

3K K 155-0104

AMENDED AND RESTATED
MASTER DEED
of
TOLER'S COVE
HORIZONTAL PROPERTY REGIME

CHARLESTON COUNTY, SOUTH CAROLINA

May 31, 1986

*Note - This Amended and Restated Master Deed is to be indexed under the names of all persons or entities listed in Exhibit N attached hereto.

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STATE OF SOUTH CAROLINA)
)
 COUNTY OF CHARLESTON) AMENDED AND RESTATED
) MASTER DEED OF TOLER'S COVE
) HORIZONTAL PROPERTY REGIME

TO ALL WHOM THESE PRESENTS MAY COME:

WHEREAS, Jeannette Creek Limited Partnership (the "Developer") is a South Carolina limited partnership having its principal place of business located at 1233 Washington Street, Columbia, South Carolina 29201; and

WHEREAS, the Developer has submitted all that certain real property more fully described in Exhibit A attached hereto to sections 27-31-10 et. seq. of the South Carolina Code of Laws (1976), as amended, (the "Act") pursuant to a Master Deed dated January 31, 1985, recorded January 31, 1985 in the Office of the Register of Mesne Conveyances for Charleston County in Deed Book H143 at page 536 (the "Original Master Deed"); and

WHEREAS, Toler's Cove Horizontal Property Regime (the "Association") is an incorporated association of the owners of condominium units in the horizontal property regime (the "Regime") created by the filing of the Original Master Deed; and

WHEREAS, the Developer and the Association desire to amend the Original Master Deed to comply with requirements of various institutional lenders who may be providing permanent financing for purchasers of condominium units in the Regime and to confirm the rights of all parties as to the use of portions of the Common Area (hereinafter defined) of the Regime; and

WHEREAS, the Developer and the Association deem it appropriate to accomplish the foregoing by amending and restating the Original Master Deed in its entirety; and

WHEREAS, this Amended and Restated Master Deed (hereinafter the "Master Deed") has been approved by owners of more than two-thirds (2/3) of the Total Percentage Interest (hereinafter defined) in the Regime at a meeting of the Association duly noticed and held on May 31, 1986.

NOW, KNOW ALL MEN BY THESE PRESENTS that the Developer and the Association hereby amend and restate the Original Master Deed in its entirety by deleting all terms and conditions of the Original Master Deed and substituting in place thereof:

ARTICLE I

Definitions

Section 1.1. Definitions. Unless defined herein or unless the context requires otherwise, the words defined in Section 27-31-20 , South Carolina Code of Laws (1976), when used in this Master Deed or any amendment hereto, shall have the meaning therein provided. The following words when used in this Master Deed or any amendment hereto, unless the context requires otherwise, shall have the following meanings:

"Act" means the Horizontal Property Act of South Carolina, South Carolina Code of Laws (1976), Section 27-31-10 to Section 27-31-300, as may be amended from time to time.

"Additional Real Property" means the certain real property described in Exhibit B attached hereto, as amended from time to time.

"Assessment" means the amount assessed against an Owner and his Unit from time to time by the Association in the manner provided herein.

"Assigned Value" means the value assigned to each Unit in accordance with Exhibit G attached hereto and utilized for purposes of computing the Percentage Interest appurtenant to such Unit, which Assigned Value shall not constitute the sales price of the Unit or be relied upon as a representation of the actual value of the Unit.

"Annual Assessment Period" means the period commencing on the first day of January of each calendar year and ending on the last day of December of the same calendar year.

"Association" means Toler's Cove Horizontal Property Regime (whose name will be changed to Toler's Cove Homeowners Association), being an association of and limited to Owners of the Units located in the Regime in the form of a non-profit, non-stock membership association whose Articles of Incorporation will be amended in accordance with the Amended and Restated Declaration for Incorporation attached hereto as Exhibit H.

"Board of Directors" or "Board" means the Board of Directors of the Association, and "director" or "directors" means a member or members of the Board.

"Buildings" means those structures described in Exhibits C, D, and E attached hereto, as amended from time to time.

"Bylaws" means the Bylaws of the Association attached hereto as Exhibit I, as amended from time to time.

"Common Area" means all of the Regime property after excluding the Units, all as more fully described in Exhibit D attached hereto, as amended from time to time.

"Common Expense(s)" means (a) all expenses incident to the administration of the Association and maintenance, repair and replacement of the Common Area and the Limited Common Area, after excluding therefrom such expenses which are the responsibility of an Owner; (b) expenses determined by the Association to be Common Expenses and which are lawfully assessed against Owners; (c) expenses declared to be Common Expenses by the Act or the Regime Documents; and (d) reasonable reserves established for the payment of any of the foregoing.

"Developer" means Jeannette Creek Limited Partnership, a South Carolina limited partnership, its successors and assigns.

"Land" means the certain real property described in Exhibit A attached hereto, as amended from time to time.

"Limited Common Area" means that portion of the Common Area so described in Exhibit D attached hereto, as amended from time to time.

"Master Deed" means this document, as amended from time to time.

"Owner" means the record owner, whether one or more persons, of fee simple title in and to any Unit; excluding, however, those persons having such interest merely as security for the performance of an obligation.

"Percentage Interest" means the undivided percentage interest owned by each Owner as a tenant-in-common in the Common Area; and "Total Percentage Interest" means the aggregate of all the Percentage Interests.

"Plans" means and includes the Site Plan and the floor plans of the Project which were filed as attachments to the Original Master Deed.

"Project" means the Land, the Buildings and all other improvements and structures located thereon, and all easements, rights and appurtenances belonging thereto, submitted to the Act by this Master Deed from time to time, all as more fully described in Exhibit C attached hereto, as amended from time to time.

"Regime" means the horizontal property regime, including all appurtenances and incidents of ownership attendant therewith.

"Regime Documents" means and includes this Master Deed, all Exhibits hereto, the documents of incorporation of the Association, the Bylaws and the Rules and Regulations, all as amended from time to time.

"Rules and Regulations" means the rules and regulations from time to time promulgated by the Board of Directors governing the use of the Common Area and Units.

"Site Plan" means the maps or plats of the Land and improvements attached to the Original Master Deed, as amended from time to time, showing the boundaries of the Land and the location of the improvements and amenities of the Project thereon.

"Transition Period" means the time period commencing on the date of recording of this Master Deed and ending on the earlier of:

(i) Five (5) years after the date of the first conveyance of a Unit to a person other than the Developer; or

(ii) One hundred and twenty (120) days after the conveyance of seventy-five percent (75%) of the maximum number of Units to be contained in the Project to persons other than the Developer.

"Trustee" means a financial institution with trust powers or other business entity commonly accepted by private institutional mortgage investors in Charleston County, South Carolina to act as a fiduciary for the benefit of the Association and the Owners which shall be designated by the Board of Directors to hold certain funds and provide services as provided herein.

"Unit" means that part of the Project intended for independent use by an Owner situate within the Unit Boundaries designated in Exhibit F attached hereto, as amended from time to time and constituting an "apartment" as defined in the Act. Each Unit shall be identified in Exhibit E attached hereto by a specific number, which number shall be sufficient to identify the Unit for all purposes.

"Unit Estate" means all the components of ownership held by an Owner, including the rights and interests of the Owner in and to the Unit and the rights of use of and the undivided interest in the Common Area. Unless the context requires otherwise, all references to "Units" herein shall include the "Unit Estate".

ARTICLE II

Administration

Section 2.1. The Association. The administration of the Regime shall be the responsibility of the Association, which shall be made up of all the Owners of Units in the Regime. The Association and the Owners shall be governed by this Master Deed and the Bylaws attached hereto as Exhibit I, as the same may be amended from time to time.

Section 2.2. Agreements. The Association shall be and hereby is authorized to enter into such contractual arrangements, including without limitation, management contracts, as it may deem necessary or desirable for the administration and operation of the Regime; provided, however, that the Association shall not enter into any contractual arrangement with a term of longer than one (1) year without the assent of Owners representing a majority of the Total Percentage Interest voting in person or by proxy, at a meeting duly called for the express purpose of approving such contractual arrangement; and further provided, however, that any agreements entered into during the Transition Period shall provide that such contractual arrangement is subject to termination without cause at any time after the expiration of the Transition Period without penalty upon not more than ninety (90) days prior written notice from the Association, and failing to contain such a provision, the Association shall not be bound directly or indirectly by such contractual arrangement. Each Owner by acquiring or holding an interest in any Unit thereby agrees to be bound by the terms and conditions of all such contractual arrangements entered into by the Board of Directors on behalf of the Association.

Section 2.3. Books and Records. The Association shall keep full and accurate books of account and financial records showing all receipts and disbursements. In particular, the books shall be maintained with a detailed account, in chronological order, of the receipts and expenditures effecting the Project and its administration, and specifying the maintenance and repair expenses of the Common Area as well as other expenditures incurred. Vouchers accrediting the entries made thereupon shall also be maintained in chronological order.

Section 2.4. Financial Statements. No later than 120 days after the close of any fiscal year of the Association, the Association shall cause financial statements for such fiscal year to be prepared (but not necessarily certified) by a public accountant licensed in the State of South Carolina. Copies of these financial statements shall be provided free of charge to any party entitled to the benefits of Section 2.5 promptly upon written request.

Section 2.5 Access to Information. The Association shall make available to Owners of any Unit and to holders, insurers or government guarantors of any mortgage covering any Unit current copies of the Regime Documents and the books, records, vouchers, contractual arrangements and financial statements of the Association. "Available" means available for reasonable inspection upon request during normal business hours or under other reasonable circumstances. Any party entitled to the benefits of this Section 2.5 shall be permitted to designate one or more agents who shall be permitted to represent said party in

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connection with any and all reviews of the Regime Documents and books, records, contractual arrangements and financial statements of the Association.

Section 2.6. Rules and Regulations. The Board of Directors shall be entitled to promulgate reasonable Rules and Regulations from time to time, which shall be binding on the Association and all Owners and lessees of Owners, their families, invitees and guests, regarding the use and enjoyment of Units and Common Area. The initial Rules and Regulations of the Association are contained in Exhibit I attached hereto. Copies of the current Rules and Regulations shall be furnished to Owners and lessees of Owners upon request.

Section 2.7. Professional Property Manager. Management of the Project shall be conducted by a professional property management company retained by the Association.

ARTICLE III

Property Rights

Section 3.1. Units. Each Unit Estate shall for all purposes constitute a separate parcel of real property which, subject to the provisions of this Master Deed, may be owned in fee simple and which may be conveyed, transferred, leased and encumbered in the same manner as any other real property. Each Owner, subject to the provisions of the Act and this Master Deed, shall be entitled to the exclusive ownership and possession of his Unit.

Section 3.2. Common Area and Limited Common Area.

(a) Percentage Interest. The Owners shall own the Common Area as tenants-in-common, with each Unit having appurtenant thereto the Percentage Interest in the Common Area set forth in Exhibit G attached hereto; provided, however, that the use of the Limited Common Area shall be restricted as set forth in Section 3.2(e). The Percentage Interest appurtenant to each Unit has been determined by dividing the Assigned Value of the respective Unit as shown on Exhibit G by the aggregate Assigned Value of all Units as shown on Exhibit G. The value assigned to any Unit in Exhibit G does not represent the sales price or market value of the Unit and shall only be utilized for purposes of computing the Percentage Interest appurtenant to the respective Unit.

(b) Inseparability of Percentage Interests. The Percentage Interest in the Common Area cannot be separated from the Unit to which it appertains and shall be automatically conveyed or encumbered with the Unit even though such Percentage Interest is not expressly mentioned or described in the deed or other instruments.

(c) No Partition. The Common Area shall remain undivided and no right to partition the same or any part thereof shall exist except as provided in the Act, the Bylaws and this Master Deed.

(d) Use of Common Area. The Common Area shall be subject to all easements and use rights provided for herein. The Common Area shall be used in accordance with the intended purposes without hindering the exercise of or encroaching upon the rights of other Owners. The Board of Directors shall, if any question arises, determine the purpose for which a part of the Common Area is intended to be used. All Owners and lessees of Owners, their families, invitees and guests shall abide by all Rules and Regulations from time to time in effect governing the use of the Common Area.

(e) Use of Limited Common Area. Anything to the contrary contained herein notwithstanding, ownership of each Unit shall entitle the Owner or Owners thereof to the exclusive use of the Limited Common Area adjacent and appurtenant to such Unit which exclusive use may be delegated by such Owner to persons who reside in his Unit. All Owners and lessees of Owners, their families, invitees and guests shall abide by all Rules and Regulations from time to time in effect governing the use of the Limited Common Area.

Section 3.3. Critical Area. TIDELANDS CONSTITUTING ANY PORTION OF THE LAND AND THE ADDITIONAL REAL PROPERTY ARE NOW OR MAY HEREAFTER BE CLASSIFIED AS A CRITICAL AREA BY THE SOUTH CAROLINA COASTAL COUNCIL. ALL ACTIVITIES ON OR OVER AND ALL USES OF ANY CRITICAL AREA ARE SUBJECT TO THE JURISDICTION OF THE SOUTH CAROLINA COASTAL COUNCIL, INCLUDING BUT NOT LIMITED TO, THE REQUIREMENT THAT ANY ACTIVITY OR USE MUST BE AUTHORIZED BY THE SOUTH CAROLINA COASTAL COUNCIL, AND ANY 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 CRITICAL AREA.

Section 3.4. Limited Warranty from Developer. FOR A PERIOD OF ONE (1) YEAR FROM THE DATE HEREOF, THE DEVELOPER SHALL AT NO COST TO THE ASSOCIATION REPAIR OR REPLACE (IN THE DEVELOPER'S DISCRETION) ANY PORTIONS OF THE COMMON AREA (EXCEPT FIXTURES, ACCESSORIES AND APPLIANCES COVERED BY SEPARATE WARRANTIES OF THEIR RESPECTIVE MANUFACTURERS) WHICH ARE DEFECTIVE AS TO MATERIALS OR WORKMANSHIP. THIS LIMITED WARRANTY IS IN PLACE OF ALL OTHER CONTRACTUAL OBLIGATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AND THE DEVELOPER DISCLAIMS ALL OTHER CONTRACTUAL OBLIGATIONS OR WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES OF HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. TO THE FULLEST EXTENT PERMITTED BY LAW, THE LIABILITY OF THE DEVELOPER SHALL BE LIMITED TO SUCH REPAIR OR REPLACEMENT AND THE DEVELOPER SHALL NOT BE LIABLE FOR DAMAGES OF ANY NATURE,

WHETHER DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL, REGARDLESS OF WHETHER SUCH DAMAGES ARE CLAIMED TO ARISE OUT OF THE LAW OF CONTRACT, TORT OR OTHERWISE, OR PURSUANT TO STATUTE OR ADMINISTRATIVE REGULATION. Each Owner, in accepting a deed from the Developer or any other party to a Unit, expressly acknowledges and agrees that this Section 3.4 establishes the sole liability of the Developer to the Association and the Owners related to defects in the Common Area and the remedies available with regard thereto.

Section 3.5. Unit Deeds. All conveyances of Units by the Developer or any Owner shall be accomplished through the use of a Unit Deed in substantially the form of Exhibit K attached hereto or any alternate form containing the Grantee acknowledgements and agreements set forth therein.

Section 3.6. Timesharing Not Permitted. The Project shall not be used for or subject to any type of Vacation Time Share Plan, as defined in Section 27-32-10 of the Code of Laws of South Carolina, (1976), as amended, without the prior written consent of the Developer, its successors or assigns.

ARTICLE IV

Assessments

Section 4.1. Creation of Lien and Personal Obligation for Assessments. Each Unit Estate is and shall be subject to a lien and permanent charge in favor of the Association for the Assessments set forth herein. Each Assessment, together with interest thereon and cost of collection thereof as hereinafter provided, shall be a permanent charge and continuing lien upon the Unit Estate against which it relates, and shall also be the joint and several personal obligation of each Owner of such Unit Estate at the time the Assessment comes due and upon such Owner's successor in title if unpaid on the date of the conveyance of such Unit Estate, and each and every Owner by acquiring or holding an interest in any Unit Estate thereby covenants to pay such amount to the Association when the same shall become due; provided, however, that no Owner acquiring title to any Unit at a foreclosure sale of any mortgage, his successors and assigns, shall have any personal obligation with respect to the portion of any Assessments (together with late charges, interest, fees and costs of collection) related to such Unit, the lien for which is subordinate to the lien of the mortgage being foreclosed as provided in Section 4.6.

Section 4.2. Annual Assessments. No later than October 15 of each year, the Board of Directors shall prepare a proposed "Annual Assessment" for the next succeeding Annual Assessment Period and provide copies thereof to all Owners. The Board shall be available at the annual meeting of the Association (as

discussed in the Bylaws attached hereto as Exhibit I) to discuss the proposed Annual Assessment. No later than November 15 of each year, the Board shall establish the Annual Assessment for the next succeeding Annual Assessment Period by estimating the Common Expenses to be incurred during such Annual Assessment Period, prorating such Common Expenses among the Owners of the Units in accordance with their respective Percentage Interests, and giving written notice to each Owner of the Annual Assessment fixed against his Unit for such next succeeding Annual Assessment Period; provided, however, that the Annual Assessment for the current Annual Assessment Period shall be as set forth in Exhibit L attached hereto.

The Annual Assessment shall not be used to pay for the following:

(a) Casualty insurance of individual Owners on their possessions within the Units and liability insurance of such Owners insuring themselves and their families individually, which shall be the sole responsibility of such Owners;

(b) Telephone or electrical utility charges for each Unit, which shall also be the sole responsibility of the Owners of such Units;

(c) Ad valorem taxes assessed against Units;

(d) Other charges or expenses related solely to individual use or occupancy of any Unit; or

(e) Assessments charged directly to Owners pursuant to any master or umbrella declaration to which the Regime is subject.

It is anticipated that ad valorem taxes and other governmental assessments, if any, upon the Project will be assessed by the taxing authority upon the Unit Estate, and that each assessment will include the assessed value of the Unit and of the undivided interest of the Owner in the Common Area. Any such taxes and governmental assessments upon the Project which are not so assessed shall be included in the Association's budget as a recurring expense and shall be paid by the Association as a Common Expense. Except as otherwise provided herein, each Owner is responsible for making his own return of taxes and such return shall include such Owner's undivided interest in the Common Area as such undivided interest is determined by law for purposes of returning taxes.

Section 4.3. Special Assessments. In addition to the Annual Assessments, the Board of Directors may levy in any calendar year "Special Assessments" for the purpose (i) of supplementing the Annual Assessments if the same are inadequate to pay the Common Expenses and (ii) of defraying, in whole or in part, the cost of any reconstruction, repair, or replacement of

the Common Area; provided, however, that any such Special Assessments shall have the assent of Owners representing a majority of the Total Percentage Interest, voting in person or by proxy, at a meeting at which a quorum is present, duly called for the express purpose of approving such Assessment. Written notice of such meeting shall be sent to all Owners not less than ten (10) days nor more than thirty (30) days in advance of the meeting, which notice shall set forth the purpose of the meeting. The period of the Special Assessments and manner of payment shall be determined by the Board.

Section 4.4. Date of Commencement of Annual Assessments; Due Dates. Although the Annual Assessment is calculated on a yearly basis for the Annual Assessment Period, each Owner of a Unit shall be obligated to pay to the Association or its designated agent such Assessment in equal monthly installments on or before the first day of each month during such Annual Assessment Period except as otherwise provided in Section 4.5(b).

The first monthly payment of the Annual Assessment for each Unit in the remainder of the year in which this Master Deed is recorded shall be equal to the monthly payment set forth in Exhibit L attached hereto, divided by the number of days in the month of such recording, and multiplied by the number of days then remaining in such month. Thereafter, the monthly payment shall be determined for subsequent years as provided above.

The Association shall, upon demand at any time, furnish to any Owner liable for any such Assessment a certificate in writing signed by an Officer of the Association or the professional property manager of the Association, setting forth whether the same has been paid. A reasonable charge, as determined by the Board, may be made for the issuance of such certificate. Such certificate shall be conclusive evidence of payment of any Assessment stated to have been paid as to any person or entity who has relied on the certificate to his detriment.

Section 4.5. Effect of Non-Payment of Assessment; the Personal Obligation of the Owner; the Lien; Remedies of Association.

(a) If an Assessment is not paid on the date when due, as hereinabove provided, then such Assessment together with such late charges and interest thereon and any costs of collection thereof as hereafter provided, shall be a charge and continuing lien on the Unit Estate to which it relates, and shall bind such property in the hands of the Owner, his heirs, legal representatives, successors, and assigns. The personal obligation of the then Owner to pay such Assessment, however, shall remain his personal obligation, and if his successors in title assume his personal obligation, such prior Owner shall

nevertheless remain as fully obligated as before to pay to the Association any and all amounts which he was obligated to pay immediately preceding the transfer. Furthermore, such prior Owner and his successor in title who assumes such liabilities shall be jointly and severally liable with respect thereto, notwithstanding any agreement between such prior Owner and his successor in title creating the relationship of principal and surety as between themselves, other than one by virtue of which such prior Owner and his successor in title would be jointly and severally liable to pay such amounts.

(b) In the event any Assessment is not received within fifteen (15) days of the due date thereof, a late charge of ten (\$10.00) dollars or such greater amount as shall be set by the Board of Directors shall be added to the Assessment and shall be due and payable on demand. In addition, in the event any Assessment is not received within thirty (30) days of the due date thereof, the Association shall have the right to declare the balance of the Assessment for the Annual Assessment Period then in effect immediately due and payable upon written notice to the defaulting Owner; and interest at the rate of one and one-half percent (1 1/2%) per month (not to exceed the highest lawful rate) on the entire Assessment due and owing (including any accelerated portions) shall be added to the Assessment and shall be due and payable on demand. Interest will continue to accrue until the Assessment is paid in full.

(c) The Association may bring legal action against the Owner personally obligated to pay the same or foreclose its lien against the Unit Estate to which it relates or pursue both such courses at the same time or successively. In any event, the Association shall be entitled also to recover reasonable attorney's fees actually incurred and all other costs of collection. Each Owner, by his acceptance of a deed or other transfer of a Unit, vests in the Association or its agent the right and power to bring all actions against him personally for the collection of such charges as a debt and to foreclose the aforesaid lien in any appropriate proceeding at law or in equity. All Owners, to the fullest extent permitted by law, waive all benefits that might accrue to any Owner by virtue of any present or future homestead exemption or law exempting any Unit or portion thereof from sale. If the Association commences to foreclose its lien, the Owner may be required to pay a reasonable rental for the Unit after the commencement of the action and at its option the Association shall be entitled to the appointment of a receiver to collect such rents. The Association shall have the power to bid on the Unit at any foreclosure sale and to acquire, hold, lease, mortgage and convey the same. No Owner may be relieved from liability from the Assessment provided for herein by abandonment of his Unit or otherwise.

(d) During any period in which an Owner shall be in default in the payment of any Annual or Special Assessment levied by the Association, the voting rights of the Owner and the rights of the Owner and lessees of the Owner, their families, invitees and guests, to use and enjoy the recreational areas of the Common Area may be suspended by the Board of Directors until such time as the Assessment has been paid.

Section 4.6. Subordination of the Charges and Liens to Mortgages.

(a) The lien and permanent charge for the Assessments (together with late charges, interest, fees and costs of collection) authorized herein with respect to any Unit is hereby made subordinate to the lien of any mortgagee or his assigns placed on such Unit Estate if the lien constitutes a first lien (prior to all other mortgage liens) and all Assessments with respect to such Unit Estate having a due date on or prior to the date such first mortgage is filed for record have been paid. The lien and permanent charge hereby subordinated is only such lien and charge as relates to Assessments authorized hereunder having a due date subsequent to the date such mortgage is filed for record and prior to the satisfaction, cancellation or foreclosure of such first mortgage.

(b) Such subordination is merely a subordination and shall not relieve the Owner of the mortgaged Unit Estate of his personal obligation to pay all Assessments coming due at a time when he is the Owner; shall not relieve such Unit Estate from the lien and permanent charge provided for herein (except as to the extent the subordinated lien and permanent charge is extinguished against a mortgagee or such mortgagee's assignee or transferee by foreclosure); and no sale or transfer of such Unit Estate to the mortgagee or to any other person pursuant to a foreclosure sale shall relieve any previous Owner from liability for any Assessment coming due before such sale or transfer.

(c) To the extent any subordinated lien and permanent charge for any Assessment is extinguished by foreclosure of any mortgage, then the amount or amounts otherwise secured thereby which cannot otherwise be collected shall be deemed a Common Expense collectible from all Owners, including the person who acquires title through the foreclosure sale.

Section 4.7. Reserves. The Board of Directors shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of the Common Area. The Board of Directors shall include amounts needed to maintain an adequate reserve fund in its estimation of the Common Expenses for each calendar year and shall cause deposits to the reserve fund to be made in connection with the collection of the Annual Assessment.

Section 4.8. Working Capital Assessment. Notwithstanding anything to the contrary in this Master Deed, a working capital fund shall be established for the Association by collecting from each Owner who acquires title to his Unit from the Developer a Working Capital Assessment of One Hundred Fifty and No/100 Dollars (\$150.00), which Assessment shall be due and payable at the time of transfer of each Unit by the Developer to any other Owner; provided, however, that in the event all Units are not transferred by the Developer within sixty (60) days from the date hereof, the Developer shall advance the Working Capital Assessment on behalf of the Owners of all unsold units and shall be entitled to reimbursement from such Owners for said Assessments, without interest, at the time of transfer of the respective Units.

ARTICLE V

Insurance and Casualty Losses

Section 5.1. Hazard Insurance.

(a) The Association shall obtain, maintain and pay the premiums, as a Common Expense, upon a "master" or "blanket" type policy or policies of property insurance covering the entire Project, except (i) land, foundation, excavation, or other items normally excluded from coverage; (ii) all improvements and betterments made to Units by Owners at their expense; and (iii) personal property of Owners and lessees of Owners, their families, invitees and guests. Such coverage shall also insure supplies, equipment and other personal property of the Association. All policies of property insurance shall be single entity condominium insurance coverage. The master insurance policy shall afford, at a minimum, protection against loss or damage by fire and other perils normally covered by standard extended coverage endorsements; and all other perils which are customarily covered with respect to condominium projects similar in construction, location and use, including all perils normally covered by a standard "all risk" endorsement, where such is available. The policy shall be in an amount equal to one hundred (100%) percent of the current replacement cost of the Project, exclusive of land, foundations, excavation, and other items normally excluded from coverage; and "agreed value" and "inflation guard" endorsements shall also be obtained, if available. A "deductible amount" not to exceed the lesser of \$10,000 or one percent (1%) of the policy face amount may be included at the discretion of the Board of Directors if a material savings in premium cost results therefrom, but the deductible amount shall be considered a Common Expense and borne by the Association regardless of the number of Owners directly affected by the loss.

(b) The Board of Directors shall cause to be conducted an annual insurance review for the purpose of determining the current replacement cost of the entire Project, including all Buildings, Units, and Common Areas without respect to the depreciation of improvements on the Land (with the exception of improvements and betterments by the respective Owners at their expense) by one or more qualified persons. The information obtained from this review shall be utilized in connection with satisfaction of the insurance required hereof.

(c) The name of the insured under the master policy shall be substantially as follows: "The Toler's Cove Homeowners Association for the use and benefit of the individual Owners of Units in The Toler's Code Horizontal Property Regime." Loss payable provisions shall be in favor of the Association and the Trustee, as a trustee for each Owner, and each such Owner's mortgagee as the interests of such parties may appear. Each Owner and his respective mortgagee, if any, shall be beneficiaries of the policy in a percentage equal to the Percentage Interest attributable to the Unit owned by such Owner. All policies shall contain a standard mortgagee clause, or equivalent endorsement (without contribution), which is commonly accepted by private institutional mortgage investors in the area in which the Project is located, and which appropriately names all mortgagees or their servicer in such form as requested by such mortgagees or their servicer.

(d) If at all possible, all policies shall be written with a company holding a general policyholder rating of "A" or better by Best's Insurance Reports and in a financial category of Class VI or better in Best's Key Rating Guide. Policies are unacceptable where (i) under the terms of the insurance carrier's charter, bylaws or policy, contributions or assessments may be made against the Association, Owners, mortgagees or the designees of mortgagees; (ii) by the terms of the carrier's charter, bylaws or policy, loss payments are contingent upon action by the carrier's board of directors, policy holders or members; or (iii) the policy includes any limiting clause (other than insurance provisions) which could prevent mortgagees or Owners from collecting insurance proceeds. Policies may not be cancellable or substantially modified by any party without at least ten (10) days prior written notice to the Association and each mortgagee which is listed as a scheduled holder of a first mortgage in the insurance policy. Policies should also contain a "special condominium endorsement" or its equivalent which provides for the following: recognition of any insurance trust agreement; a waiver of the rights of subrogation against Owners individually; the insurance is not prejudiced by any act or negligence of individual Owners which is not under the control of the Association or such Owners collectively; and the policy is primary in the event the Owner has other insurance covering the same loss.

(e) The Association shall provide copies of all policies to Owners and/or mortgagees requesting the same for a charge not to exceed reasonable copying costs. In addition, the Association shall cause to be provided evidence of insurance forms which (i) provide for a minimum of ten (10) days notice of cancellation, non-renewal or any change adverse to the interests of mortgagees; (ii) include the amount and types of coverage afforded; (iii) indicate by descriptive name any special endorsements made a part of the master policy; and (iv) are executed by an authorized company representative.

(f) Each Owner may obtain additional insurance at his own expense; provided, however, that no Owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount which the Association, on behalf of all of the Owners and their mortgagees, may realize under any insurance policy which the Association may have in force on the Project at any particular time. Any Owner who obtains an individual insurance policy covering any portion of the Project, other than the personal property belonging to such Owner, shall file a copy of such policy with the Association within thirty (30) days after purchasing such insurance. Each Owner, at his own expense, may obtain on his Unit or the contents thereof, title insurance, homeowner's liability insurance, theft and other insurance covering improvements, betterments and personal property damaged and lost. Each Owner shall be required to notify the Association of all improvements made by such Owner to his Unit, the value of which exceeds \$10,000.00.

Section 5.2. Liability Insurance. The Association shall obtain, maintain and pay the premiums, as a Common Expense, upon a policy of comprehensive general liability insurance coverage covering at a minimum all of the Common Area. Coverage limits shall be in amounts generally required by private institutional mortgage investors for projects similar in construction, location and use to the Project; provided, however, that such coverage shall be for at least \$1,000,000 for bodily injury, including death of persons, and property damage arising out of a single occurrence. Coverage under this policy shall include, without limitation, legal liability to the insured for property damage, bodily injury and death of persons in connection with the operation, maintenance and use of the Common Area and legal liability arising out of law suits related to employment contracts in which the Association is a party. If the policy does not include "severability of interest" in its terms, an endorsement shall be included which precludes the insurer's denial of the claims of an Owner because of the negligent acts of the Association or another Owner. Such policy must provide that it cannot be cancelled or substantially modified, by any party, without at least ten (10) days prior written notice to the Association and each mortgagee listed as a scheduled holder of a first mortgage in the insurance policy.

Section 5.3. Fidelity Bonds and Other Insurance. The Association shall obtain, maintain and pay the premiums, as a Common Expense, upon a blanket fidelity bond for all officers, directors, trustees and employees of the Association and all other persons handling or responsible for funds belonging to or administered by the Association; provided, however, that the professional management company assisting with the administration of the Regime shall be responsible to provide its own blanket fidelity bond which meets the requirements of this Section 5.3. The total amount of the fidelity bond coverage required shall be based upon the best business judgment of the Board of Directors and shall not be less than the estimated maximum funds, including reserve funds, in the custody of the Association or the professional management company, as the case may be, at any given time during the term of each bond; provided, however, that in no event shall the aggregate amount of such bonds be less than the sum equal to 2/12ths of the Annual Assessment plus reserve funds. Fidelity bonds shall meet the following requirements: the Association shall be named as an obligee; the bonds shall contain waivers of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions; and the bond shall provide that it may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days prior written notice to the Association and each mortgagee listed as a scheduled holder of a first mortgage in the bond.

The Association shall obtain, maintain and pay the premiums, as a Common Expense, on a policy of directors and officers liability insurance in such amount as determined by the Board of Directors.

The Board of Directors shall be authorized on behalf of the Association to obtain and maintain such other and further insurance as the Board of Directors may determine from time to time.

Section 5.4. Authority to Adjust Loss. The exclusive authority to negotiate, settle and otherwise deal in all respects with insurers and adjust all losses under policies provided for herein shall be vested in the Board of Directors or its duly authorized agent for the benefit of all Owners and mortgagees; provided, however, that all Owners and mortgagees having an interest in such loss shall be advised in advance of all actions anticipated to be taken of a material nature related to the adjustment of the loss. Each Owner, in accepting a deed to a Unit, expressly appoints the directors, and each of them, his due and lawful attorneys-in-fact, with full power of substitution, to act on behalf of the Owner as fully as the Owner could act in person on all matters related to the authority granted in this Paragraph (f), including executing all documents required in connection therewith on behalf of the Owner.

Section 5.5. Trustee.

(a) The Board of Directors shall from time to time designate a Trustee who shall serve the Association and the Owners and their mortgagees (as their interests may appear) as provided herein. The Trustee shall be entitled to receive reasonable compensation for services rendered which shall be a Common Expense of the Association.

(b) All insurance policies obtained by the Association shall name the Association and the Trustee as loss payees. Immediately upon the receipt by the Association of any insurance proceeds, the Association shall endorse the instrument by means of which such proceeds are paid and deliver the instrument to the Trustee. The Trustee shall not be liable for payment of premiums, for the renewal or the sufficiency of the policies or for the failure to collect any insurance proceeds. Nor shall the Trustee have any obligation to inspect the Project to determine whether a loss has been sustained or to file any claim or claims against any insurer or any other person.

(c) Among other things, the duties of the Trustee shall be to receive proceeds delivered to it, hold such proceeds in trust for the benefit of the Owners and their mortgagees, and disburse the proceeds as hereinafter provided.

(d) Proceeds of insurance policies received by the Trustee shall be disbursed as follows:

(i) If the damage or destruction for which the proceeds are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purposes, shall be disbursed in payment for such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs shall be paid to the Association for the benefit of all Owners and their mortgagees, if any;

(ii) If it is determined, as provided in Section 5.6, that the damage or destruction for which the proceeds are paid shall not be repaired or reconstructed, such proceeds shall be disbursed to such persons as therein provided;

(iii) Any and all disbursements of funds by the Trustee for any purpose whatsoever shall be made pursuant to and in accordance with a certificate of the Association signed by the President and attested by the Secretary directing the Trustee to make the disbursements;

(iv) If the damage or destruction is to the Common Area and is to be repaired or reconstructed, two days prior written notice of each disbursement shall be given to the mortgagee known by the Trustee from the records of the Association to have

the largest interest in or lien upon such Common Area; and if the damage or destruction is to one or more Units and is to be repaired or reconstructed, said notice shall also be given to the mortgagee or mortgagees known by the Trustee from the records of the Association to have an interest in or lien upon such Unit or Units.

(e) The Trustee shall not incur liability to any Owner, mortgagee or other person for any disbursements made by it in good faith pursuant to and in accordance with the foregoing requirements.

Section 5.6. Damage and Destruction.

(a) Immediately after all or any part of the Project covered by insurance is damaged or destroyed by fire or other casualty, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Section 5.6, means repairing or restoring the damaged property to substantially the same conditions in which it existed prior to the fire or other casualty, with each Unit and the Common Area having the same vertical and horizontal boundaries as before.

(b) Any such damage or destruction to the Project shall be repaired unless all the Owners unanimously agree in writing within ninety (90) days of the damage or destruction to not repair, reconstruct or rebuild in accordance with the provisions of the Act; provided, however, that any such damage which requires the reconstruction of the whole or more than two-thirds (2/3) of the Project as specified in the Act, shall not be undertaken unless all the Owners unanimously agree in writing within ninety (90) days of the damage or destruction to repair, reconstruct or rebuild. If the Project is not reconstructed, all insurance proceeds shall be delivered in accordance with the provisions of Paragraph (c) of this Section 5.6. Except as otherwise provided, any such damage or destruction which renders any Unit untenable or uninhabitable, or any such damage or destruction to the Common Area, shall be repaired and reconstructed as promptly as practicable. No mortgagee shall have any right to restrict the use of insurance proceeds otherwise available for repair, reconstruction or rebuilding.

(c) In the event that it is determined by the Association in the manner prescribed above that the damage or destruction shall not be repaired, reconstructed or rebuilt, then and in that event:

(i) The Project shall be owned by the Owners as tenants-in-common;

(ii) The undivided interest in the Project of each Owner shall be a percentage equal to the Percentage Interest appurtenant to the Unit theretofore owned by the Owner;

(iii) All liens affecting any of the Units shall be deemed to be transferred in accordance with the existing priorities to the undivided interest of the Owners of the respective Units;

(iv) The Project shall be subject to an action for partition at the instance of any Owner, in which event the net proceeds of the sale shall be deposited with the Trustee;

(v) The Association shall proceed to satisfy all of its liabilities and convert all of its assets to cash which shall be deposited with the Trustee;

(vi) The proceeds from the sale of the Project, the liquidation of the assets of the Association and the insurance proceeds related to the damage or destruction to the Project shall be considered one fund which, after paying the reasonable expenses of the Trustee, shall be distributed to all the Owners and their respective mortgagees as their interests may appear in percentages equal to the respective undivided interest in the Project of said Owners. Distributions to such Owners and their mortgagees shall be made pursuant to certificates provided for in Section 5.5.

Section 5.7. Insufficient Proceeds to Repair.

(a) If the damage or destruction for which the insurance proceeds are paid to the Trustee is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, or if no insurance proceeds exist with respect to such damage or destruction, the Board of Directors shall levy an Assessment against the Owners of damaged or affected Units in sufficient amounts to provide funds to pay costs in excess of insurance proceeds for repair or reconstruction. Additional Assessments may be made at any time during or following the completion of any repair or reconstruction. That portion of such Assessments levied against each Owner shall be equal to that percentage computed by dividing the Percentage Interest appurtenant to such Owner's Unit by the aggregate Percentage Interests appurtenant to all Units damaged or affected.

(b) Any and all sums paid to the Association under and by virtue of those Assessments provided for in Paragraph (a) of this Section shall be deposited by the Association with the Trustee. Such proceeds from insurance and Assessments, if any, received by the Trustee shall be disbursed as provided in Section 5.5.

ARTICLE VI

Condemnation

Section 6.1. General. Whenever all or any part of the Project shall be taken by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice thereof; provided, however, that the exclusive right to negotiate, settle and otherwise deal in all respects with the condemning authority as to the taking of the Common Area shall be vested in the Board of Directors or its duly authorized agent on behalf of the Association. Each Owner, in accepting a deed to a Unit, expressly appoints the directors, and each of them, his due and lawful attorneys-in-fact, with full power of substitution, to act on behalf of the Owner as fully as the Owner could act in person in all matters related to the authority granted in this Section 6.1, including executing all documents required in connection therewith on behalf of the Owner. The award made for such taking shall be payable to the Trustee. Unless otherwise required by law at the time of such taking, any award made therefor shall be disbursed by the Trustee, as hereinafter provided in this Article VI.

Section 6.2. Non-Essential Areas. If the taking does not include any portion of any Unit or any portion of the Common Area essential to the continued occupancy of any Unit, then the Board of Directors shall be permitted to replace any non-essential improvements to the extent deemed appropriate and the Trustee shall disburse the proceeds of such awards in the same manner as hereinabove provided for and in connection with the repair, reconstruction or rebuilding of improvements after damage or destruction, with all excess proceeds to be distributed to the Association.

Section 6.3. Essential Areas. If the taking includes any portion of a Unit or the Common Area essential to the use of any Unit, then the award shall be disbursed, and all related matters, including, without limitation, alteration of the Percentage Interests appurtenant to each Unit, shall be handled, by the Board of Directors in a just and equitable manner to all Owners; provided, however, that all action of the Board of Directors shall be pursuant to and in accordance with a plan approved by Owners representing at least two-thirds (2/3) of the Total Percentage Interest in a duly recorded amendment to this Master Deed. In the event that such an amendment shall not be recorded within ninety (90) days after the taking, then such taking shall be deemed to be and shall be treated as damage or destruction which shall not be repaired or reconstructed as provided for in Section 5.6, whereupon the Regime shall be terminated in the manner therein prescribed.

ARTICLE VII

Architectural Control

Section 7.1. Approval Required for Changes. To preserve the original architectural appearance of the Project, after the purchase of a Unit from the Developer, its successors or assigns, no exterior construction of any nature whatsoever, except as specified in the Regime Documents, shall be commenced or maintained upon any Building, including without limitation, the Limited Common Area, nor shall there be any change, modification or alteration of any nature whatsoever of the design and appearance of any of the exterior surfaces or facades, nor shall any Owner paint any gate, fence or roof, nor shall any Owner change the design or color of the exterior lights, nor shall any Owner install, erect or attach to any part of the exterior any addition or change until after the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing as to harmony of exterior design, color and location in relation to the surrounding structures by the Board of Directors.

ARTICLE VIII

Maintenance

Section 8.1. Responsibility of Association. Except as specifically provided to the contrary herein, the Association shall maintain the Common Area in first class condition; and shall repair or replace all parts of the Common Area as necessary. Except as otherwise provided herein, the cost of such shall be charged to the Owners as a Common Expense.

Section 8.2. Access to Units. The Association shall have the irrevocable right, to be exercised by the Board of Directors or its agent, to have reasonable access to each Unit from time to time as may be necessary for the inspection, maintenance, repair or replacement of any of the Common Area accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the Common Area or to other Units.

Section 8.3. Responsibility of Owner. In the event that the Board of Directors should determine that the need for maintenance or repairs by the Association as provided for in this Article VIII is caused through the wilfull or negligent act of an Owner or the lessee of an Owner, their families, invitees or guests, the cost of which is not covered or paid for by insurance, then the cost, both direct and indirect, of such maintenance or repairs shall be added to and become a part of the Assessment to which such Owner and his Unit are subject. Each Owner shall maintain, repair or replace at his own expense

all portions of his Unit which may become in need thereof, including the heating and air-conditioning system for such Unit, all bathroom and kitchen fixtures and appliances, light fixtures, interior non-loadbearing walls, carpeting, drapes, windows, screens and other items within the Unit. Further, each Owner shall, at his own expense, maintain, repair and replace, when necessary, that portion of the heating and air-conditioning system servicing his Unit which is located outside his Unit; and each Owner shall, at his own expense, keep the Limited Common Area to which his Unit has exclusive access and to which he has exclusive use clean and neat. If the Owner does not make those repairs required to be made by him within thirty (30) days from the date of receipt of written demand from the Association, the same may be repaired by the Association and the cost thereof shall be assessed against the Owner and Unit owned by such Owner.

ARTICLE IX

Unit Restrictions

Section 9.1. Residential Purposes. All Units shall be, and the same hereby are, restricted exclusively to residential use. No immoral, improper, offensive or unlawful use shall be made of any Unit and no use or condition shall be permitted which is a source of unreasonable noise or interference with the peaceful possession and quiet enjoyment of any other portion of the Project by other Owners or lessees of Owners, their families, invitees and guests. All Units shall be kept in a clean and sanitary condition and no rubbish, refuse or garbage shall be allowed to accumulate. No fire hazard shall be allowed to exist and no use or condition shall be permitted which will increase any rate of insurance related to the Project. In addition, all Owners and lessees of Owners, their families, invitees and guests shall abide by all Rules and Regulations in effect from time to time governing the use of Units.

Section 9.2. Animals and Pets. No animals, livestock or poultry of any kind shall be raised, bred or kept on any part of the Project, except that dogs, cats or other normal household pets may be kept by the respective Owners inside their respective Units provided that they are not kept, bred or maintained for any commercial purpose and do not create any health hazard or, in the sole discretion of the Board of Directors, unreasonably disturb the peaceful possession and quiet enjoyment of any other portion of the Project by other Owners and lessees of Owners, their families, invitees and guests.

Section 9.3. Exterior Antennas. No exterior television or radio antennas shall be placed on any portion of the Project without prior written approval of the Board of Directors.

Section 9.4. Leasing of Units. Any Owner shall have the right to lease or rent his Unit; provided, however, that all leases and rental contracts shall be in writing and shall require the lessee to abide by all conditions and restrictions placed on the use and occupancy of the Unit and the Common Area by the Regime Documents. The Board of Directors shall have the right to approve the form of all such leases and rental contracts at any time if it elects to do so. The Board of Directors shall have the further right, for cause, to cancel any lease or rental contract.

ARTICLE X

Easements

Section 10.1. Encroachments. If any portion of the Common Area encroaches upon any Unit or any Unit encroaches upon any other Unit or upon any portion of the Common Area as a result of settling or shifting of a Building or variances from the Plans, an easement shall exist for the encroachment and for the maintenance of the same so long as the Building stands. If any Building, any Unit, and/or any adjoining part of the Common Area shall be partially or totally destroyed as a result of fire or other casualty or a result of eminent domain proceedings, and then rebuilt, encroachments of parts of the Common Area upon any Unit or of any Unit upon any other Unit or upon any portion of the Common Area due to such rebuilding, shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist so long as the subject Building shall stand.

Section 10.2. Utilities, etc. There is hereby granted a blanket easement upon, across, over and under all the Project for ingress, egress, installation, replacing, repairing and maintaining a master television antenna or cable system and all utilities, including, but not limited to drainage, water, gas, sewer, telephone and electricity. Such easements grant to appropriate utility companies the right to erect and maintain the necessary poles and other necessary equipment on the Project and to affix and maintain utility wires, circuits and conduits on, above, across and under the roofs and exterior walls of the Units. In addition, the Board of Directors shall be entitled to grant additional permits, licenses and easements over the Common Area for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance and operation of the Project.

Section 10.3. Other. There is hereby granted to the Association, its directors, officers, agents and employees and to any manager employed by the Association and to all policemen, firemen, ambulance personnel, and all similar emergency personnel, an easement to enter upon the Project or any part

thereof in the proper performance of their respective duties. Except in the event of emergencies, the rights under this Section 10.3 shall be exercised only during reasonable daylight hours, and then, whenever practicable, only after advance notice to the Owner or Owners affected thereby.

Section 10.4. Easement for Construction. Notwithstanding anything herein to the contrary, Developer and persons designated by the Developer shall have an easement to enter upon and cross over the Common Areas for purposes of ingress and egress to all portions of the Project; to use portions of the Common Areas and any Units owned by the Developer for construction or renovation related purposes including the storage of tools, machinery, equipment, building materials, appliances, supplies and fixtures, and the performance of work respecting the Project; and to maintain and correct drainage of surface, roof or storm water; provided, however that nothing contained herein shall authorize the Developer to undertake such actions as will materially and adversely interfere with use and enjoyment of the Project by any owner.

Section 10.5. Easement for Sales Purposes. Developer and persons designated by the Developer shall have an easement to maintain one or more sales offices, management offices and models throughout the Project and to maintain one or more advertising signs on the Common Areas while the Developer is selling Units in the Project or any contemplated expansion thereof. Developer reserves the right to place models, management offices and sales offices in any Units owned by Developer and on any portion of the Common Area in such number, of such size and in such locations as Developer deems appropriate. So long as Developer shall be selling Units in the Project or any contemplated expansion thereof, Developer shall have the right to restrict the use of a reasonable number of parking spaces, for purposes including, but not limited to, the providing of spaces for use by prospective Unit purchasers, Developer's employees and others engaged in sales, maintenance, construction or management activities.

Section 10.6. Right to Utilize Recreational Amenities. Subject to the limitations hereinafter set forth, there shall exist in favor of the Developer, its successors and assigns, an unlimited, perpetual and alienable easement for the use and enjoyment of the recreational amenities of the Regime, including (without limitation) the tennis courts, clubhouse and swimming pool (collectively the "Recreational Amenities"), which easement shall include reasonable rights of ingress and egress, over, across, through and upon the interior and exterior streets, roadways, entrances and exits, parking lots, sidewalks and other Common Areas of the Regime so as to provide access to and from the Recreational Amenities (collectively the "Recreational Amenities Easement"). This Recreational Amenities

Easement may be utilized only by owners of dwelling units located on the Additional Real Property and their lessees, invitees, guests and licensees (collectively the "Adjacent Real Property Owners"), on such terms and conditions as set forth in writing by the Developer, its successors and assigns, from time to time. The Recreational Amenities Easement may be authorized by the Developer, its successors and assigns, irrespective of the fact that the Regime may not be expanded to include the Additional Real Property.

Anything to the contrary hereinabove notwithstanding, the foregoing Recreational Amenities Easement shall be expressly conditioned upon:

(a) All persons utilizing the Recreational Amenities Easement bearing a pro rata share of the cost of maintenance and upkeep of the Recreational Amenities. The Association and the Developer, its successors and assigns, shall act reasonably and in good faith to establish procedures for calculating the pro rata share of costs to be borne by persons associated with the additional dwelling units; provided, however, that if agreement cannot otherwise be reached, then said proration shall be based upon heated and cooled square footage areas; and

(b) All persons utilizing the Recreational Amenities Easement complying with all rules and regulations promulgated by the Association with respect to the use of said Recreational Amenities ; provided, however, that the rules and regulations shall not discriminate against any persons or group utilizing the Recreational Amenities.

Section 10.7. Marina Easements. Subject to the limitations hereinafter set forth, there shall exist in favor of the Developer, its successors and assigns, a perpetual commercial easement for the purposes and uses hereinafter set forth, over, through and across the Land and Additional Real Property. This easement is for the following purposes and uses, to wit: (1) for pedestrian and vehicular ingress to and egress from that certain piece, parcel or tract of land shown as 30.771 acres and designated as tract "C" on the "Subdivision Plat of a 53.134 Acre Tract, Town of Mt. Pleasant, County of Charleston, South Carolina" dated August 24, 1984 and recorded in Plat Book BC at Page 80 in the RMC Office for Charleston County (hereinafter the "Marina Parcel"); (2) for the construction, installation, support, and maintenance of improvements to the Marina Parcel as the same are shown on Exhibit "C" attached to the deed from Jeannette Creek Limited Partnership to the Yacht Club at Toler's Cove Marina Limited Partnership dated December 20, 1985 and recorded December 31, 1985 in the Office of the Register of Mesne Conveyances for Charleston County at Deed Book R150, Page 642 (hereinafter the "Marina Deed") and incorporated herein by this reference; (3) for the construction,

installation, support and maintenance of all utilities serving the Marina Parcel; (4) for vehicle parking by the owner of the Marina Parcel, and the employees, agents, lessees, invitees, guests and licensees of such owner; (5) for the construction, support, and maintenance of the petroleum storage and transfer systems serving the Marina Parcel, as the same are shown (indicated as "FUEL TANKS", "CENTERLINE 10' FUEL LINE EASEMENT", and "FUEL LINE EASEMENT") on Exhibit "D" attached to the Marina Deed and incorporated herein by this reference; (6) for the construction, attachment, affixation, support and maintenance of any docking structures or other facilities as the same are shown on Exhibit "C" attached to the Marina Deed; and (7) for the maintenance, repair and replacement of any existing improvements on the Marina Parcel encroaching upon the Land or Additional Real Property; provided, however, the following shall apply:

(a) only those portions of the Land and Additional Real Property reasonably required for the purposes and uses set forth herein shall be burdened by the foregoing easements and the Developer, its successors and assigns, shall be free to construct improvements of any nature or description on the Land and Additional Real Property, including without limitation additional phases of the Regime, whether or not in accordance with existing plans for such development, so long as sufficient portions of the Land and Additional Real Property remain available for the accomplishment of the purposes and uses set forth above in a manner which will not unreasonably interfere with the commercial activities of the Yacht Club at Toler's Cove Marina Limited Partnership (hereinafter the "Marina Partnership") or the use and enjoyment of the Marina Parcel;

(b) that the foregoing perpetual commercial easement does not grant any access or use rights to recreational facilities or other amenities located on the Land and Additional Real Property, including without limitation use rights related to the tennis courts, clubhouse or pool.

(c) that the Developer has the sole and absolute right to modify and amend its plans for the development of the Land and Additional Real Property in such manner as deemed appropriate in its sole and absolute discretion, subject to the express limitations contained in this Master Deed, and the Marina Partnership has no vested right in or to any specific development plan for the Land and Additional Real Property.

The Marina Parcel shall be obligated to the Regime as a lien on the title and a covenant running with the land for the proportionate share of the maintenance upkeep of the roadways and parking areas based on its use thereof as may be from time to time. Its proportionate use shall be estimated by use of roadways and parking areas by persons who are not occupants of the Project and in no event shall its proportionate share exceed

ten (10%) percent of the cost of maintenance of said roadways and parking areas.

Section 10.8. Easement for all Future Phases. There is reserved unto the Developer, its successors and assigns, an unlimited perpetual, alienable and divisible easement for unlimited ingress and egress over, across, through and upon the interior and exterior streets, roadways, entrances and exits and parking lots of the Regime so as to provide access to and from those certain tracts of land designated as Parcels 2, 3, 4, 6, 8, Future Development 0.295 Acres and Future Development 1.066 Acres, as shown on Exhibit "C", which is attached hereto and made a part hereof, said reservation is for the benefit of the Developer, its successors and assigns.

Section 10.9. Easement for Commercial Property. There is reserved unto the Developer, its successors and assigns, an unlimited perpetual, alienable and divisible easement for unlimited ingress and egress over, across, through and upon so much of the interior and exterior streets, roadways, entrances and exits of the Regime as to provide access to and from the property lying to the South of Phase VI designated as Tract A (said Tract A being shown on Plat recorded in Plat Book BC, Page 80 in the Offices of the Register of Mesne Conveyances for Charleston County). This easement is for the benefit of the Developer, its successors, assigns, invitees, guests, agents, licensees, contractors and customers.

This property, when and if used for commercial activity, shall be obligated to the Regime as a lien on the title and a covenant running with the land for the payment of a proportionate share of the maintenance and upkeep expenses of the roadways based on its use thereof as may be determined from time to time. Its proportionate use shall be reasonably established by the Association and the Developer, its successors and assigns, who shall act reasonably and in good faith to establish procedures for calculating the pro rata share of costs to be borne by all parties; provided, however, that if agreement cannot otherwise be reached, then said proration shall be based upon the amount and areas of use of roadways and parking areas by persons whose use relates to Tract A.

Section 10.10. Maintenance and Upkeep Expenses. Maintenance and upkeep expenses include, but are not limited to, hazard insurance on structures, liability insurance, repair and replacement of improvements and landscaping, and cleaning costs; provided, however, that maintenance and upkeep expenses shall not include any expenses associated with any guards or security service for the Project.

ARTICLE XI

Assigned Value and Unit Vote

Section 11.1. Unit and Property Values. The Schedule of Percentage Interests contained in Exhibit G attached hereto shows the Assigned Value of each Unit as of the date of this Master Deed and the Percentage Interest appurtenant to such Unit for all purposes.

Section 11.2. Unit Votes. Owners shall be entitled to a vote in the Association and for all other purposes herein equivalent to the Percentage Interest appurtenant to their respective Units.

ARTICLE XII

Rights Related to Mortgages

Section 12.1. Notice of Action. Upon written request to the Association from the holder of any first mortgage on any Unit ("Eligible Mortgage Holder") or any insurer or government guarantor of any first mortgage on any Unit ("Eligible Insurer/Guarantor"), identifying the name and address of the holder, insurer or guarantor and the Unit Estate number or address, such Eligible Mortgage Holder or Eligible Insurer/Guarantor shall be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss which affects any material portion of the Project or any Unit Estate on which there is a first mortgage held, insured or guaranteed by such Eligible Mortgage Holder or Eligible Insurer/Guarantor, as applicable;

(b) Any delinquency in the payment of Assessments or other charges owed by any Owner of a Unit Estate subject to a first mortgage held, insured or guaranteed by such Eligible Mortgage Holder or Eligible Insurer/Guarantor which remains uncured for a period of sixty (60) days after written demand has been made to the Owner for payment;

(c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

(d) Any proposed action which would require the consent of a specified percentage of Eligible Mortgage Holders as specified in Section 12.2 hereafter.

Section 12.2. Special Voting Rights of Certain Eligible Mortgage Holders. To the extent permitted by the Act, any action with respect to the Regime, including, but not limited

to, amendment of the Regime Documents, restoration or repair of the Project after partial or total condemnation or casualty loss, or termination of the legal status of the Regime under the Act, requiring the vote of the Owners shall also require the consent of the Eligible Mortgage Holders holding first mortgages on Unit Estates which represent at least fifty-one (51%) percent of the aggregate Percentage Interests of Unit Estates subject to liens of first mortgages of such Eligible Mortgage Holders; provided, however, that in the case of termination of the legal status of the Regime, the applicable percentage shall be at least two-thirds (2/3) of the Total Percentage Interests.

Section 12.3. Extraordinary Action. Notwithstanding any powers granted the Association herein to the contrary, unless all the Eligible Mortgage Holders have consented in writing, the Association shall not:

(a) By act or omission, voluntarily seek to abandon or terminate the Regime;

(b) Except as provided in Article VI, change the Percentage Interest or obligations of any Unit for the purpose of: (i) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (ii) determining the pro rata share of ownership of each Unit in the Common Area;

(c) Partition or subdivide any Unit;

(d) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area; provided, however, that the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area by the Board of Directors shall not be deemed a transfer within the meaning of this Paragraph (d); or

(e) Use hazard insurance proceeds from any casualty losses (whether to Units or to the Common Area) for purposes other than the repair, replacement or reconstruction of such property until the damage or loss has been fully corrected.

Section 12.4. Failure to Provide Negative Response. For purposes of Sections 12.2 and 12.3 hereinabove, an Eligible Mortgage Holder who receives a written request to approve action of the Owners in accordance with Sections 12.2 and 12.3 shall be deemed to have consented to such action unless the Eligible Mortgage Holder provides a negative written response to the Association within thirty (30) days of the date of receipt by the Eligible Mortgage Holder of the written request.

ARTICLE XIII

EXPANSION OF REGIME

Section 13.1. Reservation of Right. Anything to the contrary contained in this Master Deed notwithstanding, the Developer shall be entitled to construct up to 127 additional Units on all or any portion of that certain real property more fully described in Exhibit B attached hereto and to submit said real property (or any portion thereof) and all improvements constructed thereon, to the Regime from time to time by filing one or more Expansion Amendments to this Master Deed in substantially the form of Exhibit M attached hereto. Each Expansion Amendment shall be executed solely by the Developer for itself and as attorney-in-fact for all Owners and shall include the following particulars:

(a) A legal description of the additional real property to be submitted to the Regime;

(b) A horizontal and vertical site plan and floor plans for all improvements constructed on said real property;

(c) A description of the portions of said real property and improvements which constitute Units, Common Area and Limited Common Area, if existing descriptions are not accurate in all respects; and

(d) An amended Exhibit G to the Master Deed specifying the respective Percentage Interests of the Owners of all Units after giving effect to the expansion of the Regime.

Section 13.2. Conditions Precedent to Filing of Amendment. The Developer shall have the right to file the Amendment prescribed by Section 13.1 herein only if all of the following conditions precedent have been met:

(a) The improvements constructed on the real property to be added to the Regime pursuant to this Article XIII shall have been constructed in a manner substantially similar in terms of exterior design, quality of construction, size and landscaping to the Units and Common Area comprising the original Project; provided, however, that the Developer reserves the right to reduce or increase the number of bedrooms in Units, to reduce or increase the number of floors per Building, and adjust the number of Units to be contained in each Building;

(b) All improvements constructed on the additional real property shall have been constructed in a good and workmanlike manner and the improvements shall be substantially complete; provided, however, to the extent there are uncompleted

amenities, the Developer may escrow sufficient funds with the Trustee to insure prompt completion thereof;

(c) A certificate of occupancy has been issued for all improvements constructed on the additional real property from the governmental agency having jurisdiction over the Project;

(d) A certificate as to the satisfaction by the Developer of the condition precedent set forth in Paragraph (a) above shall have been provided to the Association by an engineer or architect approved by the Board of Directors, which approval shall not unreasonably be withheld;

(e) All taxes and other assessments relating to the real property to be added to the Regime shall be paid or funds escrowed covering any period prior to submission to the Regime;

(f) Mechanics' lien affidavits or waivers shall be delivered to the Association evidencing that no person who has rendered services or provided materials in regard to the construction of the improvements on the real property to be added to the Regime has any claim which may constitute a lien on any portion of the Project, including the real estate and improvements to be added thereto, or a title insurance policy is provided to the Association insuring over such liens.

Section 13.3 Warranty. The Developer shall provide with respect to the real property and improvements to be added to the Regime substantially the same warranty that is contained in Section 3.4.

Section 13.4 Additional Amenities. Additional amenities constructed in a manner consistent with the existing amenities of the Regime may be placed on the real property to be added to the Regime; provided, however, that all such amenities shall be optional with the Developer and no Owner shall have the right to require their construction or addition to the Regime under any circumstances, whether or not the additional real property is added to the Regime.

Section 13.5. Failure to Record Amendment. Failure of the Developer to file for record the Amendment prescribed by Section 13.1 hereof in the Office of the Clerk of Court or the Register of Mesne Conveyances for the county in which the Project is located on or before December 31, 1995, shall constitute an irrevocable decision on the part of the Developer not to add any additional real property to the Regime and all further rights of the Developer under this Article XIII shall cease and be of no further force or effect.

Section 13.6. Assignability of Rights. The Developer shall be entitled to assign the rights reserved in this Article XIII

to any person or entity to whom any portion of the real property more fully described in Exhibit B attached hereto is transferred.

Section 13.7. Adjustment of Percentage Interests. Anything to the contrary contained in this Master Deed notwithstanding, the Percentage Interest of each Owner for all purposes shall be adjusted upon the filing of the Amendment prescribed by Section 13.1 hereof based upon the specified formula set forth in Exhibit G hereof, with the resulting Percentage Interest of each Owner in the Regime, as expanded, to equal the ratio, expressed as a percentage, of the Assigned Value of each Unit, as set forth in amended Exhibit G, and the total of the Assigned Values of the original Units and all additional Units added to the Regime as set forth in amended Exhibit G.

Section 13.8. Application of Master Deed. Upon the filing of the Amendment prescribed by Section 13.1 hereof, all definitions contained in this Master Deed shall be deemed amended to the extent necessary to cause the Additional Real Property and the improvements described in such Amendment to be treated as fully an integral part of the Regime as if said Additional Real Property and improvements constituted a portion of the Project as of the effective date hereof.

Section 13.9. Annual Assessments for Additional Units and Working Capital Reserve. The Annual Assessment with respect to Units added to the Regime pursuant to this Article XIII shall be equal to the current Annual Assessment applicable to existing Units pro rated on a per diem basis; provided, however, that as to any type of Unit being added to the Regime for which there is currently no Annual Assessment, the Annual Assessment shall be proportionately increased or decreased based upon the Assigned Values of such Units. Assessments regarding all of the additional Units shall commence upon the recording of the Amendment prescribed by Section 13.1 hereof.

All obligations with respect to the Working Capital Assessment provided for in Section 4.8 shall be applicable upon the transfer of the additional Units by the Developer, with the sixty (60) day period specified in said Section to commence as of the date of the recording of the Amendment prescribed by Section 13.1.

Section 13.10. No Consent Required. The Developer, its successors and assigns, shall have the absolute right to expand the Regime in accordance with this Article XIII and to file the Amendments prescribed in Section 13.1 hereof without any action or consent on the part of any Owner or mortgage holder; provided, however, that to the extent any action on the part of any Owner is required by any third party to assure the expansion of the Regime as provided in this Article XIII, each Owner, in

accepting a deed to a Unit, agrees to undertake such actions and/or provide such consents as are reasonably requested, and expressly appoints the Developer his due and lawful attorney-in-fact, with full power of substitution, to execute all documents reasonably required to evidence the requisite action or consent.

ARTICLE XIV

TRANSITION PROVISIONS

Section 14.1. Election of Directors. At all times during the Transition Period the Developer shall have the sole and exclusive right to elect a majority of the Board of Directors, fill any vacancy of the Board caused by the withdrawal of any director elected by the Developer and veto the removal of any director elected by the Developer.

Section 14.2. Amendments. During the Transition Period, the Developer shall have the right to veto any amendment of the Regime Documents, including (without limitation) any amendment with respect to this Article XIV.

Section 14.3. Cooperation. The Association shall cooperate with the Developer to the extent reasonably requested by the Developer during and after the Transition Period to promote the orderly development and marketing of the additional Units planned for the Project, and it is acknowledged by the Association that it is in the best interest of all Owners to expand the Regime to include all Units authorized by Article XIII hereof.

Section 14.4. Controlling Provisions. In the event of any inconsistency between this Article XIV and the other provisions of the Regime Documents, this Article XIV shall be controlling and binding on all parties having an interest in the Regime.

ARTICLE XV

General Provisions

Section 15.1. Adherence to Provisions of Master Deed, Bylaws and Rules and Regulations. Every Owner who rents his Unit must post inside his Unit a list of the Rules and Regulations of the Association. Any rental agency handling his rental must further agree to abide by the Rules and Regulations and shall be responsible for informing persons renting through its agency of any breaches of the Rules and Regulations by said persons and for taking any and all necessary corrective action. Should a particular agency or person continue not to take corrective action against the renters it has contracted with, or refuse to cooperate with the Association in the enforcement of

its Rules and Regulations or other provisions of the Regime Documents, the Association may require the Owner to cease using the services of that particular rental agency. Refusal to do so may result in fines against the Owner in an amount to be determined by the Board of Directors. Any fines shall be added to and become a part of the Assessment against the Unit and Owner.

Section 15.2. Amendment. Amendments to this Master Deed, except as herein expressly provided to the contrary, shall be proposed by the Board of Directors or by any member of the Association in accordance with the following procedure:

(a) Notice. Notice of the subject matter of the proposed amendment or amendments shall be included in the notice of the meeting of the Association at which such proposed amendment or amendments are to be considered.

(b) Adoption. The Master Deed may be amended at any time and from time to time at a meeting of the Association called in accordance with the Bylaws and this Master Deed upon the vote of Owners representing at least two-thirds (2/3) of the Total Percentage Interest; provided, however, that if the Association shall vote to amend the Bylaws in any respect, such amendment shall be set forth in an amendment to this Master Deed and shall be valid only when approved by a vote of Owners representing at least two-thirds (2/3) of the Total Percentage Interest.

(c) Nondiscrimination. Irrespective of the foregoing, no amendment shall (i) alter the Percentage Interest applicable to each Unit (except as permitted in accordance with Articles VI and XIII hereof); or (ii) discriminate against any Owner or against any Unit or class or group of Units, unless in each instance all Owners adversely affected thereby and their respective Eligible Mortgage Holders and Eligible Insurer/Guarantors expressly consent thereto in writing.

(d) Necessary Amendments. Notwithstanding any other provisions of this Master Deed to the contrary, if any amendment is necessary in the judgment of the Board to cure any ambiguity or to correct or supplement any provisions of the Regime Documents that are defective, missing or inconsistent with any other provisions thereof, or if such amendment is necessary to conform to the requirements of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the Veterans Administration or other secondary mortgage market lenders, guarantors or insurers with respect to condominium projects, then at any time and from time to time the Board may effect an appropriate corrective amendment so long as written objection to such amendment is not received from Owners representing at least fifty-one percent (51%) of the Total Percentage Interests within twenty (20) days

after written notice of the proposed amendment is given to all Owners.

(e) Expansion of the Regime. Subject to the consent of the owner thereof and upon the written consent or affirmative vote of Owners owning in excess of two-thirds (2/3) of the Total Percentage Interests present or represented by proxy at a meeting duly called for the purpose of considering an expansion of the Regime, the Association may annex real property other than as provided in Article XIII to the provisions of this Master Deed and the jurisdiction of the Association by filing of record in the appropriate records office of the county in which the Land is located, a Subsequent Amendment in respect to the property being annexed. Any such Subsequent Amendment shall contain such terms and conditions with respect to annexation as shall be approved by the owner(s) of the properties being annexed and the Owners representing more than two-thirds (2/3) of the Total Percentage Interests and shall be signed by the President and Secretary of the Association and the owner(s) of the properties being annexed. Annexation shall be effective upon filing unless otherwise provided for in the Subsequent Amendment.

(f) Grant of Rights to Use Amenities. Upon the written consent or affirmative vote of members of the Association owning in excess of two-thirds (2/3) of the Total Percentage Interests present or represented by proxy at a meeting duly called for the purpose of considering a grant of rights to use the amenities and other Common Area of the Regime to third parties and the written consent of the Developer, so long as the Developer owns property subject to this Master Deed or property which may become subject to this Master Deed in accordance with Article XIII of this Master Deed, the Association may grant such rights to persons not affiliated with the Regime by an amendment to this Master Deed and in return for such persons' written contractual undertakings to be responsible for a pro rata share of the operating and maintenance expenses of the amenities or other Common Area.

(g) Recording. A copy of each amendment provided for in this Section 15.2 shall be certified by the Board of Directors of the Association as having been duly adopted and shall be effective when recorded unless otherwise specified therein.

Section 15.3. Termination. The Regime may be terminated and the Project removed from the provisions of the Act in the following manner:

(a) Agreement. All of the Owners may remove the Project from the provisions of the Act by an instrument to that effect, duly recorded, subject to Sections 12.2 and 12.3 of this Master Deed.

(b) Destruction. In the event it is determined in the manner provided in Section 5.6 that the Project shall not be repaired or reconstructed after casualty, the Regime will be terminated and the Regime Documents revoked. The determination not to repair or reconstruct after casualty shall be evidenced by a certificate of the Association certifying as to the facts effecting the termination.

(c) Condemnation. In the event that any part of a Unit, or the Common Area essential to the use of any Unit shall be taken by an authority having the power of eminent domain and the consent of Owners representing at least two-thirds (2/3) of the Total Percentage Interest as provided in Section 6.3 to a plan for continuation of the Regime shall not be expressed in an amendment to this Master Deed duly recorded within ninety (90) days after such taking, the Regime shall be terminated and the Regime Documents revoked. Such taking shall be evidenced by a certificate of the Association certifying as to the facts effecting the termination.

Section 15.4. Covenants Running With the Land. All provisions of this Master Deed have been granted for good and valuable consideration and shall 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 shall bind and inure to the benefit of the Developer and all Owners and claimants of the Project or any part thereof or interest therein, and their heirs, executors, administrators, successors and assigns.

Section 15.5. Enforcement. Each Owner shall comply strictly with the Bylaws 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 shall 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 shall in no event be deemed a waiver of the right to do so thereafter.

Section 15.6. Severability. All provisions of this Master Deed and all of the Regime Documents shall be construed in a manner which complies with the Act and South Carolina law to the fullest extent possible. If all or any portion of any provision

of this Master Deed or any other Regime Documents shall be held to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability shall not affect any other provision hereof or thereof, and such provision shall be limited and construed as if such invalid, illegal or unenforceable provision or portion thereof were not contained herein or therein.

Section 15.7. Perpetuities. If any of the covenants, conditions, restrictions or other provisions of this Master Deed shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Ronald Wilson Reagan, President of the United States, or James Earl Carter, former President of the United States.

Section 15.8. Gender or Grammar. The singular whenever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed. In addition, the use of the terms "herein" or "hereof" shall mean this Master Deed and not merely the Article, Section or Paragraph in which such term is utilized.

Section 15.9. Headings. All Article and Section headings are utilized merely for convenience and shall not restrict or limit the application of the respective Articles or Sections.

Section 15.10. Powers of Attorney. All powers of attorney for which provisions have been made in this Master Deed are special limited powers coupled with an interest and irrevocable.

TO HAVE AND TO HOLD all and singular the Premises unto the Developer and the Association, their successors and assigns, forever.

ARTICLE XVI

Exhibits

Section 16.1. Exhibits Attached. The following Exhibits are attached hereto and incorporated verbatim in this Master Deed by reference as fully as if set forth herein.

<u>Description</u>	<u>Identification</u>
Legal Description of the Land	A
Legal Description of Additional Real Property	B

Site Plan - Horizontal and Vertical	C
Description of Common Area and Limited Common Area	D
Floor Plans	E
Description of Unit Boundaries	F
Schedule of Assigned Values and Percentage Interests	G
Amended and Restated Declaration for Incorporation of Association	H
Bylaws of the Association	I
Rules and Regulations	J
Form of Unit Deed	K
Initial Operating Budget	L
Form of Expansion Amendment	M
List of Unit Owners	N

IN WITNESS WHEREOF, Developer and Association have caused this Amended and Restated Master Deed to be executed to be effective as of the 31st day of May, 1986.

WITNESSES:

Edward J. Menzies
Rebecca G. Donelson

JEANNETTE CREEK LIMITED PARTNERSHIP (SEAL)

By: CAROLINA SERVICE CORPORATION OF GREENVILLE
 Its: General Partner

By: John E. Crain
 Its: President

WITNESSES:

Edward J. Menzies
Rebecca G. Donelson

TOLER'S COVE HORIZONTAL PROPERTY REGIME (a/k/a TOLER'S COVE HOMEOWNERS ASSOCIATION, INC.)

By: Paul Carman
 Its: President

ATTEST:

By: John E. Crain
 Its: Secretary

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

PROBATE

PERSONALLY appeared before me the undersigned witness who being duly sworn, says that s/he saw the within-named Jeannette Creek Limited Partnership, by its General Partner, Carolina Service Corporation of Greenville, by its President, John E. Quarles, sign, seal and as its act and deed deliver the within-written Master Deed and that s/he with the other witness whose signature appears above witnessed the execution thereof.

Rebecca A. Donaldson
WITNESS

SWORN TO before me this
31st day of May, 1986.

Edward J. Menze (L.S.)
Notary Public for South Carolina
My Commission expires: 5-28-92


STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

PROBATE

PERSONALLY appeared before me the undersigned witness who being duly sworn, says that s/he saw the within-named Toler's Cove Horizontal Property Regime (a/k/a Toler's Cove Homeowers Association, Inc.), by its President, Paul Carman and its Secretary, John E. Quarles, sign, seal and as its act and deed deliver the within-written Master Deed and that s/he with the other witness whose signature appears above witnessed the execution thereof.



WITNESS

SWORN TO before me this
31st day of May, 1986.


Notary Public for South Carolina
My Commission expires: 5-28-92

3K K 15520148

EXHIBIT A
LEGAL DESCRIPTION OF THE LAND
TOLER'S COVE HORIZONTAL PROPERTY REGIME

THE LAND

All those certain pieces, parcels or tracts of land, situate, lying and being in Mount Pleasant, Charleston County, South Carolina, and being known and designated as PARCEL 1, PARCEL 5, PARCEL 7, and PRIVATE ROAD SYSTEM & RECREATIONAL AREA on a plat prepared by Daniel C. Forsbery, P.E. & R.L.S., dated August 29, 1984, entitled "A Subdivision Plat of Tract "B", 11.903 Acres, Toler's Cove Horizontal Property Regime", said plat being attached to and recorded with the Original Master Deed of Toler's Cove Horizontal Property Regime, and marked Exhibit D, reference to which is hereby craved for a more complete description.

TMS# 530-00-00-010 through 530-00-00-052

3K K 15520150

EXHIBIT B

LEGAL DESCRIPTION OF ADDITIONAL REAL PROPERTY

TOLER'S COVE HORIZONTAL PROPERTY REGIME

THE ADDITIONAL REAL PROPERTY

All those certain pieces, parcels or tracts of land, situate, lying and being in Mount Pleasant, Charleston County, South Carolina, and being known and designated as PARCEL 2, PARCEL 3, PARCEL 4, PARCEL 6, PARCEL 8, FUTURE DEVELOPMENT 0.295 AC. and FUTURE DEVELOPMENT 1.066 AC. on a plat prepared by Daniel C. Forsbery, P.E. & R.L.S., dated August 29, 1984, entitled "A Subdivision Plat of Tract "B", 11.903 Acres, Toler's Cove Horizontal Property Regime", said plat being attached to and recorded with the Original Master Deed of Toler's Cove Horizontal Property Regime, and marked Exhibit D, reference to which is hereby craved for a more complete description.

TMS# 530-00-00-009

EXHIBIT C
SITE PLAN - HORIZONTAL AND VERTICAL
TOLER'S COVE HORIZONTAL PROPERTY REGIME

DESCRIPTION OF COMMON AREA AND LIMITED COMMON AREA

The Common Area shall consist of all of the Project after excluding the Units, including (without limitation) the following:

1. the Land;
2. the clubhouse, tennis courts and swimming pool;
3. the foundations, main walls, load bearing walls, roofs and all other structural components of all Buildings;
4. all parking areas and roadways, subject to any easements and use rights reserved;
5. all yards, open spaces, lagoons and gardens;
6. all devices or installations existing for common use; and
7. all other elements of the property rationally of common use or necessary to its existence, upkeep and safety.

The Limited Common Area shall consist of and include generally those elements of the Common Area which are reserved for the use of a particular Unit or Units to the exclusion of the other Units, including (without limitation) the following:

1. ground level storage areas which are assigned by the Board of Directors;
2. balconies; and
3. Bays under Units, which are assigned as follows:

<u>Units Numbers</u> <u>(Street Address)</u>	<u>Assigned Bay Number</u>
1 (1602 B)	3 & 4
2 (1602 A)	1 & 2
3 (1604 B)	1
4 (1604 A)	4
5 (1604 D)	2
6 (1604 C)	3
7 (1606 A)	1 & 2
8 (1606 C)	3
9 (1606 B)	4
10 (1608 A)	1 & 2
11 (1608 C)	3
12 (1608 B)	4
13 (1610 A)	1 & 2
14 (1610 B)	3 & 4

SITE PLAN

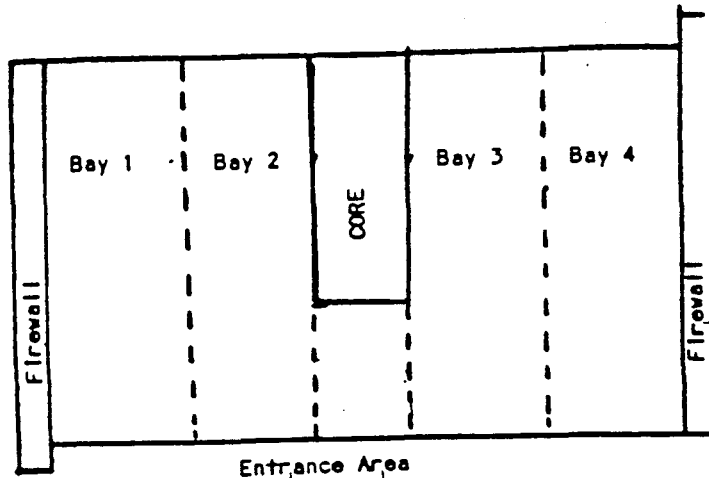
The Site Plan which is attached to the Original Master Deed as Exhibit D is incorporated herein by this reference. The Site Plan is entitled Subdivision Plat of Tract "B" 11.903 Acres Toler's Cove Horizontal Regime, Mt. Pleasant, Charleston County, South Carolina, prepared by Forsberg Engineering & Surveying, Inc., dated August 29, 1984, and may be found in the Office of the Register of Mesne Conveyances for Charleston County in Deed Book H143 at Page 587.

EXHIBIT D
DESCRIPTION OF COMMON AREA AND LIMITED COMMON AREA
TOLER'S COVE HORIZONTAL PROPERTY REGIME

85 (1656 B)	3 & 4
86 (1656 A)	1 & 2
87 (1658 A)	1 & 2
(88 (1658 C)	3
89 (1658 B)	4
90 (1660 B)	1
91 (1660 A)	4
92 (1660 D)	2
93 (1660 C)	3
94 (1662 A)	1 & 2
(95 (1662 C)	3
(96 (1662 B)	4
97 (1664 A)	1 & 2
(98 (1664 C)	3
(99 (1664 B)	4
100 (1666 B)	1 & 2
101 (1666 A)	3 & 4
(102 (1668 B)	1 & 2
(103 (1668 A)	3 & 4
108 (1671 A)	3 & 4
109 (1671 B)	1 & 2
110 (1669 A)	1 & 2
111 (1669 B)	3
112 (1669 C)	4
113 (1667 A)	1 & 2
114 (1667 B)	3
115 (1667 C)	4
116 (1665 A)	3 & 4
117 (1665 B)	1 & 2

The Board of Directors may alter the above assignments with the consent of the Owners of the affected Unit or Units.

"Bay" means each of the four parking areas beneath each group of Units separated by firewalls, which parking areas are created by dividing the surface area on each side of the core walls serving such group of Units into two parts, with the dividing lines running parrallel to and equidistant between the firewalls and the core walls. For reference, Bays are numbered 1, 2, 3 and 4 for each group of Units in left to right sequence facing the entrance to the Bays. The following is an illustration of the Bays areas and numbering system.



3K K 155 PC 157

EXHIBIT E
FLOOR PLANS

TOLER'S COVE HORIZONTAL PROPERTY REGIME

FLOOR PLANS

The Floor Plans which are attached to the Original Master Deed as Exhibit D are, incorporated herein by this reference. The Floor Plans may be found in the Office of the Register of Mesne Conveyances for Charleston County in Deed Book H143 at Pages 597 through 612.

BYLAWS
OF
THE TOLER'S COVE HOMEOWNERS ASSOCIATION

ARTICLE I

General

Section 1.1. Definitions. The terms used in these Bylaws, unless the context requires otherwise or unless otherwise specified herein, shall have the same meaning as in the recorded Master Deed of The Toler's Cove Horizontal Property Regime to which these Bylaws are annexed.

Section 1.2. Applicability. These Bylaws are adopted pursuant to the Act and shall govern the operation of the Regime by the Association. These Bylaws shall be binding upon all Owners and lessees of Owners, their families, invitees and guests.

Section 1.3. Conflicts with the Act. These Bylaws are set forth to comply with the Act and the Master Deed and in the event any of the provisions hereof conflict therewith, the provisions of the Act and/or the Master Deed shall control.

Section 1.4. Incorporation of Master Deed by Reference. The provisions of the Master Deed, to the extent required by the Act to be set forth in the Bylaws, shall be deemed to be incorporated herein and all such provisions of the Master Deed shall be deemed Bylaw provisions for purposes of satisfying the requirements of the Act.

ARTICLE II

Name, Location and Membership

Section 2.1. Name. The name of the Association is The Toler's Cove Homeowners Association, with "Inc." to be added in the event the Association is incorporated as provided in the Act and the Master Deed.

Section 2.2. Location. The principal office of the Association shall be located within the Project at Charleston County, South Carolina, but meetings of the Board of Directors may be held at any other location designated by the Board of Directors in accordance with the provisions of these Bylaws.

Section 2.3. Membership. The Owner of a fee or undivided fee interest in any Unit shall be a member of the Association, excluding persons who hold such interest under a deed to secure debt, mortgage or deed of trust. Membership in the Association shall be confined to such Owners and shall be appurtenant to and inseparable from Unit ownership. Such Owner or Owners of each

EXHIBIT F
DESCRIPTION OF UNIT BOUNDARIES
TOLER'S COVE HORIZONTAL PROPERTY REGIME

DESCRIPTION OF UNIT BOUNDARIES

The Unit Boundaries of each Unit shall be the unfinished interior surfaces of all perimeter walls, ceilings and floors of the Unit, and any vents, doors, windows and such other structural elements that are originally regarded as enclosures of space; the result being that each Unit shall consist of all interior dividing walls, partitions and floors for multi-story Units (including the space occupied by such walls, partitions and floors); the decorated interior surfaces of perimeter walls, floors and ceilings, consisting, as the case may be, of wallpaper, paint, carpeting, tiles and any and all other finishing materials affixed or installed as a part of the physical structure of the Unit; and all fixtures, appliances and mechanical systems and equipment installed in each Unit which are intended for the sole and exclusive use of said Unit. No pipes, wires, conduits or other public utility lines or installations connecting a part of the overall system designated for the service of any other Unit, nor any of the structural members or portions of the Buildings shall be deemed a part of any individual Unit.

EXHIBIT G

SCHEDULE OF ASSIGNED VALUES AND PERCENTAGE INTERESTS

TOLER'S COVE HORIZONTAL PROPERTY REGIME

SCHEDULE OF ASSIGNED VALUES AND PERCENTAGE INTERESTS

<u>UNIT NUMBER</u>	<u>PARCEL NUMBER</u>	<u>UNIT TYPE</u>	<u>UNIT LOCATION</u>	<u>STREET ADDRESS</u>	<u>SQUARE FEET</u>	<u>ASSIGNED VALUE</u>	<u>PERCENTAGE INTERESTS</u>
1	1	A	Right	1602B ✓	1892	\$189,200	2.6541
2	1	A	Left	1602A	1892	189,200	2.6541
3	1	B	Lwr. Rt.	1604B ✓	1003	100,300	1.4070
4	1	B	Lwr. Left	1604A	1003	100,300	1.4070
5	1	B	Up. Right	1604D	1003	100,300	1.4070
6	1	B	Up. Left	1604C	1003	100,300	1.4070
7	1	C	1st level	1606A	1855	185,500	2.6022
8	1	C	Right	1606C	1855	185,500	2.6022
9	1	C	Left	1606B ✓	1855	185,500	2.6022
10	1	C	1st level	1608A	1855	185,500	2.6022
11	1	C	Right	1608C	1855	185,500	2.6022
12	1	C	Left	1608B ✓	1855	185,500	2.6022
13	1	D	1st level	1610A	1443	144,300	2.0243
14	1	D	2nd level	1610B	1443	144,300	2.0243
85	5	A	Right	1656B	1892	189,200	2.6541
86	5	A	Left	1656A	1892	189,200	2.6541
87	5	C	1st level	1658A	1855	185,500	2.6022
88	5	C	Right	1658C	1855	185,500	2.6022
89	5	C	Left	1658B	1855	185,500	2.6022
90	5	B	Lwr. Rt.	1660B	1003	100,300	1.4070
91	5	B	Lwr. Left	1660A	1003	100,300	1.4070
92	5	B	Up. Right	1660D	1003	100,300	1.4070
93	5	B	Up. Left	1660C	1003	100,300	1.4070
94	5	C	1st level	1662A	1855	185,500	2.6022
95	5	C	Right	1662C	1855	185,500	2.6022
96	5	C	Left	1662B	1855	185,500	2.6022
97	5	C	1st level	1664A	1855	185,500	2.6022
98	5	C	Right	1664C	1855	185,500	2.6022
99	5	C	Left	1664B	1855	185,500	2.6022
100	5	F	Right	1666B	1571	157,100	2.2038
101	5	F	Left	1666A	1571	157,100	2.2038
102	5	A	Right	1668B	1892	189,200	2.6541
103	5	A	Left	1668A	1892	189,200	2.6541
108	7	A	Right	1671A	1892	189,200	2.6541
109	7	A	Left	1671B	1892	189,200	2.6541
110	7	C	1st level	1669A	1855	185,500	2.6022
111	7	C	Right	1669B	1855	185,500	2.6022
112	7	C	Left	1669C	1855	185,500	2.6022
113	7	C	1st level	1667A	1855	185,500	2.6022
114	7	C	Right	1667B	1855	185,500	2.6022
115	7	C	Left	1667C	1855	185,500	2.6022
116	7	F	Right	1665A	1571	157,100	2.2038
117	7	F	Left	1665B	1571	157,100	2.2038
43 Units					71,285	\$7,128,500	100.0000%

All Reference View Points For Directions Are From The Roadway Parking Area, Looking Through The Buildings To The Water Or Marsh. The Street Addresses Are Those Shown On A Plat Entitled "Plot Plan Of Toler's Cove Horizontal Regime", Prepared By Forsberg Engineering & Surveying, Inc., Dated December 18, 1985, Last Revised April 14, 1986 And Recorded Even Date Herewith In The Office Of The Charleston County Register Of Mesne Conveyances.

In the event that the Developer elects to expand the Regime as provided in Article XIII of the Master Deed, all Units added to the Regime shall have an Assigned Value determined by multiplying their square footage by \$100.

The Percentage Interest appurtenant to each Unit of the Regime shall thereafter be established in accordance with the following formula:

$$\frac{V}{E + A} = P$$

P = Percentage Interest of each Unit

V = Assigned Value of such Unit as set forth in this Exhibit G

A = Aggregate Assigned Value of all Units added to the Regime as provided in Article XIII of the Master Deed

E = Aggregate Assigned Value of existing Units in Regime

The following charts indicate the Percentage Interest which would result from the addition of 127 units if the Project is expanded using approximately the same ratio of Unit types as found in the original 43 Units:

<u>NO. OF UNITS</u>	<u>UNIT TYPE</u>	<u>SQUARE FEET</u>	<u>ASSIGNED VALUE</u>	<u>PERCENTAGE INTERESTS</u>
32	A	1892	\$189,200	0.6723%
32	B	1003	100,300	0.3564%
82	C	1855	185,500	0.6591%
8	D	1443	144,300	0.5127%
<u>16</u>	F	1571	157,100	0.5582%
170				

NOTE: THE EXACT ADJUSTMENT OF PERCENTAGE INTERESTS IS NOT SUBJECT TO CALCULATION UNTIL THE EXACT NUMBER AND SIZE OF ALL UNITS TO BE ADDED TO THE REGIME HAS BEEN ESTABLISHED BY THE DEVELOPER IN THE EXERCISE OF ITS SOLE DISCRETION.

EXHIBIT H
AMENDED AND RESTATED
DECLARATION FOR INCORPORATION
FOR
TOLER'S COVE HOMEOWNERS ASSOCIATION, INC.

TOLER'S COVE HORIZONTAL PROPERTY REGIME

AMENDED AND RESTATED
DECLARATION FOR INCORPORATION
OF
THE TOLER'S COVE HOMEOWNERS ASSOCIATION, INC.

The undersigned, for the purpose of amending and restating the articles of incorporation of a corporation not for profit under South Carolina Code of Laws (1976), as amended, Sections 33-31-10 et seq., certify as follows:

ARTICLE I

Definitions

Section 1.1. Reference to Master Deed. Terms used in this Declaration, unless the context requires otherwise or unless otherwise specified herein, shall have the same meaning as in the recorded Master Deed of The Toler's Cove Horizontal Property Regime attached hereto as an exhibit.

ARTICLE II

Name

Section 2.1. Name. The name of the corporation shall be The Toler's Cove Homeowners Association, Inc. (the "Association").

ARTICLE III

Purpose

Section 3.1. General. The purpose for which the Association is organized is to provide an entity pursuant to the Horizontal Property Act of South Carolina, South Carolina Code of Laws (1976), Sections 27-31-10 to 27-31-300 (the "Act"), to provide for the administration of The Toler's Cove Horizontal Property Regime (the "Regime") located upon the Land which is more fully described in the Master Deed as amended from time to time.

Section 3.2. No Profit Motive. The Association shall hold all funds and the title to all properties and the proceeds thereof in trust for the Owners in accordance with the provisions hereof and the Regime Documents; and is not organized for the purpose of profit or gain to its members, otherwise than as above stated.

Section 3.3. Distributions. The Association shall make no distributions of income to its members, directors or officers; provided, however, this provision shall not prohibit or prevent the distribution of any and all assets held in trust for the Owners as provided herein or in the Master Deed.

Section 3.4. Notice. Three (3) days notice in the Charleston Post-Courier, a newspaper of general circulation published in the County of Charleston, South Carolina, has been given that this Declaration would be filed.

ARTICLE IV

Powers

The powers of the Association shall include and be governed by the following provisions:

Section 4.1. General. The Association shall have all of the common law and statutory powers of a corporation not for profit which are not in conflict with the terms hereof.

Section 4.2. Regime Documents. The Association shall have all of the powers and duties set forth in the Act except as limited hereby or the Regime Documents, and all of the powers and duties reasonably necessary to operate the Regime as set forth in the Regime Documents and as it may be amended from time to time, including but not limited to the following:

1. To make and collect Assessments against Owners to defray the costs, expenses and losses of the Regime;
2. To use the proceeds of Assessments in the exercise of its powers and duties;
3. To maintain, repair, replace and operate the Project;
4. To purchase insurance upon the Project and insurance for the protection of the Association and its members;
5. To reconstruct improvements after casualty and to further improve the Project;
6. To make and amend reasonable Rules and Regulations respecting the use of the property of the Regime;
7. To enforce by legal means the provisions of the Act and the Regime Documents for the use of the property of the Regime;
8. To contract for the management of the Regime and to delegate to such contractor all powers and duties of the Association except such as are specifically required by the Master Deed to have approval of the Board of Directors or the membership of the Association;
9. To employ personnel to perform the services required for proper operation of the Regime;

10. To open and operate bank accounts;
11. To borrow money from lending institutions; and
12. To maintain books of account and financial records.

Section 4.3. Limitations. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Master Deed and the Bylaws.

ARTICLE V

Members

Section 5.1. General. The Association shall not take steps which will serve to facilitate the transactions of specific business by its members or promote the private interest of any member, or engage in any activity which would constitute a regular business of the kind ordinarily carried out for profit, and no part of the net earnings of the Association shall inure to the benefit of any private individual.

Section 5.2. Members. The members of the Association shall consist of all of the record Owners of Units.

Section 5.3. Change of Membership. Change of membership in the Association shall be established by the recording in the public records of Charleston County, South Carolina, of a deed or other instrument establishing a record title to a Unit in the Project and in the delivery to the Association of a certified copy of such instrument, the Owner designated by such instrument thereby becoming a member of the Association. The membership of the prior Owner shall be thereby terminated.

Section 5.4. Assignment of Interest. The share of a member in the funds and assets held in trust by the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his Unit.

Section 5.5. Voting. The members of the Association shall be entitled to vote on all matters in accordance with their Percentage Interests; provided, however, that there shall be no cumulative voting with regard to the election of Directors.

ARTICLE VI

Directors

Section 6.1. General. The affairs of the Association will be managed by a Board consisting of the number of directors as shall be determined by the Bylaws, but not less than three (3) directors, and in the absence of such determination shall consist of three (3) directors.

Section 6.2. Election. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by the Bylaws, but there shall be no cumulative voting for the election of Directors. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the Bylaws.

Section 6.3. Term of Initial Directors. The first election of directors shall be held the first Saturday in November, 1986. The directors herein named shall serve until the first election of directors, and any vacancies in their number occurring before the first election shall be filled by the remaining directors.

Section 6.4. Initial Directors. The names and addresses of the members of the first Board of Directors who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

1. Paul Carman
1233 Washington Street
Post Office Box 11436
Columbia, South Carolina 29211
2. John E. Quarles
1233 Washington Street
Post Office Box 11436
Columbia, South Carolina 29211
3. Donald W. Elvington
1233 Washington Street
Post Office Box 11436
Columbia, South Carolina 29211

ARTICLE VII

Officers

Section 7.1. General. The affairs of the Association shall be administered by officers elected by and from the Board of Directors at its first meeting following the annual meeting of the members of the Association, which officers shall serve at the pleasure of the Board of Directors. The names of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

President:	-	Paul Carman
Secretary:	-	John E. Quarles
Treasurer:	-	Donald W. Elvington

ARTICLE VIII

Indemnification

Section 8.1. General. Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a director or officer of the Association, or any settlement thereof, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

ARTICLE IX

Bylaws

Section 9.1. General. The first Bylaws of the Association shall be those attached to the Master Deed as Exhibit I, and may be altered, amended or rescinded in the manner provided in the Master Deed.

ARTICLE X

Amendments

Section 10.1. General. Amendments to the Articles of Incorporation shall be proposed and adopted in the following manner:

1. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.
2. A resolution approving a proposed amendment may be proposed by either the Board of Directors or by the members of the Association. Directors and members not present in person or by proxy at the meetings considering the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting.
3. Approval of an amendment must be by not less than two-thirds (2/3) of the total vote of the Association.

4. A duly executed copy of each amendment shall be recorded in the Office of the Secretary of State.

ARTICLE XI

Term

Section 11.1. General. The term of the Association shall be perpetual; provided, however, that the Association shall be terminated by the termination of the Regime in accordance with the provisions of the Master Deed.

ARTICLE XII

Subscribers

Section 12.1. General. The names and addresses of the subscribers to this Declaration are as follows:

- 1. Paul Carman
1233 Washington Street
Post Office Box 11436
Columbia, South Carolina 29211
- 2. John E. Quarles
1233 Washington Street
Post Office Box 11436
Columbia, South Carolina 29211
- 3. Donald W. Elvington
1233 Washington Street
Post Office Box 11436
Columbia, South Carolina 29211

Section 12.2. Authorization. The subscribers to this Declaration certify that they have been duly authorized by the Owners as the membership of the Association to execute this document for the purposes herein stated.

ARTICLE XIII

Principal Office

Section 13.1. Location. The principal office of the Association shall be located at Toler's Cove, Highway 703 at The Intercoastal Waterway, Post Office Box 1107, Mt. Pleasant, South Carolina 29464.

WHEREAS, undersigned request that the Secretary of State issue to the aforesaid Association an Amended and Restated Certificate of Incorporation with all rights, powers, privileges and immunities and subject to all of the limitations and

liabilities conferred by South Carolina Code of Laws (1976), as amended, Section 33-31-10 et. seq.

IN WITNESS WHEREOF, the subscribers have hereto affixed their signatures to be effective as of _____, 1986.

_____(L.S.)

_____(L.S.)

_____(L.S.)

Unit shall designate in writing delivered to the Secretary one member of the Association from among such Owner or Owners of such Unit, or a member of the immediate family of such Owner or Owners, and such member shall represent the Owner or Owners of such Unit in connection with the activities of the Association and exercise the voting rights thereof. Such designation shall be valid until revoked in writing delivered to the Secretary or until such Owner sells his Unit, whichever event shall first occur. No Owner shall be required to pay any consideration whatsoever for his membership.

ARTICLE III

Meetings of Members

Section 3.1. Place of Meeting. Meetings of the Association shall be held at the Project at such suitable place convenient to the members as may be designated by the Board of Directors.

Section 3.2. Annual Meeting. The first annual meeting of members shall be held on the first Saturday in November, 1986. Thereafter, regular annual meetings shall be held on the first Saturday in November of each calendar year unless otherwise provided by the members at any previous meeting.

Section 3.3. Special Meetings. Special meetings of the Association may be called at any time by the President, by resolution of the Board of Directors, or upon the receipt of the Secretary of a petition signed by members holding greater than twenty-five (25%) percent of the Total Percentage Interests. The call of a special meeting shall be by notice stating the date, time, place, purpose and order of business of such special meeting. Only the business stated in the notice may be transacted at a special meeting.

Section 3.4. Notice of Meeting. 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 member at the last address of such member furnished of such meeting, which notices shall be mailed at least ten (10) days and not more than sixty (60) days prior to the scheduled meeting date. Mailing notice as herein provided shall be deemed delivery thereof. Any member may waive notice of the meeting in writing either before or after the meeting. Attendance of a member 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, joint tenant or tenant by the entirety shall be deemed notice to all such Owners.

EXHIBIT I

BYLAWS

OF

THE TOLER'S COVE HOMEOWNERS ASSOCIATION

TOLER'S COVE HORIZONTAL PROPERTY REGIME

Section 3.5. Order of Business. The order of business at each annual meeting shall be as follows:

1. Roll call;
2. Proof of notice or waiver of notice;
3. Reading of minutes of preceding meeting;
4. Presentation by Board of Proposed Annual Assessments;
5. Reports of officers;
6. Reports of committees, if any;
7. Election of directors;
8. Unfinished business; and
9. New business.

Section 3.6. Quorum. At all meetings, regular or special, a quorum shall consist of the presence in person or by proxy of members holding not less than fifty-one (51%) percent of the total vote of the Association. If a quorum shall not be present at any meeting, a majority vote of the members present, in person or by proxy, may adjourn the meeting from time to time until a quorum can be obtained. At any such meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 3.7. Voting Rights. The Association shall have one class of voting membership which shall consist of all Owners of Units in the Regime. The total number of votes of all members of the Association shall be one thousand (1,000) and the persons designated by the Owner or Owners of each Unit shall be entitled to cast the number of votes (in fractions if necessary) equal to the Percentage Interest appurtenant to the Unit owned by such Owner or Owners multiplied by one thousand. All Percentage Interests are set forth in the Master Deed and the vote of each Owner shall not be divisible nor may the vote thereof be cast in part.

Section 3.8. Proxy. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the designated time of each meeting.

Section 3.9. Majority Vote. Acts authorized, approved or ratified by the casting of a majority of the total vote of the Association, in person or by proxy, shall be the acts of the Association, except where a higher percentage vote is required by these Bylaws, the Master Deed or the Act, and shall be binding for all purposes.

Section 3.10. Actions Without Meeting. Anything to the contrary contained in these Bylaws notwithstanding, 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 shall be signed by persons who would be entitled to cast seventy-five (75%) percent of the

votes of membership of the Association at a meeting and such consent is filed with the Secretary of the Association and is inserted in the Minutes Book thereof.

ARTICLE IV

Board of Directors, Number, Powers, Meetings

Section 4.1. Number. The business and affairs of the Association shall be governed by a Board of Directors (herein sometimes referred to as the "Board"). The number of Directors for each year shall be established by a majority of the membership of the Association present at the annual meeting, but the number shall not be less than three (3) nor more than seven (7). Each director shall hold office until his death, resignation, retirement, removal, disqualification or his successor is elected and qualified.

Section 4.2. Powers. The Board of Directors shall direct the affairs of the Association and, subject to any restrictions imposed by law, by the Master Deed, or these Bylaws, may exercise all of the powers of the Association. The Board of Directors shall exercise such duties and responsibility as shall be incumbent upon it by law, the Master Deed, or these Bylaws as it may deem necessary or appropriate in the exercise of its powers.

Section 4.3. Election and Term of Office. The initial Directors of the Association shall be:

1. Paul Carman
2. John E. Quarles
3. Donald W. Elvington

These individuals shall serve until the first meeting of the Association. At the first meeting of the Association and annually thereafter, members shall elect new directors by a majority of the total vote of the Association. All directors shall serve one year terms. There shall be no cumulative voting for the election of directors

Section 4.4. Vacancies. Vacancies on the Board of Directors caused by any reason other than the removal of a director by a vote of the Association shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum, and each person so elected shall be a director until a successor is elected at the next annual meeting of the Association. Vacancies caused by the removal as provided in Section 4.5 shall be filled by vote of the Association at the same meeting at which a director or directors were removed.

Section 4.5. Removal of Directors. At any regular or special meeting of the Association duly called, any one or more of the directors may be removed with or without cause by a majority of the total vote of the Association, and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by an Owner or Owners shall be given an opportunity to be heard at such meeting.

Section 4.6. Regular Meeting. The first regular meeting of the Board of Directors shall be held immediately following the first annual meeting of the members of the Association and regular meetings thereafter shall be held on such dates and at such time and place, but not less frequently than semi-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 director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day of such meeting; provided, however, that notice of the first regular meeting shall not be required to be given to the directors provided that a majority of the entire Board is present at such meeting. Should any such meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 4.7. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days notice to each director, 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 of Directors shall be called by the President or Secretary in like manner and on like notice upon the written request of at least two (2) directors.

Section 4.8. Waiver of Notice. Before or at any meeting of the Board of Directors any director may, in writing, waive notice of such meetings and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the date, time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 4.9. Quorum. At all meetings of the Board of Directors, a majority of the then qualified directors shall constitute a quorum for the transaction of business, and the acts of a majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there is 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 4.10. Compensation. No director shall receive compensation for any service he may render to the Association nor shall the Association make any loan, directly or indirectly, to a director; provided, however, that a director may be reimbursed for travel, lodging and other out-of-pocket expenses incurred by him in the performance of his duties.

Section 4.11. Action by Board Without a Meeting. The Board of Directors shall have the right to take any action which it could take at a meeting by obtaining the written approval of all directors thereto. Any action so approved shall have the same effect as though taken at a meeting of the Board.

Section 4.12. Liability of Directors. To the extent permitted by the laws of the State of South Carolina made and provided, no director shall be liable to any Owner for injury or damage caused by such director in the performance of his duties unless due to the willful misfeasance or malfeasance of such director. Furthermore, each director shall be indemnified by the Association against all liabilities and expenses, including attorneys' fees, reasonably incurred and imposed upon him in connection with any proceeding to which he may be party or in which he becomes involved by reason of his being or having been a director of the Association, whether or not he is a director of the Association at the times such expenses and liabilities are incurred, except in such cases where the director is adjudged guilty of willful misfeasance or malfeasance in performance of his duties; provided, however, that in the event of settlement, the indemnification shall apply only when the Board approves such settlement and reimbursement as being in the best interest of the Association. Such indemnity shall be subject to the approval by the members of the Association only when such approval is required by the laws of the State of South Carolina made and provided.

ARTICLE V

Officers

Section 5.1. Number and Election. There shall be elected annually by and from the Board of Directors a President (who shall also be Chairman of the Board), a Secretary and a Treasurer. One or more offices may be filled by the same person. The directors may also elect from time to time such other officers as in their judgment may be needed, which officers need not be directors.

Section 5.2. 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 5.3. Duties. The duties of the officers shall be as follows:

1. President. The President shall be the chief executive officer and shall preside at all meetings of the Board of Directors and the Association, shall see that orders and resolutions of the Board are carried out, shall appoint committees consisting of members of the Association as in his opinion is necessary, shall co-sign with the Treasurer all promissory notes and similar documents, if any, and shall perform such other duties as may be designated to him by the Board. He shall have all general powers and duties which are incident to the office of President of a business corporation organized under the laws of the State of South Carolina made and provided, and control and management of the Association in accordance with such laws and these Bylaws.

2. Secretary. The Secretary shall record the votes and keep the minutes of all meetings in a Minute Book wherein all resolutions validly adopted by the Association shall be recorded and proceedings of the Board and the Association; keep appropriate current records showing the members of the Association together with their addresses and designating those members entitled to vote; keep custody of and attest the seal of the Association; and perform such other duties as may be required of him by the Board or incident to the office of Secretary of a corporation organized under the laws of the State of South Carolina made and provided.

3. Treasurer. The Treasurer shall be responsible for the funds of the Association except to the extent a professional management company collects and disburses funds. The Treasurer shall co-sign with the President all promissory notes and similar documents, shall maintain full and accurate fiscal accounts and records, and shall perform such other duties as may be designated by the Board of Directors or incident to the office of Treasurer under the laws of the State of South Carolina made and provided.

Section 5.4. Compensation. No officer shall receive compensation for any service he may render to the Association nor shall the Association make any loan, directly or indirectly to an officer; provided, however, that an officer may be reimbursed for reasonable travel, lodging and other out-of-pocket expenses incurred by him in the performance of his duties. This does not preclude the Board of Directors from employing persons to perform services from time to time required by the Association, who shall receive compensation.

Section 5.5. Liability of Officers. To the extent permitted by the laws of the State of South Carolina made and provided, no officer shall be liable to any Owner for injury or

damage caused by such officer in the performance of his duties unless due to the willful misfeasance or malfeasance of such officer. Furthermore, each officer shall be indemnified by the Association against all liabilities and expenses, including attorney's fees, reasonably incurred and imposed upon him in connection with any proceedings to which he may be a party or in which he becomes involved by reason of his being or having been an officer of the Association at the times 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 Association. Such indemnity shall be subject to approval by the members of the Association only when such approval is required by the laws of the State of South Carolina made and provided.

ARTICLE VI

Compliance

Section 6.1. Compliance with Master Deed. The Association through the Board of Directors and Officers shall comply with all provisions of the Master Deed regarding the operation and administration of the Regime, including but not limited to:

1. Establishing an Annual Assessment by estimating the Common Expenses to be incurred during each fiscal year; collecting the Annual Assessments on a monthly basis; levying and collecting Special Assessments for the purposes as set forth in the Master Deed; and in general, causing the Association to have sufficient funds to perform the obligations imposed upon it by the Act, the Master Deed and these Bylaws;

2. Causing the Project to be maintained in good condition and repair with adequate security;

3. Regulating the use and enjoyment of the Project to promote the enjoyment thereof by all parties entitled to the benefits therefrom;

4. Causing the Association to comply with all obligations related to insurance coverage contained in applicable provisions of the Federal National Mortgage Association Conventional Home Mortgage Selling Contract Supplement and as specified in the Master Deed;

5. Causing the Association to provide all documents and to undertake all activities specified in the Master Deed for the benefit of mortgagees;

6. Causing personnel necessary for the proper operation of the Regime to be employed;

7. Entering into all other contractual arrangements deemed necessary or appropriate by the Board of Directors to permit the Regime to comply with the requirements of the Act, Master Deed or these Bylaws; and

8. Causing complete and accurate books of account and other financial records to be maintained at all times.

ARTICLE VII

Financial Matters

Section 7.1. Availability of Funds. The Board of Directors shall cause the Association to establish reasonable reserves for working capital and deferred maintenance and repair expenses to promote the operation of the Regime on a sound financial basis.

Section 7.2. Collection of Assessments. The Board of Directors shall use all reasonable efforts to collect Assessments from Owners on a current basis and shall pursue all Owners for delinquent assessments in a vigorous manner except to the extent that it is unlikely that the Association will be able to recover a material portion of the Assessment after deducting the costs incurred in connection with the collection thereof.

Section 7.3. Records of Receipts and Expenditures. The Association shall keep accurate books and records, including but not limited to a ledger book with detailed accounts in chronological order of the receipts and expenditures affecting the Project and its administration, and specifying the maintenance and repair expenses of the Common Area and all other expenses incurred by the Association.

Section 7.4. Record of Assessments. An Assessment Roll shall be maintained in which there shall be an account for each Unit. Such an account shall designate the name and address of the Owner, the amount of each Assessment against the Owner, the date and amount in which Assessments come due, the amount received on the account from time to time and any balance due from the Owner. Upon request, the Association shall issue a certificate utilizing the Assessment Roll as a status of the Owner and the Unit with respect to the payment of Assessments to any party having an interest in a Unit.

Section 7.5. Audit of Financial Statements. No later than 120 days after the close of any fiscal year of the Association, the Association shall cause financial statements for such fiscal year to be prepared by a public accountant licensed in the State of South Carolina.

Section 7.6. Access to Information. The Association shall make available to Owners and holders, insurers or government guarantors of any first mortgage information concerning the Regime as provided in the Master Deed.

Section 7.7. Depository. The depository for the Association shall be such bank or banks as shall be designated from time to time by the Board of Directors and in which monies of the Association shall be deposited. Withdrawals of monies from such accounts shall be only by check signed by such persons as are authorized by the Board of Directors.

Section 7.8. Fidelity Bonds. Fidelity bonds shall be required of all parties having access to funds of the Association in accordance with the provisions of the Master Deed.

Section 7.9. Fiscal Year. The fiscal year of the Association shall be the calendar year.

ARTICLE VIII

Association Seal

Section 8.1. Description. The Association shall have a seal in circular form having within its circumference the words "The Toler's Cove Homeowners Association (Inc.) South Carolina 1986."

ARTICLE IX

Parliamentary Rules

Section 9.1. Roberts Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Act, the Master Deed or these Bylaws.

ARTICLE X

Amendments

Section 10.1. Bylaws. These Bylaws may be amended by a vote of at least two-thirds (2/3) of the total vote of the Association at a duly constituted meeting for such purposes, in strict accordance with the provisions of the Master Deed and the Act. Said amendments shall be set forth in an amendment to the Master Deed and duly recorded. Each Owner, by accepting a deed to a Unit, expressly agrees to be bound by and benefit from any such amendment hereto.

Section 10.2. Master Deed. The Master Deed shall be amended only upon the written consent of two-thirds (2/3) of the total vote of the Association as provided therein.

Section 10.3. Additional Consent. Anything to the contrary contained in the Master Deed or these Bylaws notwithstanding, no amendment to the Master Deed or the Bylaws shall discriminate against any Owner or against any Unit or class of Units unless the Owners so effected shall consent in writing thereto.

ARTICLE XI

Rules and Regulations

Section 11.1. Promulgation. The Board of Directors shall promulgate Rules and Regulations in accordance with the authority granted in the Master Deed to regulate the use and enjoyment of the Project by all parties. Copies of all amendments to the Rules and Regulations shall be mailed to all Owners promptly upon adoption of such amendments and complete copies of the Rules and Regulations shall be made available to Owners and lessees of Owners upon request.

9K K 155-6184

EXHIBIT J
RULES AND REGULATIONS
OF
TOLER'S COVE HORIZONTAL PROPERTY REGIME

RULES AND REGULATIONS

1. The greens and walkways in front of the buildings and the entranceways to the Units shall not be obstructed or used for any purpose other than ingress and egress.
2. No article shall be hung or shaken from the doors, windows or balcony or placed upon the window sills, railings or corridor railings of the Units.
3. No bicycles, scooters, baby carriages, or similar vehicles or toys, or other personal articles shall be allowed to stand in any of the Common Area.
4. No Owner shall make or permit any noise that will disturb or annoy the occupants of any of the Units in the Project or do or permit anything to be done which will interfere with the rights, comfort or convenience of other Owners.
5. Each Owner shall keep his Unit in a good state of preservation and cleanliness and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance.
6. No shades, awnings, window guards, ventilators, fans, or air-conditioning devices shall be used in or about any buildings except such as shall have been approved by the Board of Directors.
7. All garbage and refuse from the Units shall be deposited with care in garbage containers intended for such purpose only at such times and in such manner as the Board of Directors may direct.
8. Water closets and other water apparatus in any buildings shall not be used for any purpose other than those for which they were constructed nor shall any sweepings, rubbish, rags, paper, ashes, or any other article be thrown in to the same. Any damage resulting from misuse of any water closets or other apparatus shall be paid for by the Owner in whose Unit it shall have been caused.
9. No dogs be permitted in any of the public portions of the Project unless carried or on a leash.
10. Nothing shall be altered or constructed in or removed from the Common Area, except upon the written consent of the Board of Directors.
11. All radio, television or other electrical equipment of any kind or nature installed or used in each Unit shall fully

comply with all rules, regulations, requirements or recommendations of the Board of Fire Underwriters and the public authorities having jurisdiction, and the Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Unit.

12. The agents of the Board of Directors or the managing agent, and any contractor or workman authorized by the Board of Directors or the managing agent, may enter any room or Unit in the buildings at any reasonable hour of the day after notification (except in case of emergency) for the purpose of inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests.

13. The Board of Directors, or its designated agent, may retain a pass key to each Unit. No Unit Owner shall alter any lock or install a new lock or a knocker on any door of a Unit without the written consent of the Board of Directors. In such case consent is given, the Owner shall provide the Board of Directors, or its agent, with an additional key pursuant to its right of access to the Unit.

14. All persons will obey the posted parking regulations.

15. All damage to the Common Area caused by the moving or carrying of any article therein shall be paid by the Owner responsible for the presence of such article.

16. Water shall not be left running any unreasonable or unnecessary length of time.

17. No Owner shall use or permit to be brought into the Project any inflammable oils or fluids such as gasoline, kerosene, naphtha, or benzine, or other explosives or articles deemed extra hazardous to life, limb or property, without in each case obtaining written consent of the Board of Directors.

18. The Owners shall not be allowed to put their names on any entry of the Project, except by causing the standard door knockers on the exterior of each door to be engraved with appropriate names in the place provided therefore.

19. The Owners shall close all windows while their Units are unattended to avoid possible damage from storm, rain, freezing or other elements. During all winter months, heating units will be left on 55° to assure that sufficient heat is contained in each Unit to prevent the freezing of pipes or other damage from cold weather.

20. Draperies, curtains or mini-blinds must be installed by each Owner on all windows of his Unit and must be maintained in such windows at all times. The color of the portion of such draperies, blinds or curtains visible from the exterior shall be white or an off-white.

21. No fireworks are allowed in or about the Project.

22. No signs of any nature, including (without limitation) "For Sale" signs, shall be placed on or about the Project or any Unit, including (without limitation) the inside of windows or sliding glass doors visible from the exterior of the Project.

23. A condensed set of these Rules and Regulations applicable to persons using any Unit will be prepared and made available to all Owners. These condensed Rules and Regulations will be required to be placed in a conspicuous location in each Unit which is rented and sufficient copies provided to all rental agents, with instructions to provide at least one copy of the condensed Rules and Regulations to each renter.

24. Complaints regarding the management of the Units and grounds or regarding actions of other Owners shall be made in writing to the Board of Directors.

25. Any consent or approval given under these Rules and Regulations by the Board of Directors shall be revocable at any time.

26. These Rules and Regulations may be added to or repealed at any time by the Board of Directors.

3K K 155-6188

EXHIBIT K
APARTMENT UNIT DEED

TOLER'S COVE HORIZONTAL PROPERTY REGIME

(DEVELOPER DEED)

STATE OF SOUTH CAROLINA)	APARTMENT UNIT DEED
)	TOLER'S COVE HORIZONTAL
COUNTY OF CHARLESTON)	PROPERTY REGIME

TO ALL WHOM THESE PRESENTS MAY COME:

WHEREAS, Toler's Cove Horizontal Property Regime (the "Regime") is a horizontal property regime organized pursuant to the Horizontal Property Regime Act of South Carolina (South Carolina Code of Laws [1976], as amended, §27-31-10 to §27-31-300) (the "Act"); and

WHEREAS, the Master Deed and Exhibits establishing the Regime are recorded in the Offices of the Register of Mesne Conveyances for Charleston County (the "RMC Offices") in Deed Book H143 at Page 536, and amended by the Amended and Restated Master Deed of Toler's Cove Horizontal Property Regime recorded in Deed Book ___ at Page ___ (the "Master Deed"); and

WHEREAS, the Regime includes all that certain real property described in Expansion Amendments (in any) which heretofore have been or hereafter may be duly recorded in the RMC Offices pursuant to Article XIII of the Master Deed; and

WHEREAS, Jeannette Creek Limited Partnership (the "Grantor"), whose mailing address is 1233 Washington Street, Columbia, South Carolina 29201, is the Owner of the apartment unit _____ (the "Apartment Unit") in the Regime and desires to convey the Apartment Unit in fee simple to _____ (the "Grantee") whose mailing address is _____; and

WHEREAS, the masculine singular pronouns used throughout this document shall be read as the masculine, feminine or neuter form of pronoun (in singular or plural) as the context shall require; the word "heirs" shall be read as "successors" in reference to any grantor or grantee except an individual acting in an individual capacity; and all terms not otherwise defined herein shall have the same meaning as set forth in the Master Deed; and

WHEREAS, the derivation of title to the Apartment Unit is as follows (references being to Deed Books and Pages in the RMC Offices): Toler and Brunson to Security Development Corporation, Inc., ___ at ___; Security Development to Jeannette Creek Limited Partnership, H-140 at 147; Master Deed of Toler's Cove Horizontal Property Regime, H-143 at 536; Amended and Restated Master Deed of Toler's Cove Horizontal Property Regime, ___ at ___; Expansion Amendments to Toler's

Cove Horizontal Property Regime, if any, (if none, disregard blanks) _____ at _____; _____ at _____; _____ at _____.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that the Grantor, for and in consideration of the sum of _____ (\$ _____) Dollars, paid unto the Grantor by the Grantee, receipt of which is hereby acknowledged, has granted, bargained, sold and released and by these presents does grant, bargain, sell and release to the Grantee the Apartment Unit, being Number _____ of Toler's Cove Horizontal Property Regime, together with the undivided interest of the Grantor in and to the Common Area appurtenant to said Apartment Unit.

This conveyance is made subject to the following:

- (1) Real Estate taxes for the current year and all future years;
- (2) Existing and/or recorded easements, conditions, covenants, declarations, reservations and restrictions, including (without limitation) easements and use rights, if any, reserved unto the Grantor in the Master Deed;
- (3) The Master Deed and Exhibits attached thereto, including all benefits and obligations of ownership of an Apartment Unit in the Regime as provided in the Act and the Master Deed and Exhibits attached thereto; and
- (4) Applicable governmental regulations, including zoning laws, as may be imposed upon the Project from time to time.

TOGETHER WITH the rights, members, hereditaments and appurtenances to the Apartment Unit belonging or in any way incident or appurtenant thereto;

FOR A PERIOD OF ONE (1) YEAR FOLLOWING THE DATE HEREOF, THE GRANTOR SHALL AT NO COST TO THE GRANTEE REPAIR OR REPLACE (IN THE GRANTOR'S DISCRETION) ANY COMONENT OF THE APARTMENT UNIT (EXCEPT FIXTURES, ACCESSORIES AND APPLIANCES COVERED BY SEPARATE WARRANTIES OF THEIR RESPECTIVE MANUFACTURERS) WHICH ARE FOUND TO BE DEFECTIVE IN ANY MATERIAL RESPECT (MEANING THAT SUCH DEFECT ADVERSELY AFFECTS THE USE AND OCCUPANCY OF THE APARTMENT UNIT). THIS LIMITED WARRANTY SHALL CONSTITUTE THE SOLE AND EXCLUSIVE OBLIGATION OF THE GRANTOR WITH RESPECT TO THE CONDITION OF THE APARTMENT UNIT AND SHALL BE APPLICABLE ONLY TO SUCH DEFECTS AS TO WHICH WRITTEN NOTICE HAS BEEN RECEIVED FROM PURCHASER WITHIN THE SPECIFIED ONE (1) YEAR PERIOD. THIS LIMITED WARRANTY IS IN PLACE OF ALL OTHER CONTRACTUAL OBLIGATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AND THE GRANTOR DISCLAIMS ALL OTHER CONTRACTUAL OBLIGATIONS OR WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES OF HABITABILITY, MERCHANTABILITY OR FITNESS FOR A

PARTICULAR PURPOSE. TO THE FULLEST EXTENT PERMITTED BY LAW, THE LIABILITY OF THE GRANTOR SHALL BE EXPRESSLY LIMITED TO SUCH REPAIR OR REPLACEMENT AND THE GRANTOR SHALL NOT BE LIABLE FOR DAMAGES OF ANY NATURE, WHETHER DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL, REGARDLESS OF WHETHER SUCH DAMAGES ARE CLAIMED TO ARISE OUT OF THE LAW OF CONTRACT, TORT OR OTHERWISE, OR PURSUANT TO STATUTE OR ADMINISTRATIVE REGULATION.

IN ACCEPTING THIS DEED, the Grantee herein expressly acknowledges and agrees that:

(1) This conveyance is subject in every respect to the Master Deed and Exhibits attached thereto, as amended from time to time.

(2) The Grantee shall be bound by all terms and conditions of the Master Deed and Exhibits, as amended, and in particular the obligations to pay Assessments levied against the Grantee and the above described Apartment Unit from time to time by the Association.

(3) The Directors of the Association, and each of them, are appointed his due and lawful attorneys-in-fact, with full power of substitution, for purposes of negotiating, settling and otherwise dealing in all respects with (i) all insurers of the Regime in the event of damage, destruction or other costs; and (ii) any condemning authority in the event of any taking under a power of condemnation or eminent domain; all as more fully provided in the Master Deed.

(4) The limited warranty contained in this Deed establishes the sole liability with regard to defects in the Apartment Unit and the remedies available with regard thereto; and the limited warranty contained in the Master Deed of the Grantor establishes the sole liability with regard to defects in the Common Area and the remedies available with regard thereto.

TO HAVE AND TO HOLD all and singular the said premises before mentioned unto said Grantee, his heirs and assigns forever.

Subject to the conditions and reservations set forth hereinabove, Grantor does hereby bind itself and its successors and assigns to warrant and forever defend all and singular the said premises unto Grantee, his heirs and assigns, against the Grantor and its successors and assigns and every person whomsoever lawfully claiming or to claim the same, or any part thereof.

IN WITNESS WHEREOF, the Grantor has caused these presents to be executed this _____ day of _____, 198__.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

GRANTOR:

JEANNETTE CREEK LIMITED
PARTNERSHIP

By: CAROLINA SERVICE CORPORATION
OF GREENVILLE
Its: General Partner

WITNESS

By: _____
Its: President

WITNESS

ACCEPTED this ___ day of _____, 198__.

ACCEPTED IN THE PRESENCE OF:

GRANTEE:

WITNESS

(SEAL)

WITNESS

(SEAL)

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON) PROBATE

PERSONALLY appeared before me the undersigned witness and made oath that s/he saw the within-named Grantor sign, seal, and as his act and deed, deliver the within-written Deed for the uses and purposes therein mentioned, and that s/he with the other witness whose signature appears above, witnessed the execution thereof.

(WITNESS)

SWORN TO before me this
____ day of _____, 198_.

_____(L.S.)
Notary Public for South Carolina
My Commission Expires:_____.

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON) PROBATE

PERSONALLY appeared before me the undersigned witness and made oath that s/he saw the within-named Grantee sign, seal, and as his act and deed, accept the within-written Deed for the uses and purposes therein mentioned, and that s/he with the other witness whose signature appears above, witnessed the execution thereof.

(WITNESS)

SWORN TO before me this
____ day of _____, 198_.

_____(L.S.)
Notary Public for South Carolina
My Commission Expires:_____.

(OWNER DEED)

STATE OF SOUTH CAROLINA)	APARTMENT UNIT DEED
)	TOLER'S COVE HORIZONTAL
COUNTY OF CHARLESTON)	PROPERTY REGIME

TO ALL WHOM THESE PRESENTS MAY COME:

WHEREAS, Toler's Cove Horizontal Property Regime (the "Regime") is a horizontal property regime organized pursuant to the Horizontal Property Regime Act of South Carolina (South Carolina Code of Laws [1976], as amended, §27-31-10 to §27-31-300) (the "Act"); and

WHEREAS, the Master Deed and Exhibits establishing the Regime are recorded in the Offices of the Register of Mesne Conveyances for Charleston County (the "RMC Offices") in Deed Book H143 at Page 536, and amended by the Amended and Restated Master Deed of Toler's Cove Horizontal Property Regime recorded in Deed Book ___ at Page ___ (the "Master Deed"); and

WHEREAS, the Regime includes all that certain real property described in Expansion Amendments (in any) which heretofore have been or hereafter may be duly recorded in the RMC Offices pursuant to Article XIII of the Master Deed; and

WHEREAS, _____ (the "Grantor"), whose mailing address is _____, is the Owner of the apartment unit _____ (the "Apartment Unit") in the Regime and desires to convey the Apartment Unit in fee simple to _____ (the "Grantee") whose mailing address is _____; and

WHEREAS, the masculine singular pronouns used throughout this document shall be read as the masculine, feminine or neuter form of pronoun (in singular or plural) as the context shall require; the word "heirs" shall be read as "successors" in reference to any grantor or grantee except an individual acting in an individual capacity; and all terms not otherwise defined herein shall have the same meaning as set forth in the Master Deed; and

WHEREAS, the derivation of title to the Apartment Unit is as follows (references being to Deed Books and Pages in the RMC Offices): Toler and Brunson to Security Development Corporation, Inc., ___ at ___; Security Development to Jeannette Creek Limited Partnership, H-140 at 147; Master Deed of Toler's Cove Horizontal Property Regime, H-143 at 536; Amended and Restated Master Deed of Toler's Cove Horizontal Property Regime, ___ at ___; Expansion Amendments to Toler's

Cove Horizontal Property Regime, if any, (if none, disregard blanks) _____ at _____; _____ at _____; _____ at _____; Jeannette Creek to _____, _____ at _____; (insert additional names and deed book and page references as necessary)

BK K 155 p. 95

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that the Grantor, for and in consideration of the sum of _____ (\$ _____) Dollars, paid unto the Grantor by the Grantee, receipt of which is hereby acknowledged, has granted, bargained, sold and released and by these presents does grant, bargain, sell and release to the Grantee the Apartment Unit, being Number _____ of Toler's Cove Horizontal Property Regime, together with the undivided interest of the Grantor in and to the Common Area appurtenant to said Apartment Unit.

This conveyance is made subject to the following:

(1) Real Estate taxes for the current year and all future years;

(2) Existing and/or recorded easements, conditions, covenants, reservations and restrictions, including (without limitation) easements and use rights, if any, reserved in the Master Deed;

(3) The Master Deed and Exhibits attached thereto, including all benefits and obligations of ownership of an Apartment Unit in the Regime as provided in the Act and the Master Deed and Exhibits attached thereto; and

(4) Applicable governmental regulations, including zoning laws, as may be imposed upon the Project from time to time.

TOGETHER WITH the rights, members, hereditaments and appurtenances to the Apartment Unit belonging or in any way incident or appurtenant thereto;

IN ACCEPTING THIS DEED, the Grantee herein expressly acknowledges and agrees that:

(1) This conveyance is subject in every respect to the Master Deed and Exhibits attached thereto, as amended from time to time.

(2) The Grantee shall be bound by all terms and conditions of the Master Deed and Exhibits, as amended, in particular obligations to pay Assessments levied against the Grantee and the above described Apartment Unit from time to time by the Association.

(3) The Directors of the Association, and each of them, are appointed his due and lawful attorneys-in-fact, with full power

of substitution, for purposes of negotiating, settling and otherwise dealing in all respects with (i) all insurers of the Regime in the event of damage, destruction or other costs; and (ii) any condemning authority in the event of any taking under a power of condemnation or eminent domain; all as more fully provided in the Master Deed.

(4) The limited warranty contained in the original Deed from the Developer establishes the sole liability with regard to defects in the Apartment Unit and the remedies available with regard thereto; and the limited warranty contained in the Master Deed of the Developer establishes the sole liability with regard to defects in the Common Area and the remedies available with regard thereto.

TO HAVE AND TO HOLD all and singular the said premises before mentioned unto said Grantee, his heirs and assigns forever.

Subject to the conditions and reservations set forth hereinabove, Grantor does hereby bind himself and his successors and assigns to warrant and forever defend all and singular the said premises unto Grantee, his heirs and assigns, against the Grantor and his heirs and every person whomsoever lawfully claiming or to claim the same, or any part thereof.

IN WITNESS WHEREOF, the Grantor has caused these presents to be executed this ____ day of _____, 198__.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

GRANTOR:

WITNESS

(SEAL)

WITNESS

ACCEPTED this ____ day of _____, 198__.

ACCEPTED IN THE PRESENCE OF:

GRANTEE:

(SEAL)

WITNESS

(SEAL)

WITNESS

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

PROBATE

PERSONALLY appeared before me the undersigned witness and made oath that s/he saw the within-named Grantor sign, seal, and as his act and deed, deliver the within-written Deed for the uses and purposes therein mentioned, and that s/he with the other witness whose signature appears above, witnessed the execution thereof.

(WITNESS)

SWORN TO before me this
____ day of _____, 198__.

_____(L.S.)
Notary Public for South Carolina
My Commission Expires:_____.

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

PROBATE

PERSONALLY appeared before me the undersigned witness and made oath that s/he saw the within-named Grantee sign, seal, and as his act and deed, accept the within-written Deed for the uses and purposes therein mentioned, and that s/he with the other witness whose signature appears above, witnessed the execution thereof.

(WITNESS)

SWORN TO before me this
____ day of _____, 198__.

_____(L.S.)
Notary Public for South Carolina
My Commission Expires:_____.

BK K 155 PG 198

EXHIBIT L

INITIAL OPERATING BUDGET

TOLER'S COVE HORIZONTAL PROPERTY REGIME

INITIAL OPERATING BUDGET
for
TOLER'S COVE HOMEOWNERS ASSOCIATION
PHASE I - 43 VILLAS

	<u>ANNUAL EXPENSE</u>	<u>MONTHLY EXPENSE</u>
UTILITIES:		
Common Area Electricity	\$ 7,700.00	\$ 641.67
Water/Sewer	<u>\$ 10,500.00</u>	<u>\$ 875.00</u>
Total Utilities	\$ 18,200.00	\$ 1,516.67
OUTSIDE SERVICES:		
Pest Control	\$ 2,064.00	\$ 172.00
Security	<u>\$ 28,500.00</u>	<u>\$ 2,375.00</u>
Total Outside Services	\$ 30,564.00	\$ 2,547.00
MAINTENANCE:		
Landscape - Labor & Supplies	\$ 25,000.00	\$ 2,083.33
Dumbwaiters Contract	\$ 536.13	\$ 44.68
Pool	\$ 7,200.00	\$ 600.00
Tennis Courts	\$ 2,700.00	\$ 225.00
Window Washing	\$ 4,000.00	\$ 333.33
Club House/Guard House	\$ 350.00	\$ 29.17
Water Purification System	\$ 1,170.00	\$ 97.50
Building Maintenance	\$ 2,500.00	\$ 208.33
Grounds Maintenance	<u>\$ 2,500.00</u>	<u>\$ 208.33</u>
Total Maintenance	\$ 45,956.13	\$ 3,829.68
ADMINISTRATIVE:		
Management Fee	\$ 7,740.00	\$ 645.00
Accounting Fee	\$ 1,000.00	\$ 83.00
Supplies - Office	\$ 500.00	\$ 41.67
Insurance	\$ 76,000.00	\$ 6,333.33
Miscellaneous	\$ 500.00	\$ 41.57
Business License	<u>\$ 150.00</u>	<u>\$ 12.50</u>
Total Administrative	\$ 85,890.00	\$ 7,157.50
Reserve for Replacements	<u>\$ 21,811.00</u>	<u>\$ 1,817.58</u>
Total Expenses	\$202,421.13	\$16,868.43
Developer Contribution to Reserves*	<u>-\$ 12,687.00</u>	<u>-\$ 1,057.25</u>
Developer Contribution to Maintenance Expenses*	<u>-\$ 10,185.00</u>	<u>-\$ 848.75</u>
	\$179,549.13	\$14,962.43

<u>Unit Type</u>	<u>Monthly Regime Fee</u>
A	\$397.12
B	\$210.53
C	\$389.36
D	\$302.88
F	\$329.75

THIS OPERATING BUDGET MAKES NO PROVISIONS FOR COVERAGE OF DEDUCTIBLES, IF ANY, ON INSURANCE POLICIES. ANY DEDUCTIBLE WHICH THE ASSOCIATION HAS TO PAY WILL BE A COMMON EXPENSE TO BE BORNE BY ALL UNIT OWNERS IN THE REGIME.

*Until December 31, 1990, the Developer shall be obligated to contribute to the reserves for replacement of the Common Area \$10.90 per month and to the Association's maintenance expenses for the Common Area \$8.75 per month for each of the 97 Units presently authorized to be constructed on the Additional Real Property. (These per unit contributions will be reduced pro rata if additional Units are permitted thereon.) As Units are actually constructed, these agreed contributions will terminate and the respective Unit owners will become responsible for a pro rata share of all maintenance and upkeep expenses for the roadway system and parking area as set forth in the Master Deed.

EXHIBIT M

FORM OF EXPANSION AMENDMENT

TOLER'S COVE HORIZONTAL PROPERTY REGIME

STATE OF SOUTH CAROLINA)
)
 COUNTY OF CHARLESTON) EXPANSION AMENDMENT TO
) MASTER DEED OF TOLER'S COVE
) HORIZONTAL PROPERTY REGIME

This Expansion Amendment (the "Expansion Amendment") to the Master Deed of Toler's Cove Horizontal Property Regime is made and entered into to be effective as of the ___ day of _____, 198__, by and among all parties listed on Exhibit 1 attached hereto.

WITNESSETH:

WHEREAS, Toler's Cove Horizontal Property Regime (the "Regime") was organized pursuant to a Master Deed dated as of January 31, 1985, and recorded at Deed Book H143 at Page 536, in the Office of the Register of Mesne Conveyances for Charleston County and amended by the Amended and Restated Master Deed of Toler's Cove Horizontal Property Regime dated _____, 1986, and recorded at Deed Book ____, at Page ____ (the "Master Deed"); and,

WHEREAS, Article XIII of the Master Deed expressly grants the Developer the right to construct additional Units on that certain real property described in Exhibit 2 attached hereto (the "Expansion Land") and add the Expansion Land and all improvements constructed thereon to the Regime; and

WHEREAS, the Developer has completed construction of _____ buildings, each consisting of _____ floors and _____ Units, with amenities on the Expansion Land in accordance with the Exhibits attached hereto and desires to exercise the rights set forth under Article XIII of the Master Deed.

NOW, THEREFORE, in accordance with Article XIII of the Master Deed, the parties hereto agree as follows:

1. Definitions. All capitalized terms not otherwise defined in this Expansion Amendment shall have the respective meaning set forth in the Master Deed.

2. Submission of Expansion Phase to Regime. The Expansion Land, together with all improvements located thereon and all easements, rights and appurtenances thereunto belonging, (collectively the "Expansion Phase") are hereby submitted to the Regime in accordance with the terms of the Master Deed and the Act. From and after the date of recording hereof in the appropriate county real estate records office, the Expansion Phase shall be considered a part of the Regime as fully as if the Expansion Phase had been included in the description of the Land and the Project in the Master Deed as of the recording date thereof, subject to the express limitations set forth in the Master Deed.

3. Plat. Plats of the Expansion Land (which depicts all improvements thereon horizontally and vertically) (the "Plat") are attached hereto as Exhibit 3.

4. Floor Plan. Floor Plans for the Expansion Phase are attached hereto as Exhibit 4.

5. Description of Areas. Descriptions of the portions of the Expansion Phase which constitute Units, Common Area and Limited Common Area, if differing from the Master Deed, are set forth in Exhibit 4 attached hereto.

6. Revision of Percentage Interests of Owners. Exhibit G to the Master Deed is deleted therefrom in its entirety and Revised Exhibit G (Revised _____, 198_) ("Revised Exhibit G") which is attached hereto as Exhibit 5 is substituted therefor. Revised Exhibit G specifies the Assigned Values of, and respective Percentage Interests appurtenant to, all Units in the Regime after giving effect to the Expansion Phase. Revised Exhibit G shall be incorporated into the Master Deed as if set forth therein verbatim. From and after the date of recording hereof, Revised Exhibit G shall establish the Percentage Interests of all Owners of the Regime for all purposes and be binding on all Owners and mortgage-holders as fully as if Revised Exhibit G had been attached to the Master Deed on the recording date thereof.

7. Developer Representations. Pursuant to Section 13.2 of the Master Deed, the Developer hereby represents that:

(a) All improvements constructed on the Expansion Land have been constructed in a manner substantially similar in terms of design, exterior appearance, quality of construction, size, parking and landscaping to the 43 Units and Common Area comprising the original Project. A certificate as to the satisfaction of these conditions has been provided to the Association by _____ (the "Architect"), an approved architect.

(b) The Architect has also provided to the Association a certificate as to the fact that all improvements constructed on the Expansion Phase appear to have been constructed in a good and workmanlike manner and the improvements are substantially complete and useable for the intended purposes. A punchlist of minor uncompleted items has been provided to the Trustee and sufficient funds escrowed with the Trustee to assure prompt completion of all punchlist items.

(d) All real estate taxes and assessments due with respect to the Expansion Phase for the period from January 1, 198_ to the date hereof have been escrowed with the Trustee. All taxes and assessments prior to January 1, 198_ have been paid.

(e) A mechanics' lien affidavit has been provided to the Association evidencing that no person who has rendered services or provided materials in regard to the construction of the Expansion Phase has a lien on any portion of the Project.

8. Limited Warranty from Developer. FOR A PERIOD OF ONE (1) YEAR, THE DEVELOPER SHALL AT NO COST TO THE ASSOCIATION REPAIR OR REPLACE (IN THE DEVELOPER'S DISCRETION) ANY PORTIONS OF THE COMMON AREA OF THE EXPANSION PHASE (EXCEPT FIXTURES, ACCESSORIES AND APPLIANCES COVERED BY SEPARATE WARRANTIES OF THEIR RESPECTIVE MANUFACTURERS, DEALERS OR INSTALLATION CONTRACTORS) WHICH ARE DEFECTIVE AS TO MATERIALS OR WORKMANSHIP. THIS LIMITED WARRANTY IS IN PLACE OF ALL OTHER CONTRACTUAL OBLIGATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AND THE DEVELOPER DISCLAIMS ALL OTHER CONTRACTUAL OBLIGATIONS OR WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES OF HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. TO THE FULLEST EXTENT PERMITTED BY LAW, THE LIABILITY OF THE DEVELOPER SHALL BE LIMITED TO SUCH REPAIR OR REPLACEMENT AND THE DEVELOPER SHALL NOT BE LIABLE FOR DAMAGES OF ANY NATURE, WHETHER DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL, REGARDLESS OF WHETHER SUCH DAMAGES ARE CLAIMED TO ARISE OUT OF THE LAW OF CONTRACT, TORT OR OTHERWISE, OR PURSUANT TO STATUTE OR ADMINISTRATIVE REGULATION. Each Owner, in accepting a deed from the Developer or any other party to a Unit, expressly acknowledges and agrees that this paragraph establishes the sole liability of the Developer to the Association and the Owners related to defects in the Common Area and the remedies available with regard thereto. The one (1) year period referred to in this paragraph shall commence on the date of recording hereof in the Offices of the Register of Mesne Conveyances for Charleston County.

9. Annual Assessments. The Annual Assessment for the remainder of the current Annual Assessment Period shall be increased by _____, which shall be borne by the Units in the Expansion Phase as set forth in Section 13.9 of the Master Deed. Thereafter, all Units shall be assessed as otherwise provided in the Master Deed.

10. Working Capital Assessments. All obligations with respect to the Working Capital Assessment provided for in Section 4.8 of the Master Deed shall be applicable upon the transfer of the Units in the Expansion Phase by the Developer, with the sixty (60) day period specified in said Section to commence as of the recording date of this Expansion Amendment.

11. Integration. Upon the filing of this Expansion Amendment, all definitions contained in the Master Deed shall be amended to the extent necessary to cause the Expansion Land and Expansion Phase described in this Expansion Amendment to be considered an integral part of the Regime as if said Expansion Land and Expansion Phase constituted a portion of the Project as of the recording date of the original Master Deed.

12. Title Matters. The Developer represents and warrants to the Association and all the Owners that as of the recording date hereof, the Developer has a reasonably safe and marketable fee simple title to the Expansion Land, with the rights and interests of all Owners in and to the Common Area subject only to (i) liens for real estate taxes for 198_ and subsequent years; (ii) easements, conditions and restrictions of record; (iii) restrictions imposed by South Carolina Coastal Council (the "Coastal Council") in and to that portion (the "Critical Area") of the Land and the Expansion Land constituting tidelands and coastal wetlands, primary ocean-front sand dunes or beaches (as determined by the Coastal Council) and (iv) applicable governmental regulations, including zoning laws, which may be imposed upon the Project from time to time; provided, however, that the Developer warrants that the foregoing do not unreasonably interfere with the use of the Expansion Phase for residential purposes. In addition, the Developer shall indemnify and hold the Association and the Owners harmless from all liens, claims or causes of action of persons who have supplied materials to or rendered services in connection with the construction of the Expansion Phase.

13. Exhibits Attached. The following Exhibits are attached hereto and incorporated verbatim in this Expansion Amendment by reference as fully as if set forth herein.

<u>Description</u>	<u>Identification</u>
Owners	1
Legal Description of Expansion Land	2
Plats	3
Floor Plans for Expansion Phase	4
Revised Exhibit G (Schedule of Assigned Values and Percentage Interests)	5

15. Except as modified in this Expansion Amendment, the Master Deed shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed this Expansion Amendment for the uses and purposes set forth herein.

WITNESS:

DEVELOPER:

 By: _____
 Its: _____

OWNERS:

Each Owner Identified in Exhibit
1 Attached Hereto

By: _____

By: _____

Its: _____
As Attorney-in-Fact for each
Owner designated on Exhibit
1 attached hereto pursuant
to the powers-of-attorney
granted in accordance with
the Master Deed.

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

3K K 155 PG 207
PROBATE

PERSONALLY APPEARED before me _____ who,
after first being duly sworn, deposes and says that s/he saw the
within named Developer, by _____ its _____,
by _____, its _____, sign, seal and, as its
act and deed, deliver the within written Expansion Amendment to
Master Deed of Toler's Cove Horizontal Property Regime for the
uses and purposes therein mentioned and that s/he
with _____ witnessed the execution thereof.

SWORN TO before me this _____
day of _____, 198_

_____(L.S.)
Notary Public for South Carolina
My Commission Expires:_____

EXHIBIT N

LIST OF UNIT OWNERS

TOLER'S COVE HORIZONTAL PROPERTY REGIME

LIST OF UNIT OWNERS*

UNIT #1 Scallywag & Associates
291 E. Bay Street
Post Office Box 492
Charleston, SC 29402

UNIT #3 Lynda H. Richards
196 Wando Lea Drive
Mt. Pleasant, SC 29404

UNIT #10 Dr. B. L. Black and Rita Black
#10 Tolers Cove
1610 Highway 703
Mt. Pleasant, SC 29464

UNIT #11 Midwest Control Products Corp.
Karl Raushert, President
74 Hillcrest Drive
Bushnell, IL 61422

UNIT #14 Harry L. Johnson, Jr.
#14 Tolers Cove
1610 Highway 703
Mt. Pleasant, SC 29464

UNIT #93 Cornelius J. Heinink and Kazuyo N. Heinink
1718 Robin Knoll Court
St. Louis, MO 63146

*Other than the Developer

DEVELOPER:

Jeannette Creek Limited Partnership
1233 Washington Street
Post Office Box 11436
Columbia, South Carolina 29211

ASSOCIATION:

Toler's Cove Horizontal Property Regime
(a.k.a. Toler's Cove Homeowners Association)
1600 Ben Sawyer Blvd.
Post Office Box 1107
Mr. Pleasant, South Carolina 29464

S. C. HIGHWAY 703

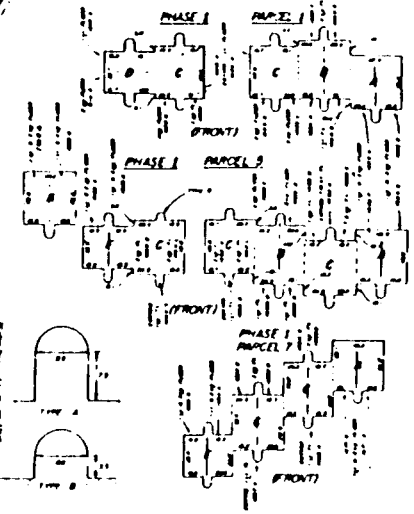
Ed 610

N 155 710

FOR METES & BOUNDS OF TRACT "B" TOLER'S COVE HORIZONTAL PROPERTY REGIME SEE EXHIBIT D OF THE MASTER DEED. EXHIBIT D ALSO RECORDED IN THE CHARLESTON COUNTY REC. OFFICE IN PLAN BOOK BC PAGE 99.

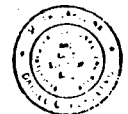
FOR UNIT LOCATIONS WITHIN EACH BUILDING SEE SHEETS 1 - 6 OF EXHIBIT D OF THE MASTER DEED.

REVISIONS/ADDITIONS	
NO.	DESCRIPTION
1	AS SHOWN
2	AS SHOWN
3	AS SHOWN
4	AS SHOWN
5	AS SHOWN
6	AS SHOWN
7	AS SHOWN
8	AS SHOWN
9	AS SHOWN
10	AS SHOWN



I, DANIEL C. FORSBERG, A REGISTERED SURVEYOR IN THE STATE OF SOUTH CAROLINA, HEREBY CERTIFY THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF ALL INFORMATION HEREON IS TRUE AND ACCURATELY SHOWN.

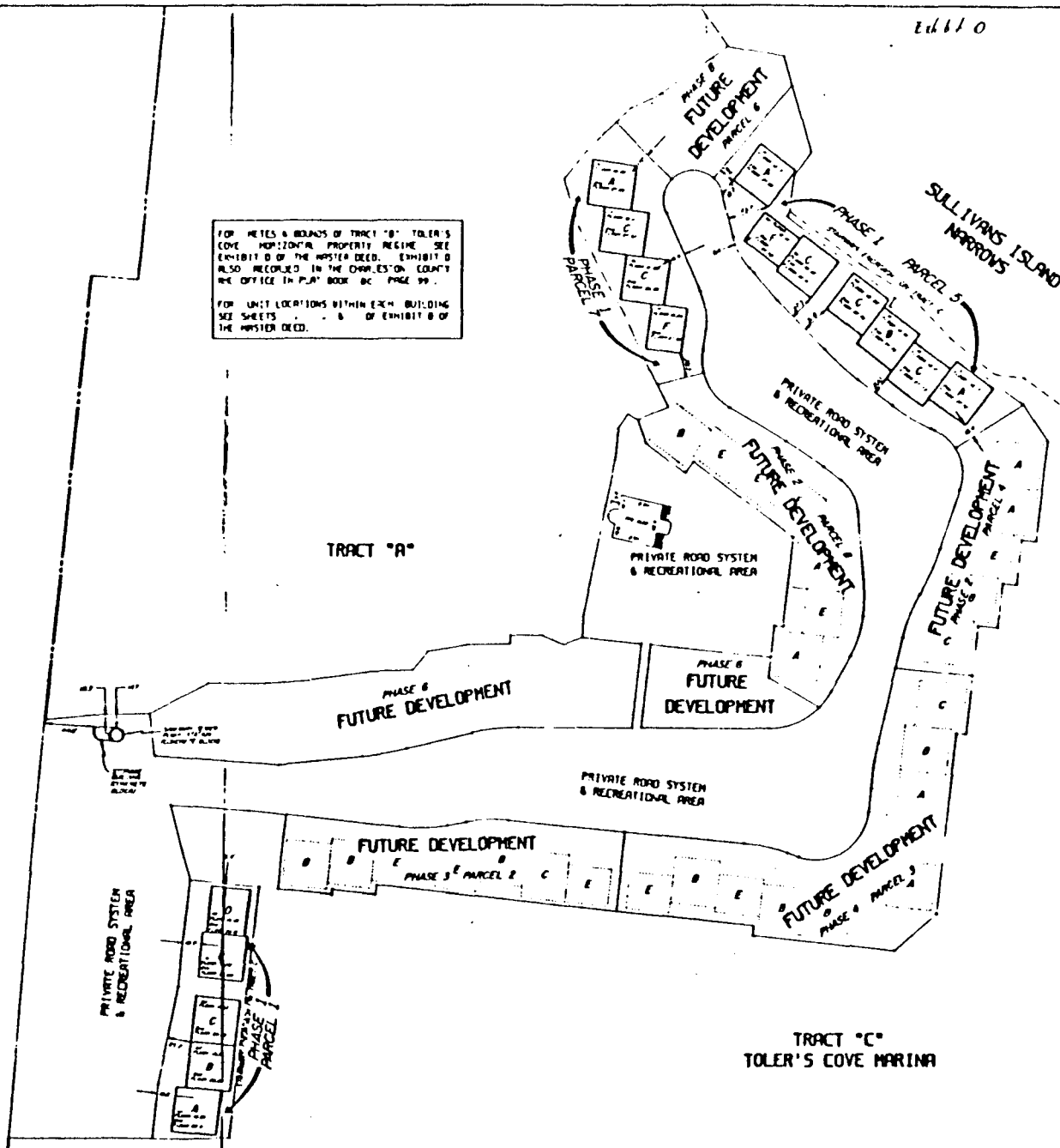
Daniel C. Forsberg
 DANIEL C. FORSBERG, P.E. & S.L.S. REG. NO. 8403



PLOT PLAN
TOLER'S COVE
HORIZONTAL REGIME

TOWN OF MT. PLEASANT
 CHARLESTON COUNTY, SOUTH CAROLINA
 SCALE: 1"=60' DECEMBER 18, 1984

PURVIS ENGINEERING
 1000 1/2 AVENUE
 CHARLESTON, SOUTH CAROLINA 29403



107.00

~~MURKETT, GUERARD, WOODY,
ARGMANN, CISA & O'NEILL
Attorneys at Law~~

FILED, INDEXED & RECORDED

K155-104

1986 JUL -1 PM 3: 53

REGISTER OF DEEDS CONVEYANCE
CHARLESTON COUNTY, S.C.

*Mullen, Rust Jacobs & Pelland
Attorneys & Counselors at Law
P.O. Drawer 2426
1401 Main St
Columbia S.C. 29202.*

Attn: Calhoun Thomas, III

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H-T
✓*

TMS VERIFIED
BAC FR
DTD 7-3-86
53500000009

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Recorded this 1st day of July 1986
On Property Record Card

Pauline S. Koger

Auditor Charleston County