonprofit corporation at that office is CT Corporation System.

I hereby consent to the appointment as registered agent of the corporation.

CT Corporation System

By: Linda W. Willeshaw  
Linda W. Willeshaw, Special Assistant Secretary  
Name and Title (Print)  
CT Corporation System - SC

3. Check "a", "b" or "c", whichever is applicable. Check only one box:

a)



[ ] The nonprofit corporation is a public benefit corporation.

b)



[ ] The nonprofit corporation is a religious corporation.

c)



[x] The nonprofit corporation is a mutual benefit corporation.

4. Check "a" or "b", whichever is applicable:

a)



[x] This corporation will have members.

b)



[ ] This corporation will not have members.

5. The address of the principal office of the nonprofit corporation is 65 Gadsden Street, Charleston, South Carolina, 29401.

Charleston: 341938 v.2

060215-0052

FILED: 02/15/2006

RIVER REACH POINTE MARINA COUNCIL OF CO-OWNERS,

Filing Fee: \$25.00 ORIG



Mark Hammond

South Carolina Secretary of State

6. If this nonprofit corporation is either a public benefit or religious corporation (when box "a" or "b" of paragraph #3 is checked), complete either "a" or "b", whichever is applicable to describe how the remaining assets of the corporation will be distributed upon dissolution of the corporation.

a)



[ ]

Upon dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code or the corresponding section of any future federal tax code, or shall be distributed to the Federal government, or to a state or local government, for a public purpose. Any such asset not so disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

b)



[ ]

Upon dissolution of the corporation, consistent with the law, the remaining assets of the corporation shall be distributed to:

---

7. If the corporation is a mutual benefit corporation (when box "c" of paragraph 3 is checked), complete either "a" or "b", whichever is applicable, to describe how the (remaining) assets of the corporation will be distributed upon dissolution of the corporation.

a)



[X]

Upon dissolution of the mutual benefit corporation, the (remaining) assets shall be distributed to its members, or if it has no members, to those persons to whom the corporation holds itself out as benefiting or serving.

b)



[ ]

Upon dissolution of the mutual benefit corporation, the (remaining) assets, consistent with the law, shall be distributed to:

8. The optional provisions which the nonprofit corporation elects to include in the articles of incorporation are as follows (See Section 33-31-202(b) through 33-31-202(e) of the 1976 South Carolina Code of Laws, as amended, the applicable comments thereto, and the instruction to this form).

**ADDITIONAL PROVISIONS OF ARTICLES OF INCORPORATION OF  
THE RIVER REACH POINTE MARINA COUNCIL OF CO-OWNERS, INC.**

### **Article I. Definitions**

All capitalized terms used herein which are not defined shall have the same meaning as set forth in that certain Master Deed of The River Reach Pointe Marina Horizontal Property Regime, recorded, or to be recorded, in the public records, as it may be amended (the "Master Deed"), unless the context indicates otherwise.

### **Article II. Purposes**

The purposes for which The River Reach Pointe Marina Council of Co-Owners, Inc. (the "Council of Co-Owners") is formed are:

- (a) to be and constitute the Council of Co-Owners to which reference is made in the Master Deed, to perform all obligations and duties of the Council of Co-Owners, and to exercise all rights and powers of the Council of Co-Owners, as specified in the Master Deed and the By-Laws, and as provided by law; and
- (b) to provide an entity for the furtherance of the interests of the Co-Owners.

### **Article III. Powers**

The powers of the Council of Co-Owners shall include and be governed by the following provisions:

(a) the Council of Co-Owners shall have all of the common law and statutory powers conferred upon nonprofit corporations under South Carolina law and all of the powers necessary or desirable to perform the obligations and duties and to exercise the rights and powers set out in these Articles, By-Laws, or the Master Deed, including without limitation, the power:

- (i) to fix, collect, and enforce payment, by any lawful means, of assessments and other charges to be levied against the Units;
- (ii) to manage, control, operate, maintain, repair, and improve the Regime and any other property for which the Council of Co-Owners by rule, regulation, covenant, or contract has a right or duty to provide such services;
- (iii) to enforce covenants, conditions, or restrictions affecting any property to the extent the Council of Co-Owners may be authorized to do so under the Master Deed or By-Laws;
- (iv) to engage in activities which will actively foster, promote, and advance the common interests of all owners of Units subject to the Master Deed;
- (v) to buy or otherwise acquire, sell, dedicate for public use, or otherwise dispose of, mortgage, or otherwise encumber, exchange, lease, own, hold, use, operate, grant easements, and otherwise deal in and with real and personal property of all kinds and any right or interest therein for any purpose of the Council of Co-Owners, subject to such limitations as may be set forth in the Master Deed or By-Laws;
- (vi) to borrow money for any purpose, subject to such limitations as may be set forth in the Master Deed or By-Laws;

(vii) to enter into, make, perform, and enforce contracts of every kind and description, and to do all other acts necessary, appropriate, or advisable in carrying out any purpose of the Council of Co-Owners, with or in association with any other association, corporation, or other entity or agency, public or private;

(viii) to act as agent, trustee, or other representative of other corporations, firms, or individuals, and as such to advance the business or ownership interests in such corporations, firms, or individuals;

(ix) to adopt, alter, and amend or repeal such By-Laws as may be necessary or desirable for the proper management of the affairs of the Council of Co-Owners; provided, however, such By-Laws may not be inconsistent with or contrary to any provisions of the Master Deed; and

(x) to provide any and all services to the Regime as may be necessary or proper.

The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other rights and powers which may now or here after be permitted by law. The powers specified in each of the paragraphs of this Article are independent powers, not to be restricted by reference to or inference from the terms of any other paragraph of this Article.

(b) The Council of Co-Owners shall make no distributions of income to its members, directors, or officers.

#### Article IV. Members

(a) The Council of Co-Owners shall be a membership corporation without certificates or shares of stock. Each Co-Owner shall be a member of the Council of Co-Owners and shall be entitled to vote in accordance with the terms of the Master Deed and the By-Laws. The manner of exercising voting rights shall be as set forth in the Master Deed and in the By-Laws of the Council of Co-Owners.

(b) Change of membership in the Council of Co-Owners shall be established by recording in the public records a deed or other instrument establishing record title to real property subject to the Master Deed. Upon such recordation, the owner designated by such instrument shall become a member of the Council of Co-Owners and the membership of the prior owner shall be terminated.

(c) The share of a Co-Owner in the privileges, rights and assets of the Council of Co-Owners cannot be assigned, hypothecated, or transferred in any manner, except as an appurtenance of its Unit.

#### Article V. Dissolution

The Council of Co-Owners may be dissolved only upon a resolution duly adopted by the Board of Directors and the approval of Co-Owners holding at least two-thirds (2/3) of the votes in the Council of Co-Owners, or such higher percentage as may be required by the South Carolina Horizontal Property Act, South Carolina Code of Laws (1976), Section 27-31-10, et seq., as amended, and the written consent of the Declarant so long as the Declarant owns any property subject to the Master Deed. Upon dissolution, the assets shall be distributed in accordance with the above Section 7(a) of these Articles.

#### **Article VI. Directors and Officers**

- (a) The business and affairs of the Council of Co-Owners shall be conducted, managed, and controlled by a Board of Directors. Initially, the Board shall consist of three (3) directors.
- (b) The method of election, removal, and filling of vacancies on the Board of Directors and the term of office of directors and officers shall be as set forth in the By-Laws.
- (c) The Board may delegate its operating authority to such corporations, individuals, and committees as it, in its discretion, may determine.

#### **Article VII. By-Laws**

The By-Laws of the Council of Co-Owners shall be adopted by the Board of Directors and may be altered, amended, or rescinded in the manner provided in the By-Laws. The quorum requirements for meetings of Co-Owners and directors shall be set forth in the Master Deed and By-Laws.

#### **Article VIII. Liability of Directors, Officers and Committee Members**

To the fullest extent that South Carolina law, as it exists on the date hereof or as it may hereafter be amended, permits the limitation or elimination of the liability of directors, officers, and committee members, no director, officer or committee member of the Council of Co-Owners shall be personally liable to the Council of Co-Owners or its members for monetary damages for breach of duty of care or other duty as a director, officer or committee member. No amendment to or repeal of this Article shall apply to or have any effect on the liability or alleged liability of any director, officer or committee member for or with respect to any acts or omissions of such director, officer, or committee member occurring prior to such amendment or repeal.

#### **Article IX. Indemnification**

Every director, officer, committee member, employee or agent of the Council of Co-Owners shall be indemnified by the Council of Co-Owners to the fullest extent permitted by law against (a) reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, and whether or not brought by or on behalf of the Council of Co-Owners, seeking to hold him liable by reason of the fact that he is or was acting in such capacity, and (b) reasonable payments made by him in satisfaction of any judgment, money decree, fine, penalty, or settlement for which he may have become liable in any such action, suit or proceeding; and whether or not he continues to be such director, officer, or agent at the time of incurring or imposition of such costs, expenses or liabilities. Notwithstanding the foregoing, no director, officer, committee member, employee or agent of the Council of Co-Owners shall be indemnified by the Council of Co-Owners for any criminal actions or self-dealing.

The Board of Directors shall, in accordance with the By-Laws, take all such action as may be necessary and appropriate to authorize the Council of Co-Owners to indemnify any director, officer, committee member, employee or agent, including, without limitation and to the extent necessary, making a good faith evaluation of the manner in which the claimant for indemnification acted and of the reasonable amount of indemnity due him.

Such right shall inure to the benefit of the legal representative of any such person and shall not be exclusive of any other rights to which such person may be entitled.

The Board of Directors shall have the power to purchase and maintain insurance on behalf of any director, officer, committee member, employee or agent against any liability which may be asserted against him, and which arises out of, his capacity as such.

#### Article X. Amendments

(a) The Board of Directors may amend these Articles without Co-Owner approval for those specific purposes permitted under South Carolina law.

(b) These Articles shall be amended, except as provided in (c) below, only by vote of Co-Owners owning seventy-five percent (75%) of the Units and only by and with the consent of Declarant, at any meeting of the Council of Co-Owners duly called for such purpose, following written notice to all Co-Owners, except that no such amendment shall change the rights reserved to Declarant, the boundaries of any Unit, the basic values of the Units and the undivided interest in the Common Elements appertaining thereto, the liability for Common Expenses appertaining to the Units, or rights to Common Profits appertaining thereto.

(c) At all times during the Declarant Control Period, the Declarant may unilaterally amend these Articles for any purpose. Thereafter, the Declarant may unilaterally amend these Articles at any time and from time to time if such amendment is necessary (i) to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (ii) to enable any reputable title insurance company to issue title insurance coverage on the Units; (iii) to enable any institutional or governmental lender, purchaser, insurer or guarantor of Mortgage loans, including, to make, purchase, insure or guarantee Mortgage loans on the Units; (iv) to satisfy the requirements of any local, state or federal governmental agency; or (v) to correct scrivener's errors. However, any such amendment shall not adversely affect the title to any Unit unless the owner of such Unit shall consent in writing.

9. The name and address of each incorporator is as follows (only one is required)

River Reach Pointe, LLC  
c/o John S. Templeton, Member  
65 Gadsden Street, Suite 100  
Charleston, South Carolina 29401

10. Each original director of the nonprofit corporation must sign the articles but only if the directors are named in these articles. The initial Directors are as follows: N/A

11. The following is the name and signature of the incorporator:

February 10, 2006

River Reach Pointe, LLC

By: 

Its: Member

**BY-LAWS OF THE RIVER REACH POINTE MARINA  
COUNCIL OF CO-OWNERS, INC.**

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## ARTICLE I

### Name, Location and Membership

Section 1. Name. The organization's name is The River Reach Pointe Marina Council of Co-Owners, Inc. (the "Council of Co-Owners").

Section 2. Location. The initial principal office of the Council of Co-Owners is 65 Gadsden Street, Suite 100, Charleston, South Carolina 29401, but meetings of the members may be held at such places designated by the Board of Directors (the "Board") in accordance with these By-Laws.

Section 3. Membership. Each and every record Owner of a fee interest in a Unit will be a member of the Council of Co-Owners (excluding persons who hold such interest under a deed to secure a debt, mortgage or deed of trust), and the Owner shall designate in writing and deliver to the Secretary (from among such Owner or Owners of such Unit) the name of the voting member and the voting member's address, and such voting member shall represent the Owner in connection with the activities of the Council of Co-Owners and exercise the voting rights of the Owner.

Section 4. Suspension of Membership and Voting Rights. During any period in which an Owner shall be in default of the payment of any assessment levied by the Council of Co-Owners, the voting rights of the Owner, and the rights of the Owner, and his invitees, to use and enjoy the Common Elements, may be suspended by the Board until such time as the assessment has been paid. Such rights may also be suspended by the Board for the violation of the published rules with respect to the use of the Common Elements as published from time to time by the Board.

Section 5. Applicability. These By-Laws are applicable to all Units and Common Property in the Regime, and are binding on all present or future Owners, their guests, invitees, and any other person using or occupying a Unit. Each and every person who accepts a deed to or who occupies any Unit thereby consents to be bound by the provisions of these By-Laws and the Master Deed.

## ARTICLE II

### Definitions

The terms used in these By-Laws, unless the context requires otherwise or unless otherwise specified herein, shall have the same meaning as in the Master Deed to which these By-Laws are annexed.

### ARTICLE III

#### Property Rights and Rights of Enjoyment

Each Owner shall be entitled to the use and enjoyment of the Common Elements as provided in the Master Deed.

### ARTICLE IV

#### Meetings of Council of Co-Owners

Section 1. Place of Meetings. Meetings of the Council of Co-Owners shall be held in Charleston, South Carolina or at such other suitable place as may be designated by Board.

Section 2. Annual Meetings. The first annual meeting of owners shall be called by Declarant and shall be held on or before September 2006. Thereafter, regular annual meetings shall be held in September of each calendar year as set by the Board.

Section 3. Special Meetings. Special meetings may be called at any time by (a) the Commodore, (b) by resolution of the Board, or upon (c) the receipt by the Secretary of a petition signed by Owners holding greater than twenty-five per cent (25%) of the total vote of the Council of Co-Owners. The call of a special meeting shall be by notice stating the date, time, place, purpose and order of business of such meeting. Only the business stated in the notice may be transacted at a special meeting except by the written consent of seventy-five percent (75%) of the Owners present.

Section 4. Notice of Meetings. The Secretary shall mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Owner at the last address of such Owner furnished to the Secretary at least fifteen (15) days but not more than thirty (30) days prior to such meeting. Mailing notices as herein provided shall be deemed delivery thereof. Any Owner may waive notice of the meeting in writing either before or after the meeting. Attendance of an Owner at a meeting, either in person or by proxy, except for the purpose of stating, at the beginning of the meeting, any objection to the transaction of business, shall constitute waiver of notice and any objection of any nature whatsoever as to the transaction of any business at such meeting. Notice given to one tenant in common, shall be deemed notice to all Owners of a Unit. It is the responsibility of each Owner to maintain a current mailing address with the Secretary.

Section 5. Order of Business. The order of business at each annual meeting shall be as follows, to wit:

- a. Roll call and confirming of proxies.
- b. Proof of notice of meeting or waiver of notice.
- c. Reading of minutes of preceding meeting.
- d. Reports of officers.
- e. Reports of committees, if any.

- f. Election of Board.
- g. Unfinished business.
- h. New business.
- i. Adjournment.

The order of business at a special meeting shall include items a through c above and then items specified in the meeting notice.

Section 6. Quorum. At all meetings, regular or special, a quorum shall consist of the presence in person or by proxy, of Owners holding greater than twenty percent (20%) of the total votes in the membership.

Section 7. Voting Rights. Each Owner will be entitled to a vote and the value of such vote will be the same as the Percentage Interest of such Owner as defined in the Master Deed.

Section 8. Proxy. Votes may be cast in person or by written proxy. Proxies must be filed with the Secretary at or before the designated time of each meeting.

Section 9. Majority Vote. Acts authorized, approved or ratified by the cast of a majority of the votes represented at a meeting at which a quorum is present, in person or by proxy, shall be the acts of the Council of Co-Owners, except where a higher percentage vote is required by these By-Laws, the Master Deed or by law, and shall be binding for all purposes.

Section 10. Actions Without Meeting. Any action which may be taken at a meeting of the membership may be taken without a meeting if a consent or ratification, in writing, setting forth the action so taken or to be taken, shall be signed by persons who would be entitled to cast seventy-five (75%) percent of the votes of membership of the Council of Co-Owners at a meeting, and such consent is filed with the Secretary.

Section 11. Transition Meeting. Notwithstanding anything contained in these By-laws to the contrary, when Declarant elects to terminate its right to appoint and remove members of the board of directors and relinquish control over the Council of Co-Owners, Declarant may, in accordance with the terms of this Section 11, call a meeting of the Owners to facilitate such transition of control ("Transition Meeting").

Written notice of the place, date, and hour of the Transition Meeting shall be given personally or by mail to each Owner entitled to vote thereat not less than ten (10) nor more than fifty (50) days prior to the Transition Meeting. The notice shall state the purpose or purposes for which the meeting is called and by or at whose direction it is being issued. Owners may waive notice of the Transition Meeting. Presence in person by an Owner at the Transition Meeting shall constitute waiver of notice.

The Owners present at the Transition Meeting, in person or represented by *proxy*, shall be sufficient to and shall constitute a quorum for the transaction of business at the Transition Meeting.

The provisions of this Section 11 shall be superior to any other provisions of the By-laws. To the extent not addressed in this Section 11, the other provisions of the By-laws shall control.

## ARTICLE V

### Board of Directors

Section 1. Number. The business and affairs of the Council of Co-Owners shall be governed by the Board. The initial Board shall consist of three (3) individuals who shall be appointed by the incorporator pursuant to an organizational consent. Each member of the Board shall be at least twenty-one (21) years of age and must be a partial Owner of a Unit or a partner or officer in an entity that owns a Unit. Each person shall hold office until his death, resignation, retirement, removal, disqualification, or his successor is elected and qualified. The initial members of the Board will serve until the first annual meeting of the Council of Co-Owners at which time there will be three (3) members of the Board elected which shall be the permanent number of Board members.

Section 2. Power and Duties. The Board shall manage and direct the affairs of the Council of Co-Owners and, subject to any restrictions imposed by law, the Master Deed or these By-Laws, may exercise all the powers of the Council of Co-Owners. The Board shall exercise such duties and responsibilities as shall be incumbent upon it by law, the Master Deed or these By-Laws as the Board may deem necessary or appropriate in the exercise of its powers, including without limitation: (a) the establishment and collection of assessments and charges from the Owners and the imposition of fines, all as set forth in the Master Deed, (b) the establishment and amendment from time to time of reasonable rules governing the use of the Common Elements, (c) the employment and dismissal of personnel necessary for the maintenance and operation of the Common Elements, and (e) the election of officers.

Section 3. Management. The Board may employ a management agent under such terms and conditions as the Board may authorize, and such managing agent shall have such duties and shall receive such compensation as determined by the Board.

Section 4. Election and Term of Office. At the first annual meeting of the Council of Co-Owners, the Owners shall elect five (5) Board members.

Section 5. Vacancies. Vacancies on the Board caused by any reason other than the removal of a member by a vote of the Council of Co-Owners shall be filled by vote of the majority of the remaining members of the Board, and each person so elected shall serve until a successor is elected at the next annual meeting. Vacancies caused by removal of a member by a vote of the Council of Co-Owners shall be filled by vote of the Council of Co-Owners at the same meeting at which the Board member was removed.

Section 6. Removal. At any regular or special meeting of the Council of Co-Owners duly called, any one or more of the Board may be removed with or without cause by a vote of seventy-five per cent (75%) of the total votes of the Council of Co-Owners, and a successor may

then and there be elected to fill the vacancy thus created. Any Board member whose removal has been proposed by an Owner shall be given an opportunity to be heard at such meeting. Sale of his Unit by a Board member shall automatically terminate his term of office.

Section 7. Regular Meeting. The first regular meeting of the Board shall be held immediately following the first annual meeting of the members of the Council of Co-Owners and regular meetings thereafter shall be held on such dates and at such place and hour, but not less frequently than annually, as may be fixed from time to time by resolution of the Board. Notice of regular meetings of the Board shall be given to each Board member, personally or by mail, telephone or facsimile, at least three (3) days prior to the date of such meeting.

Section 8. Special Meetings. Special meetings of the Board may be called by the Commodore on three (3) days' notice to each Board member, given personally or by mail, telephone or telegraph, which notice shall state the date, time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board may also be called by the Secretary in like manner and on like notice upon the written request of at least one Board member.

Section 9. Waiver of Notice. Before and at any meeting of the Board, a Board member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Board member at any meeting of the Board shall be waiver of notice by him of the date, time and place thereof. If all Board members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 10. Quorum. At all meetings of the Board, a majority of the then qualified Board shall constitute a quorum for the transaction of business, and the acts of the majority of the Board members present at the meeting at which a quorum is present shall be the acts of the Board. If, at any meeting of the Board, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 11. Compensation. No Board member shall receive compensation for any service he may render to the Council of Co-Owners nor shall the Council of Co-Owners make any loan, directly or indirectly to a Board member; provided, however, a Board member may be reimbursed for expenses incurred in the performance of his duties, provided such are approved by the Board.

Section 12. Action by Board Without a Meeting. The Board shall have the right to take any action which it could take at a meeting by obtaining the written approval or ratification of all members of the Board. Any action so approved shall have the same effect as though taken at a meeting of the Board.

Section 13. Liability. To the extent permitted by South Carolina law in effect at the applicable time, each Board member shall be indemnified by the Council of Co-Owners against all liabilities and expenses, including attorney's fees, reasonably incurred and imposed upon him

in connection with any proceeding to which he may be made a party or in which he becomes involved by reason of his being or having been a Board member (whether or not he is a member of the Board at the time such expenses and liabilities are incurred) except in such cases where the Board member is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties.

## ARTICLE VI

### Officers

Section 1. Number and Election. There shall be elected annually by and from the Board a Commodore, Vice Commodore, and a Secretary-Treasurer. The Board may also elect from time to time such other officers as in their judgment may be needed (for example, a legal counselor, security/safety officer and dock master), which other officers need not be Board members.

Section 2. Removal and Vacancies. Except as herein provided to the contrary, the officers shall be elected annually and hold office at the pleasure of the Board. A vacancy in any office may be filled by the Board at its next meeting. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 3. Duties. The duties of the officers shall be as follows, to wit:

(a) Commodore. The Commodore shall be the chief executive officer and shall preside at all meetings of the Board and the Council of Co-Owners. He shall form committees consisting of members of the Council of Co-Owners as in his opinion are necessary, shall co-sign with another officer all contracts, checks, promissory notes, mortgages and similar documents, if any, and shall perform such other duties as may be delegated to him by the Board. He shall have all the general powers and duties which are incident to the office of the president of a corporation organized under the laws of South Carolina.

(b) Vice Commodore. The Vice Commodore shall take the place of the Commodore and perform his duties when the Commodore shall be absent or unable to act. If neither the Commodore nor the Vice Commodore is able to act, the Board shall appoint some other member of the Board to do so on an interim basis. The Vice Commodore shall also perform such other duties as shall from time to time be directed to him by the Board. He shall have all the general powers and duties incident to the office of vice president of a corporation organized under the laws of South Carolina.

(c) Secretary/Treasurer. The Secretary/Treasurer shall record the votes and keep the minutes of all meetings and proceedings of the Board and the Council of Co-Owners; keep appropriate current records, showing the members of the Council of Co-Owners, together with their addresses and the names of those voting members entitled to vote; keep custody of and attest the seal of the Council of Co-Owners; and perform such other duties as may be required of him by the Board or incident to the office of the secretary of a corporation organized under the laws of South Carolina. The Secretary/Treasurer shall also be responsible for the monetary funds of the Council of Co-Owners, shall prepare financial reports of the activities of the Council

of Co-Owners, and shall perform such duties as may be designated by the Board or incident to the laws of South Carolina.

Section 4. Compensation. Officers shall not be compensated on a regular basis for the ordinary services rendered to the Regime incident to their offices, nor shall the Council of Co-Owners make loans, directly or indirectly, to any officer; however, the officers may be reimbursed for expenses incurred on behalf of the Council of Co-Owners.

Section 5. Liability. To the extent permitted by South Carolina law in effect at the applicable time, each officer shall be indemnified by the Council of Co-Owners against all liabilities and expenses, including attorney's fees, reasonably incurred and imposed upon him in connection with any proceeding to which he may be made a party or in which he becomes involved by reason of his being or having been an officer of the Council of Co-Owners (whether or not he is an officer at the time such expenses and liabilities are incurred) except in such cases where the officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, however, that in the event of a settlement, the indemnification shall apply only when the Board approves such settlement and reimbursement as being in the best interest of the Council of Co-Owners. Such indemnity shall be subject to approval by the members of the Council of Co-Owners only when such approval is required by the laws of South Carolina.

## ARTICLE VII

### Obligations of the Owners

Section 1. Assessments. All Owners are obligated to pay assessments imposed by the Board as provided in the Master Deed, which may include, without limitation, the expenses associated with liability insurance coverage and/or hazard insurance coverage for repair and reconstruction of the Units and the Common Elements, repair and maintenance of the same, property taxes and the establishment of a reserve funds. An Owner is required to reimburse the Council of Co-Owners for any expenses incurred by it in repairing or replacing Common Elements damaged by such Owner, said reimbursement to be made within 30 days of written notice, and with late reimbursements being subject to ten (10%) percent late charge.

Section 2. Right of Entry. Each and every Owner by accepting a deed to a Unit thereby grants to the Board, or such person designated by the Board, the right to enter the Unit at reasonable times regardless of whether such Owner is present at such time.

Section 3. Mortgage Notices. An Owner who mortgages or otherwise liens his Unit shall notify the Secretary of the Board of the name and address of his mortgagee, or the holder of such security instrument, and hereby authorizes the Board to furnish such information as such mortgagee may request respecting unpaid assessments, taxes or other reasonable information concerning such Unit.

Section 4. Conduct of Members.

- (a) All Owners, their guests, invitees, and each and every occupant of a Unit

must at all times observe the published rules of conduct which may be established from time to time by the Board.

(b) The Board shall promulgate and amend rules and regulations for the use of the Units and the Common Elements which shall be called the Rules of Conduct and shall be kept by the Secretary in a separate book for such purpose.

(c) Subject to the limitations in the Master Deed, the Board shall have the full power and authority to fine, suspend, or place on probation for each single infraction, any Owner, or his invitees, family members or guests, or take other appropriate action for a violation of the Rules of Conduct. Any Board member shall have the right to suspend the violator from temporary use of the Common Elements without notice or hearing, subject to a subsequent hearing on the violation as set forth herein.

(e) Subject to the Master Deed, the Board shall have the full power and authority to suspend any Owner (and his family members and invitees) from the use of the Common Elements for the failure to pay when due any assessment payment.

## ARTICLE VIII

### Amendments

Section 1. Amendment. These By-Laws may be amended by a vote of not less than seventy-five percent (75%) of the total vote of the percentage interests in the Regime at a duly constituted meeting for such purpose, in strict accordance with the Master Deed and the laws of South Carolina. Notwithstanding the foregoing, during the Declarant Control Period as provided in the Master Deed, the Declarant may unilaterally amend the Bylaws for any purpose. Thereafter, the Declarant may unilaterally amend the By-Laws at any time and from time to time if such amendment is necessary (i) to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (ii) to enable any reputable title insurance company to issue title insurance coverage on the Units; (iii) to enable any institutional or governmental lender, purchaser, insurer or guarantor of Mortgage loans, including, to make, purchase, insure or guarantee Mortgage loans on the Units; or (iv) to satisfy the requirements of any local, state or federal governmental agency; or (v) to correct scrivener's errors. However, any such amendment shall not adversely affect the title to any Unit unless the Owner shall consent in writing.

Any amendments shall be set forth in proper form and duly recorded. Each and every Owner, by accepting a deed, thereby agrees to be bound by and benefit from any such amendment hereto.

Section 2. Conflicts. In the event of any conflict between the provisions of the Master Deeds and these By-Laws, the provisions of the Master Deed shall control.

CERTIFICATION

The undersigned hereby certifies that the foregoing By-Laws constitute a true and correct copy of the By-Laws of the Council of Co-Owners, as duly adopted at a meeting of the Owners.



John S. Templeton

Acting Secretary, Council of Co-Owners

## **EXHIBIT "E"**

### **RIVER REACH POINTE MARINA HORIZONTAL PROPERTY REGIME INITIAL ESTIMATED ANNUAL BUDGET FOR COMMON ELEMENTS**

## EXHIBIT "E"

RIVER REACH POINTE MARINA HORIZONTAL PROPERTY REGIME  
INITIAL ESTIMATED ANNUAL BUDGET FOR COMMON ELEMENTSYearly

1.	Insurance	\$ 8,022.00
2.	Maintenance	\$ 6,400.00
3.	Water and Electricity	\$ 1,400.00
4.	Reserves	\$ 2,000.00
5.	Legal	\$ 1,000.00
TOTAL:		\$ 18,822.00

**NOTE:**      **THE FIGURES PROVIDED ABOVE ARE ESTIMATES ONLY**  
**AND ARE SUBJECT TO CHANGE**