

**MASTER DEED ESTABLISHING
CAROLINA COVE HORIZONTAL PROPERTY REGIME**

This **MASTER DEED** (this "Master Deed"), dated as of May 28, 2004, is made by **PARKDALE HOLDINGS LLC**, a limited liability company organized under the laws of the State of South Carolina (hereinafter sometimes called "Declarant"), who does hereby declare as follows:

**ARTICLE I
SUBMISSION OF PROPERTY**

Declarant, as the sole owner in fee simple of the land and improvements hereinafter described, does hereby make, declare, and publish its intention and desire to submit, and does hereby submit the lands and the Buildings described herein and in the Exhibits attached hereto and incorporated herein by reference, together with all other improvements thereon, including all easements, rights and appurtenances thereto belonging, to the provisions of the South Carolina Horizontal Property Act, Section 27-31-10, et seq., South Carolina Code of Laws, 1976, the provisions of which, unless expressly provided otherwise herein, are incorporated herein by reference and form a part of this Master Deed, for the express purpose of creating and establishing Carolina Cove Horizontal Property Regime (the "Regime").

**ARTICLE II
DEFINITIONS**

As used in this Master Deed and all Exhibits hereto, all amendments herof and thereof unless the context otherwise requires, the following definitions shall prevail:

2.1 "Act" means the South Carolina Horizontal Property Act, Title 27, Chapter 31, Code of Laws of South Carolina, (1976), as amended, and as the same may from time to time be amended and which amendment(s) applies to this Condominium.

2.2 "Appurtenant Interest" means: (a) the undivided interest in the Common Elements appurtenant to a Unit; (b) the interest of a Co-Owner in any Unit acquired by the Association or its designee on behalf of all Co-Owners or the proceeds of the sale or lease thereof, if any; and (c) the interest of a Co-Owner in any other right, right of membership, claim, cause of action or asset of the Condominium or the Association.

2.3 "Assessment" means a Co-Owner's pro rata share of the Common Expenses, which, from time to time, is assessed against a Co-Owner by the Association.

2.4 "Association" or "Counsel of Co-Owners" means the Council of Co-Owners as defined in the Act and Carolina Cove Homeowners Association, Inc., the corporate form by which the Council of Co-Owners shall operate the Condominium.

2.5 "Board of Directors" or "Board" means the Board of Directors of the Association.

2.6 "Building 1" means the structure designated on Exhibit B as Building 1, consisting of four (4) two story townhouse Units, each with two (2) bedrooms and one and one-half (1 1/2) bathrooms.

2.7 "Building 2" means the structure designated on Exhibit B as Building 2, consisting of eight (8) one story Units, each with three (3) bedrooms and two (2) bathrooms.

2.8 "Building 3" means the structure designated on Exhibit B as Building 3, consisting of six (6) two story townhouse Units, each with two (2) bedrooms and one and one-half (1 1/2) bathrooms.

2.9 "Building 4" means the structure designated on Exhibit B as Building 4, consisting of four (4) two story townhouse Units, each with two (2) bedrooms and one and one-half (1 1/2) bathrooms.

2.10 "Building 5" means the structure designated on Exhibit B as Building 5, consisting of six (6) two story townhouse Units, each with two (2) bedrooms and one and one-half (1 1/2) bathrooms.

2.11 "Building 6" means the structure designated on Exhibit B as Building 6, consisting of eight (8) two story townhouse Units, each with two (2) bedrooms and one and one-half (1 1/2) bathrooms.

2.12 "Building 8" means the structure designated on Exhibit B as Building 8, consisting of six (6) two story townhouse Units, each with three (3) bedrooms and one and one-half (1 1/2) bathrooms.

2.13 "Building 9" means the structure designated on Exhibit B as Building 9, consisting of six (6) two story townhouse Units, each with two (2) bedrooms and one and one-half (1 1/2) bathrooms.

2.14 "Building 10" means the structure designated on Exhibit B as Building 10, consisting of six (6) two story townhouse Units, each with two (2) bedrooms and one and one-half (1 1/2) bathrooms.

2.15 "Building 11" means the structure designated on Exhibit B as Building 11, consisting of four (4) two story townhouse Units, each with two (2) bedrooms and one and one-half (1 1/2) bathrooms.

2.16 "Building 12" means the structure designated on Exhibit B as Building 12, consisting of six (6) two story townhouse Units, each with two (2) bedrooms and one and one-half (1 1/2) bathrooms.

2.17 "Building 13" means the structure designated on Exhibit B as Building 13, consisting of six (6) two story townhouse Units, each with two (2) bedrooms and one and one-half (1 1/2) bathrooms.

2.18 "Building 14" means the structure designated on Exhibit B as Building 14, consisting of six (6) two story townhouse Units, each with three (3) bedrooms and one and one-half (1 1/2) bathrooms.

2.19 "Building 15" means the structure designated on Exhibit B as Building 15, consisting of four (4) two story townhouse Units, each with two (2) bedrooms and one and one-half (1 1/2) bathrooms.

2.20 "Building 16" means the structure designated on Exhibit B as Building 16, consisting of six (6) two story townhouse Units, each with three (3) bedrooms and one and one-half (1 1/2) bathrooms.

2.21 "Building 17" means the structure designated on Exhibit B as Building 17, consisting of six (6) two story townhouse Units, each with two (2) bedrooms and one and one-half (1 1/2) bathrooms.

2.22 "Building 18" means the structure designated on Exhibit B as Building 18, consisting of four (4) two story townhouse Units, each with two (2) bedrooms and one and one-half (1 1/2) bathrooms.

2.23 "Building 19" means the structure designated on Exhibit B as Building 19, consisting of eight (8) one story Units, each with three (3) bedrooms and two (2) bathrooms.

2.24 "Buildings" means Buildings 1-6 and 8-19 consisting of eighteen (18) structures as shown on Exhibit B attached hereto.

2.25 "By-Laws" means the By-laws of the Association as they exist from time to time.

2.26 "Common Elements" means all of the Property, fixtures and equipment within the Condominium excluding the Units, and specifically including both the General Common Elements and Limited Common Elements, as defined in this Master Deed and in the Act.

2.27 "Common Expenses" means the expenses for which the Unit Co-Owners are liable to the Association including, without limitation:

- (a) All expenses incident to the administration, maintenance, insurance, repair or replacement of the General Common Elements, any Limited Common Elements which are the express responsibility of the Association and of the portions of Units which are the responsibility of the Association, if any;
- (b) Expenses determined by the Association to be Common Expenses;
- (c) Expenses in this Master Deed and/or its Exhibits denominated as Common Expenses; and

- (d) Any other expenses declared by the Act to be Common Expenses, not otherwise designated herein.

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

2.29 "Condominium" means (i) all the lands and premises located or to be located within the Property which are submitted under the Act; (ii) all improvements now or hereinafter constructed in, upon, over or through such lands and premises; (iii) all rights, streets, roads, privileges and appurtenances thereto belonging or appertaining; and (iv) the entire entity created by the execution and recording of this Master Deed.

2.30 "Condominium Instruments" means this Master Deed, the By-Laws, the Rules and Regulations and other exhibits recorded and filed pursuant to the provisions of the Act. Any exhibit, schedule or certification accompanying a Condominium Instrument and recorded or filed simultaneously therewith shall be deemed an integral part of that Condominium Instrument. To the extent permitted by law, any amendment or certification of any Condominium Instrument, whether or not such amendment or certification was made in accordance with the provisions of the Act, shall be deemed a Condominium Instrument.

2.31 "Co-Owner" or "Unit Owner" means the Person or Persons owning a Unit and the appurtenant undivided interest in the Common Elements specified and established in this Master Deed, and the heirs, executors, administrators, successors and assigns of such Person.

2.32 "Declarant" is defined in the preamble to this Master Deed.

2.33 "Exhibits" means the exhibits to this Master Deed, as they may be amended from time to time.

2.34 "General Common Elements" means all elements of the Property rationally of common use or necessary to its existence, upkeep and safety not included in a Unit or designated as a Limited Common Element, as more particularly described in Section 4.2 of this Master Deed.

2.35 "Improvements" means any construction on or in any land included in the Condominium.

2.36 "Limited Common Elements" means those Common Elements which are appurtenant to and reserved for the use of a single Unit or a certain number of Units to the exclusion of other Units.

2.37 "Majority" or "Majority of Co-Owners or Mortgagees" means the owners of more than fifty-one percent (51%) of the voting power in the Council of Co-Owners which shall be equal to the percentage interest in the Common Elements shown on the Schedule of Values, Exhibit C attached hereto and made a part hereof. Any specified percentage, portion or fraction

of Co-Owners, or of mortgagees, unless otherwise stated in the Condominium Instruments, means such percentage, portion or fraction in the aggregate of such voting power.

2.38 "Manager" or "Managing Agent" means the person, firm or corporation, if any, employed or engaged to perform management services for the Condominium and the Association.

2.39 "Master Deed" means this Master Deed and all exhibits attached hereto establishing and recording the Condominium.

2.40 "Mortgagee" means an individual, bank, savings and loan association, insurance company or union pension fund authorized to do business in the United States of America, an agency of the United States Government, a real estate or mortgage investment trust, the Declarant, any of its affiliates and any lender, having a lien on the Property or any part or parts thereof.

2.41 "Occupant" means any person or persons occupying a Unit.

2.42 "Person" means an individual, corporation, partnership, Association, trustee, limited liability company, other entity or any combination thereof which is capable of holding an interest in real property.

2.43 "Property" means that property shown as contained within the Regime, as described in the Exhibits hereto and including the land, whether leasehold or in fee simple and whether or not submerged, and the Buildings, all improvements and all structures thereon, and all easements, rights and appurtenances belonging thereto and subject to all easements, rights-of-way and rights of use as described herein, in the Exhibits and/or of record.

2.44 "Rules and Regulations" means the Rules and Regulations for the use of Units and Common Elements and for the conduct of persons within the Condominium, made and promulgated by the Association pursuant to the By-Laws of the Association.

2.45 "Reserves or Common Reserves" means reasonable reserves provided for in the Condominium Instruments or agreed upon by the Association in accordance with the By-Laws, including, but not limited to, repair, replacement or addition to the Common Elements or any other real or personal property acquired or held by the Association.

2.46 "Trustee" means the Association's Trustee, for the receipt, administration and disbursement of funds derived from insured losses, condemnation awards, special assessments for uninsured losses, and other like sources.

2.47 "Unit" means a part of the Property intended for residential use as more particularly described in Section 3.3 hereof.

2.48 "Utility Systems" means all utility systems including, but not limited to, electric power, gas, hot and cold water, heating, refrigeration, air-conditioning, garbage and sewage disposal and cable television and shall include pipes, wires, conduits, ducts etc.

ARTICLE III PROPERTY DESCRIPTION; UNIT BOUNDARIES

3.1 Legal Description. The lands which are hereby submitted to the Regime are located in the City of North Charleston, County of Charleston, South Carolina, and are described on Exhibit A attached hereto and incorporated herein by reference.

3.2 Building Plans. Located on the above-described parcel of land are certain improvements, more particularly shown and delineated on the land survey and plot plan or plat and Building Plans, typical elevations and exterior photographs) attached hereto as Exhibit B, said Exhibit B being incorporated herein by reference. The exterior of the Buildings are covered with brick or vinyl veneer. Together with this Master Deed, said Exhibit B constitutes a graphic description of all Units, including their identification numbers, locations, areas and dimensions, and all Common Elements (General and Limited), their relative locations and approximate dimensions.

3.3 Units. The Declarant, in order to implement condominium ownership for the above-described premises, covenants and agrees to, and hereby does, divide the above-described property vertically and horizontally into the following 104 freehold estates consisting of 88 two-story residential townhouse Units and 16 one-story residential Units located in the Buildings. Each such freehold estate shall share in the General Common Elements and the Limited Common Elements appurtenant to each Unit or Building, hereinbefore and hereinafter more particularly described, and as shown graphically in Exhibit B attached hereto. Said Exhibits reasonably delineate the approximate dimensions, area and location of the Units in the Buildings and the Common Elements. For purposes of identification, each Unit of the Condominium is identified by a Building number and Unit letter and is delineated in the Exhibits hereto. No two (2) Units have the same Building number and Unit letter.

In addition to the description of each Unit as may be seen by reference to Exhibit B, each Unit is described as being bounded by and including the unfinished surfaces of its floors, ceilings and perimeter walls, glass windows, and screens of each Unit. Specifically included within each Unit are the sheet rock, ceiling tiles, flooring material (whether tile, vinyl, linoleum, plywood, hardwood or other material), and other similar materials that comprise the ceiling, floors and perimeter walls of the Unit as well as the finished surfaces of the Unit, paint, wall paper, tiles, paneling, carpeting and interior non-load bearing walls contained within the boundaries of each Unit as shown on the Building Plans (Exhibit B), together with all interior doors, the entrance door or doors including any screen door, window panes, window frames, sliding glass door frames and sliding glass plates, screens, light fixtures, installed bathroom and kitchen appliances, HVAC system, and interior piping in connection therewith and installed heating devices and attachments measured from the interior of the Unit. Specifically excluded from each Unit are load-bearing columns, if any, located within the area bounded by the perimeter walls of a Unit,

and pipes, wires and conduits below or behind the surface of the unfinished surface of each Unit. The owner of each Unit shall be responsible for maintenance, upkeep and repair of the Unit and the payment of his share of the expenses of the Common Elements subject to rules, regulations, covenants, and conditions set forth or incorporated herein by reference. Floors and ceilings, and walls separating Units on the same horizontal or vertical level, except for the finished portions thereof (including sheetrock, ceiling tiles, flooring material, and other similar materials that are a part of such floor, ceiling or wall), are Limited Common Elements appurtenant to the two adjacent Units separated by such floor, ceiling or wall. Each Unit shall include all Utility Systems installed in the Unit which are intended for the sole and exclusive use of the Unit. Any portion of a Utility System or other apparatus serving more than one Unit (e.g., pipes, wires, conduits, ducts) which is partially within and partially without the Units, and any structural members or portions of the Buildings and any fixtures or property within the Units which are not removable without jeopardizing the soundness, safety or usefulness of another Unit, are part of the Common Elements. To the extent such Common Element Utility Systems serve and benefit only certain Units, such Utility Systems shall be deemed Limited Common Elements serving only those Units served or benefited. Any portion of a Utility Systems serving only one Unit which is located outside the Unit, such as the HVAC unit serving each Unit, is a Limited Common Element appurtenant to that Unit, the maintenance and repair of which is the responsibility of the Unit Owner unless otherwise specified in this Master Deed.

The Units are described as follows:

(a) Building 1 contains the following four (4) Units: Unit 1A, Unit 1B, Unit 1C and Unit 1D. Each such Unit is a two-story townhouse Unit containing approximately 868 square feet of interior space which includes, without limitation, a kitchen, a living room, a dining room, 2 bedrooms, and 1 1/2 bathrooms, all as more particularly depicted in Exhibit B attached hereto.

(b) Building 2 contains the following eight (8) Units: Unit 2A, Unit 2B, Unit 2C, Unit 2D, Unit 2E, Unit 2F, Unit 2G and Unit 2H. Each such Unit is a one-story flat Unit containing approximately 1,300 square feet of interior space which includes, without limitation, a kitchen, a living room, a dining area, 3 bedrooms, and 2 bathrooms, all as more particularly depicted in Exhibit B attached hereto.

(c) Building 3 contains the following six (6) Units: Unit 3A, Unit 3B, Unit 3C, Unit 3D, Unit 3E and Unit 3F. Each such Unit is a two-story townhouse Unit containing approximately 868 square feet of interior space which includes, without limitation, a kitchen, a living room, a dining room, 2 bedrooms, and 1 1/2 bathrooms, all as more particularly depicted in Exhibit B attached hereto.

(d) Building 4 contains the following four (4) Units: Unit 4A, Unit 4B, Unit 4C and Unit 4D. Each such Unit is a two-story townhouse Unit containing approximately 868 square feet of interior space which includes, without limitation, a kitchen, a living room, a dining room, 2 bedrooms, and 1 1/2 bathrooms, all as more particularly depicted in Exhibit B attached hereto.

(e) Building 5 contains the following six (6) Units: Unit 5A, Unit 5B, Unit 5C, Unit 5D, Unit 5E and Unit 5F. Each such Unit is a two-story townhouse Unit containing

approximately 868 square feet of interior space which includes, without limitation, a kitchen, a living room, a dining room, 2 bedrooms, and 1 1/2 bathrooms, all as more particularly depicted in Exhibit B attached hereto.

(f) Building 6 contains the following eight (8) Units: Unit 6A, Unit 6B, Unit 6C, Unit 6D, Unit 6E, Unit 6F, Unit 6G and Unit 6H. Each such Unit is a two-story townhouse Unit containing approximately 868 square feet of interior space which includes, without limitation, a kitchen, a living room, a dining room, 2 bedrooms, and 1 1/2 bathrooms, all as more particularly depicted in Exhibit B attached hereto.

(g) Building 8 contains the following six (6) Units: Unit 8A, Unit 8B, Unit 8C, Unit 8D, Unit 8E and Unit 8F. Each such Unit is a two-story townhouse Unit containing approximately 1,105 square feet of interior space which includes, without limitation, a kitchen, a dining room, a living room, 3 bedrooms and 1 1/2 bathrooms, all as more particularly depicted in Exhibit B attached hereto.

(h) Building 9 contains the following six (6) Units: Unit 9A, Unit 9B, Unit 9C, Unit 9D, Unit 9E, and Unit 9F. Each such Unit is a two-story townhouse Unit containing approximately 868 square feet of interior space which includes, without limitation, a kitchen, a dining room, a living room, 2 bedrooms, and 1 1/2 bathrooms, all as more particularly depicted in Exhibit B attached hereto.

(i) Building 10 contains the following six (6) Units: Unit 10A, Unit 10B, Unit 10C, Unit 10D, Unit 10E and Unit 10F. Each such Unit is a two-story townhouse Unit containing approximately 868 square feet of interior space which includes, without limitation, a kitchen, a living room, a dining room, 2 bedrooms, and 1 1/2 bathrooms, all as more particularly depicted in Exhibit B attached hereto.

(j) Building 11 contains the following four (4) Units: Unit 11A, Unit 11B, Unit 11C and Unit 11D. Each such Unit is a two-story townhouse Unit containing approximately 868 square feet of interior space which includes, without limitation, a kitchen, a dining room, a living room, 2 bedrooms, and 1 1/2 bathrooms, all as more particularly depicted in Exhibit B attached hereto.

(k) Building 12 contains the following six (6) Units: Unit 12A, Unit 12B, Unit 12C, Unit 12D, Unit 12E and Unit 12F. Each such Unit is a two-story townhouse Unit containing approximately 868 square feet of interior space which includes, without limitation, a kitchen, a dining room, a living room, 2 bedrooms, and 1 1/2 bathrooms, all as more particularly depicted in Exhibit B attached hereto.

(l) Building 13 contains the following six (6) Units: Unit 13A, Unit 13B, Unit 13C, Unit 13D and Unit 13E. Each such Unit is a two-story townhouse Unit containing approximately 868 square feet of interior space which includes, without limitation, a kitchen, a dining room, a living room, 2 bedrooms, and 1 1/2 bathrooms, all as more particularly depicted in Exhibit B attached hereto.

(m) Building 14 contains the following six (6) Units: Unit 14A, Unit 14B, Unit 14C, Unit 14D, Unit 14E and Unit 14F. Each such Unit is a two-story townhouse Unit containing approximately 1,105 square feet of interior space which includes, without limitation, a kitchen, a dining room, a living room, 3 bedrooms, and 1 1/2 bathrooms, all as more particularly depicted in Exhibit B attached hereto.

(n) Building 15 contains the following four (4) Units: Unit 15A, Unit 15B, Unit 15C and Unit 15D. Each such Unit is a two-story townhouse Unit containing approximately 868 square feet of interior space which includes, without limitation, a kitchen, a dining room, a living room, 2 bedrooms, and 1 1/2 bathrooms, all as more particularly depicted in Exhibit B attached hereto.

(o) Building 16 contains the following six (6) Units: Unit 16A, Unit 16B, Unit 16C, Unit 16D, Unit 16E and Unit 16F. Each such Unit is a two-story townhouse Unit containing approximately 1,105 square feet of interior space which includes, without limitation, a kitchen, a dining room, a living room, 3 bedrooms, and 1 1/2 bathrooms, all as more particularly depicted in Exhibit B attached hereto.

(p) Building 17 contains the following six (6) Units: Unit 17A, Unit 17B, Unit 17C, Unit 17D, Unit 17E, and Unit 17F. Each such Unit is a two-story townhouse Unit containing approximately 868 square feet of interior space which includes, without limitation, a kitchen, a dining room, a living room, 2 bedrooms, and 1 1/2 bathrooms, all as more particularly depicted in Exhibit B attached hereto.

(q) Building 18 contains the following four (4) Units: Unit 18A, Unit 18B, Unit 18C, and Unit 18D. Each such Unit is a two-story townhouse Unit containing approximately 868 square feet of interior space which includes, without limitation, a kitchen, a dining room, a living room, 2 bedrooms, and 1 1/2 bathrooms, all as more particularly depicted in Exhibit B attached hereto.

(r) Building 19 contains the following eight (8) Units: Unit 19A, Unit 19B, Unit 19C, Unit 19D, Unit 19E, Unit 19F, Unit 19G and Unit 19H. Each such Unit is a one-story flat Unit containing approximately 1,300 square feet of interior space which includes, without limitation, a kitchen, a living room, a dining area, 3 bedrooms, and 2 bathrooms, all as more particularly depicted in Exhibit B attached hereto.

3.4 Reservation of Rights By Declarant. Declarant reserves the following rights, but without incurring any obligation to do so, which rights may be exercised by Declarant without the vote or consent of the Association, any Co-owner, Mortgagee or purchaser of a Unit:

(a) Make alterations, additions or improvements, in, to and upon Units owned by Declarant, whether structural or nonstructural, interior or exterior, ordinary or extraordinary;

(b) change the layout or number of rooms in any Unit owned by Declarant;

(c) change the size and/or number of Units owned by Declarant by combining or subdividing Units;

(d) reapportion the Unit owned by Declarant affected by any of the foregoing changes in size or number and their proportionate interests in the Common Elements or liabilities for Common Expenses (any reapportionments of percentage interest in the Common Elements appurtenant to an affected Unit shall not alter the percentage interest of the Co-owner of an unaffected Unit and shall be in accordance with the basic values established by this Master Deed and set forth in Exhibit C; and

(e) further add, diminish, change or move any and all portions of the now existing Common Elements, including, but not limited to, additional parking and/or storage space which may be designated as either General Common Elements or Limited Common Elements.

Should the Declarant, in its sole discretion, decide to make any changes as set forth above, Declarant shall execute an amendment to this Master Deed reflecting such changes and the same shall be executed solely by the Declarant and recorded with the RMC office for Charleston County, South Carolina, together with such other exhibits relating thereto as the Declarant determines in its sole discretion to be necessary. Such amendment shall not require the consent of the Association or a Co-Owner, Mortgagee, or purchaser of a Unit.

3.5 Reservation of Rights for Each Co-Owner. Each Co-Owner has the following rights, but without incurring any obligation to do so, which rights may only be exercised with the consent of the Board as provided herein or in the Condominium Instruments: to make interior alterations, additions or improvements to its Unit, including, but not limited to, changing the layout or number of rooms in the Unit, provided such alteration or addition does not structurally weaken any other Unit or a Limited or General Common Element appurtenant to another Unit.

The Co-owner of more than one (1) Unit which are adjacent either vertically or horizontally shall, with the approval of the Board, have the right and easement to cut apertures in such floors and ceiling, and in non-load bearing portions of such walls, and shall have the right and easement in said aperture for ingress, egress and access to and from each Unit and shall have the right and easement to construct stairs or other connecting devices in said aperture between Units; provided, that in exercising such right any such Co-owner shall not interfere with any water, sewer, electrical or other lines or common elements in a manner detrimental to the use and enjoyment of other Units or to the detriment of the structural integrity of the building.

Should a Co-Owner decide to make any changes as set forth above and obtain the necessary approval for the same, the Co-Owner and the Association shall execute an amendment to this Master Deed reflecting such changes including, but not limited to, an amended floor plan or building plan; provided, however, that such amendment shall not reduce the total proportionate share of Common Expenses that is the responsibility of such Co-Owner. Any such amendment shall be executed and recorded in the R.M.C. Office for Charleston County, South Carolina, together with such other exhibits relating thereto as are necessary to document the change. The Co-Owner requesting any such change shall be responsible for the cost of preparing

and recording any such amendment including any revised plans or building drawings, unless the Association agrees otherwise.

**ARTICLE IV
COMMON ELEMENTS**

4.1 Ownership, Description. The ownership of each Unit shall include an undivided share in and to the General Common Elements as defined herein and as set forth in Exhibit C attached hereto and incorporated by reference herein. It is the intention of the Declarant hereby to provide that the General Common Elements in the Condominium shall be owned by the Co-Owners of the Units as tenants-in-common, the undivided share of each Co-Owner being as stated in Exhibit C to this Master Deed. The Association shall have the power to determine the use to be made of the Common Elements from time to time, provided that such use shall not discriminate against any Co-Owner.

4.2 General Common Elements. A description of the General Common Elements of the Condominium as defined herein and in the Act is as follows except any portion thereof designated as a Limited Common Element or included within a Unit:

- (a) The parcel of land described in the Exhibit A, attached hereto;
- (b) Those portions of the Buildings, not otherwise herein defined as being embraced within the individual Units, rationally of common use or necessary to their existence, upkeep and safety, and in general, all other devices or installations existing for common use not designated as a Limited Common Element;
- (c) The foundation, structural elements, main walls, load-bearing interior walls and partitions, roof, external stairways, or communication ways and other portions of the Buildings not within a Unit or designated as a Limited Common Element;
- (d) The compartments or installations of central services such as power, light, gas and water and the like;
- (e) in general, all devices or installations existing for common use, including common area utility rooms, common area mechanical rooms and common area janitorial rooms located on the Property, if any;
- (f) The non-reserved parking spaces located on the Property for use by the Co-Owners in accordance with the terms of the Condominium Instruments;
- (g) All yard areas it being understood that no yard areas shall be reserved for the exclusive use of any Unit Owners.
- (h) All other elements of the Property rationally of common use or necessary to its existence, upkeep, and safety;

- (i) All assets of Carolina Cove Homeowners Association, Inc. (a non-profit corporation organized for the purposes of carrying out the powers, duties and obligations of the "Association" as defined in the Act); and
- (j) The pool, the pool house/office (including the fitness center and laundry room therein) and the playground, as more particularly shown on Exhibit B.

4.3 Limited Common Elements. Portions of the Common Elements are hereby set aside and reserved for the restricted use or benefit of certain Unit(s) to the exclusion of the other Units, and such portions shall be known and referred to herein as Limited Common Elements. The Limited Common Elements restricted to the use of each Unit include:

- (a) The mail box for each Unit is a Limited Common Element appurtenant to the Unit with which it is associated;
- (b) Any portion of an interior wall enclosing common pipe chases, air ducts, public utility lines or any portion of a Utility System or other apparatus serving more than one Unit (e.g. pipes, wires, conduits, ducts) are a Limited Common Element appurtenant to the Units it serves; and
- (c) Any portion of a Utility System serving only one Unit which is located outside the Unit, such as the HVAC unit serving a Unit;
- (d) The compartments or installation of control services such as power, light, gas, cold and hot water, and the like serving a particular Unit are a Limited Common Element appurtenant to that Unit;
- (e) The walkways, staircases or breezeways serving any particular group of Units are Limited Common Elements appurtenant to such Units; and
- (f) The patios behind the Units in all Buildings except Building 2 and Building 19 are Limited Common Elements appurtenant to the Units they are connected to.
- (g) The concrete stoops as the entrance to each Unit are Limited Common Elements appurtenant to the Units they serve.
- (h) The breezeways in Buildings 2 and 19 are Limited Common Elements appurtenant to the Units they serve.

4.4 Maintenance Responsibilities. Notwithstanding the ownership of the various portions of the Common Elements and the Units by virtue of the foregoing boundary descriptions, the provisions of the By-Laws shall govern the division of maintenance and repair responsibilities between the Co-Owners and the Association.

ARTICLE V
EASEMENTS

In addition to any easements created by statute, all Units shall be subject to the following easements in favor of the Declarant, the Co-Owners, the Association and/or any other person authorized by the Association, as the case may be:

5.1 Utilities. Easements throughout the Common Elements and the Units for ducts, plumbing, and for the purposes of installation, maintenance, repair, and replacement of any heating or air conditioning systems, cable or other television systems, sewer, water, gas, electricity, power and telephone pipes, lines, mains, conduits, wires, poles, transformers and any and all other equipment or machinery necessary or incidental to the proper functioning of any Utility System or the furnishing of such services to the Units and the Common Elements.

5.2 Support and Quiet Enjoyment. An easement for lateral and subjacent support from every portion of a Unit which contributes to the support of the Buildings and every other Unit and Common Element and as such may be necessary for the quiet enjoyment of a Unit.

5.3 General Repairs. Easements through the Units and Common Elements for maintenance, repair and replacement of the Condominium and any property which is the responsibility of the Association or Co-Owner to maintain or repair (if any). In case of emergency, such entry shall be immediate whether or not the Co-Owner is present at the time.

5.4 Encroachment. In the event that any portion of the Common Elements now or hereafter encroaches upon any Unit, or vice versa, or in the event that any portion of any Unit now or hereafter encroaches upon another Unit, a valid easement for the encroachment and for the maintenance of the same, so long as it stands, does and shall exist. In the event the Buildings or other improvements or a Unit is partially or totally destroyed and the reconstruction thereof shall create an encroachment on portions of the Common Elements or on any Unit, there shall exist a valid easement for such encroachment and the maintenance thereof.

5.5 Actual location controls. In interpreting any and all provisions of this Master Deed, the Exhibits attached hereto, and subsequent deeds and mortgages to individual Units, the actual location of the Unit shall be deemed conclusively to be the property intended to be conveyed, reserved or encumbered notwithstanding any minor deviations, either horizontally or vertically, from the locations as indicated on the Exhibits attached hereto. To the extent that such minor variations in location do or shall exist, a valid easement therefor, and for the maintenance thereof, does and shall exist.

5.6 Additional easements. The Association shall have the right to grant and reserve easements and rights-of-way through, under, over and across the Property for construction purposes, and for the installation, maintenance and inspection of the lines and appurtenances for public or private water, sewer, drainage, gas, electricity, telephone and other utilities; provided, however, no such easement shall deprive a Co-Owner of the quiet enjoyment of its Unit and use of its appurtenant Common Elements. However, no easement shall be granted by the Association if as a result thereof the Building or other improvement in the Condominium would

be structurally weakened or the security of any mortgagee of record would be adversely affected without its written consent.

The Property submitted to a condominium hereby is subject to all conditions, limitations, restrictions, reservations and all other matters of record, the rights of the United States of America, the State of South Carolina and any governmental authority or agency including any taxes, applicable zoning ordinances which now exist or are hereafter adopted and easements for ingress and egress, for pedestrian and vehicular purposes and for utility services and drains which now exist or are hereafter granted.

The Association, all present and future Co-Owners and Occupants, the Declarant and their respective successors, assigns, designees, invitees, licensees and guests are hereby granted a perpetual easement over, through and across and a license to use the areas of the General Common Elements in the manner for which such is ordinarily intended and are further granted a pedestrian easement over, through and across the General Common Elements upon such paths and ways as are suitable for pedestrian traffic and a license to use the same, subject however to the terms of this Master Deed and the Exhibits thereto.

ARTICLE VI CONDOMINIUM, ADMINISTRATION

6.1 Administration of the Condominium. The Condominium shall be administered, supervised and managed by a Council of Co-Owners organized as a South Carolina non-profit corporation known as Carolina Cove Homeowners Association, Inc. ("the Association"), which shall act by and on behalf of the Co-Owners of the Units in the Condominium in accordance with this Master Deed, the Charter and By-Laws of the Association (said Bylaws to initially be in the form attached hereto as Exhibit D) and in accordance with the Act, as amended. The Charter and By-Laws form an integral part of the plan of ownership herein described, and, as amended from time to time, shall govern the conduct and affairs of the Co-Owners of the Condominium as well as the members of the Association, and shall be construed in conjunction with the provisions of this Master Deed. Pursuant to the Act, the Association is hereby designated as the form of administration of the Condominium, and is hereby vested with the rights, powers, privileges and duties necessary or incidental to the proper administration of the Condominium, the same being more particularly set forth in the Charter and By-Laws of the Association.

6.2 Undivided Share in Condominium. The basic value of each Unit and the total value of all the property of the Condominium for the sole and exclusive purpose of determining the property rights and obligations of the Co-Owners is set forth in Exhibit C attached hereto. The basic value of each Unit or percentage (share) in the Common Elements set forth in Exhibit C shall also be the percentage appertaining to the several Units (and their Co-Owners) in the Common Expenses and rights in the Common surplus (if any) except as otherwise stated in the Master Deed, and said percentage shall constitute the proportionate representation appertaining to each Unit for voting purposes in the Association.

6.3 Units and Undivided Shares Inseparable. The Common Elements, both General and Limited, shall remain undivided and shall not be the object of an action for partition or

division of the co-ownership; any transfer, conveyance or encumbrance of an individual Unit shall be deemed to also transfer, convey or encumber the Undivided interest of the Co-Owner in the Common Elements appurtenant to the Unit without specifically or particularly referring to same, and together with easements in favor of the Unit or to which the Unit or an appurtenant Limited Common Element is subject. Any attempt to divide a Unit by separating title, thereto from the undivided interest in the Common Elements and Common Surplus (if any) shall be void. The Declarant, its successors and assigns and its grantees, their heirs, successors and assigns, further covenant and agree that any conveyance, transfer or alienation of any Unit shall conclusively be deemed to include all of the interest of the Co-Owner in the Association, and any encumbrance upon any Unit shall also be conclusively deemed to attach to all of the interest of the Co-Owner of said unit in the Condominium.

6.4 Membership in Association. The Co-Owner of a Unit shall automatically upon becoming the Co-Owner of a Unit be a member of the Association, and shall remain a member of the Association until such time as his, her or its ownership ceases for any reason, at which time, his, her or its membership in the Association shall automatically cease. Other than as an incident to a lawful transfer of the title to a Unit, neither membership in the Association nor any share in the assets of the Association may be assigned, hypothecated or transferred, and any such attempted transfer shall be null and void, except as an appurtenance to the Co-Owner's Unit.

6.5 Rules and Regulations, Liability. Reasonable rules and regulations concerning the use of the property of the Condominium may be made and amended from time to time by the Association in the manner provided in its By-Laws. The initial Rules and Regulations are attached to this Master Deed as Exhibit E. Notwithstanding the duty of the Association to maintain and repair certain parts of the Property i.e., the General Common Elements, the Association shall not be liable to Co-Owners for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the Property to be maintained and repaired by the Association, or caused by the elements or other Co-Owners or persons.

6.6 Assessments. Each Co-Owner is bound to contribute and shall be assessed by the Association pro rata according to the percentage of his, her or its share in the Common Elements as set forth in Exhibit C to this Master Deed and the provisions of the other Condominium Instruments toward the expenses of administration and of maintenance, insurance, repair, replacement, preservation and improvement of the Common Elements in such amounts as shall from time to time be fixed and assessed by the Association in accordance with the Condominium Instruments, and toward any other expenses that may be lawfully agreed upon, all as is more particularly provided in the By-Laws, as amended from time to time. No Co-Owner may exempt itself from contributing toward such expenses by waiver of the use or enjoyment of the Common Elements of the Association or by abandonment of the Unit owned by such Co-Owner. All Units shall be subject to a lien for unpaid assessments as provided in the Bylaws. Notwithstanding anything in this Master Deed to the contrary, the Declarant shall not be responsible for assessments except to the extent they represent its proportionate share as a Unit Owner of expenses actually incurred by the Association. In no event shall the Declarant be required to pay assessments to the extent they are for Reserves or Common Reserves.

As set forth in Section 27-31-210(a) of the Act, the lien against a Unit for unpaid Assessments is subordinate to mortgages and other liens, duly recorded, encumbering the Unit. Further, as set forth in Section 27-31-210(b) of the Act, where the mortgagee of any mortgage of record or other purchaser of a Unit obtains title at the foreclosure sale of such a mortgage, such acquirer of title, his successors and assigns, shall not be liable for the Assessments chargeable to such Unit accruing after the date of recording such mortgage but prior to the acquisition of title to such Unit by such acquirer.

**ARTICLE VII
RESTRICTIVE AND PROTECTIVE COVENANTS, AGREEMENTS**

To further implement this plan of condominium ownership, to make the ownership and sale of Units in the Condominium feasible, to preserve the character of the Condominium and to make possible the fulfillment of the purpose of this Master Deed, the Declarant, its successors and assigns, by reason of this Master Deed, and all future Co-Owners of Units in the Condominium by their acquisition of title thereto, covenant and agree as follows:

7.1 No partial conveyance. Each Unit shall, for all purposes, constitute a separate parcel of real property which may be owned in fee simple and which may be leased, conveyed, devised, inherited, transferred or encumbered along with its appurtenant percentage in the Common Elements, in the same manner as any other parcel of real property, independently of all other Units, subject only to the provisions of this Master Deed, the Charter and By-Laws of the Association, and the Act. No part of any Unit or any Common Element shall be leased, conveyed, devised, inherited, transferred or encumbered apart from the whole of said Unit and its corresponding percentage in the Common Elements. Each Unit may only be utilized for residential and incidental home office use including rental thereof, but subject to the terms of the Condominium Instruments and applicable laws;

7.2 Improper use of Unit prohibited. No unlawful use shall be made of a Unit nor any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof, including the matters set forth in Article XIII hereof, shall be observed. The responsibility of meeting the requirements of governmental bodies which require maintenance, modification or repair of such Unit shall be the same as the responsibility for the maintenance and repair of the Unit concerned. Additionally, no use shall be made of a Unit which would violate the terms of this Master Deed or its Exhibits.

7.3 Use of Common Elements. Each Co-Owner, tenant, occupant, or guest of a Unit may use the Common Elements in accordance with the purposes for which they are intended, without hindering or encroaching upon the lawful rights of the other Co-Owners, their guests, tenants or occupants.

7.4 Right of access. The Association shall have the irrevocable right, to be exercised by its duly authorized officers or agents, to have access to each Unit and any Common Element from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the Common Elements therein or accessible therefrom for which the

Association is responsible; and at any time for making emergency repairs therein necessary to prevent damage to the Common Elements or to another Unit or Units.

7.5 Architectural Control. To preserve the original architectural appearance of the Condominium, no exterior construction of any nature whatsoever except as specified in the Condominium Instruments shall be commenced or maintained upon the Buildings and/or any Common Element without the prior written consent of the Board of Directors. All such additions as are herein specified shall be architecturally compatible with the existing improvements. No improvements may be constructed or any equipment permanently placed in the General Common Elements or a Limited Common Element area appurtenant to a Unit without the prior written consent of the Board of Directors other than any interior improvements to a Unit in accordance with this Master Decd. No Co-Owner shall paint, decorate or change the color of any exterior surface, door, railing, roof, or other Common Element nor shall any Co-Owner change the design or color of the exterior of its Unit or any lighting fixture or mailbox nor shall any Co-Owner install, erect or attach to any part of the exterior of its Unit any sign of any kind whatsoever without obtaining the approval of the Board of Directors. Additionally, no exterior addition or change, may be made unless and until plans and specifications showing the nature, kind, shape, height, material, color and location of the same shall have been submitted to and approved in writing as to harmony of exterior design, color and location in relation to the surrounding improvements by the Board of Directors. Failure of the Board of Directors to approve or disapprove such plans and specifications within ninety (90) days after their being submitted in writing shall constitute approval. It shall be each Co-Owners responsibility to obtain the necessary governmental approvals for any such construction, including, but not limited to, the City of Charleston and its agencies.

7.6 Asbestos Control Procedures. All Co-Owners, by acceptance of a deed to a Unit, acknowledge and accept that the Unit may contain non-friable asbestos vinyl floor coverings in the kitchen and bathrooms that has been encapsulated by the Declarant by installing new, non-asbestos containing floor coverings on top of the non-friable asbestos vinyl pursuant to the recommendations of Applied Technology and Management Inc. dated 13, 2004. Each Co-Owner, by acceptance of a deed to a Unit, agrees that none of the Declarant, the Association, the other Co-Owners or any of their affiliates (or any employees, agents or contractors of any of the foregoing) shall be liable for any loss, damage or claim incurred by Co-Owner or any other person as a result of the presence of the encapsulated non-friable asbestos. In addition, each Co-Owner, by acceptance of a deed to a Unit agrees to comply with the following asbestos control procedures and to indemnify the Declarant, the Association, the other Co-Owners and all of their affiliates (and all employees, agents and contractors of all of the foregoing) from any loss, damage or claim (including reasonable attorneys' fees) incurred by such parties as a result of the Co-Owner's failure to comply with the following procedures:

(a) The Co-Owner shall not disturb the floor coverings in the kitchen and bathrooms of its Unit. This includes any activity that would possibly damage the floor covering that encapsulates the asbestos containing material (including, without limitation, drilling, sanding, buffing, sweeping, vacuuming, scraping, or hammering). Any planned activity which will cause a disturbance to this floor covering must first be approved by the Board and must be performed

in accordance with current applicable regulations for working on or around asbestos containing material by a contractor specializing in working with asbestos containing materials.

(b) If any disturbance to the kitchen or bathroom floors occurs, or any material is noticed to be dislodged from the kitchen or bathroom floors in any way or by any cause, the Co-Owner should immediately contact the Board or its designee for determination of the impact of the activity on the condition of the asbestos containing material. Further, the Co-Owner will take such remedial activities as required by the Board. **IN NO EVENT SHOULD A CO-OWNER OR ANY OTHER PERSON TOUCH, SWEEP, VACUUM OR OTHERWISE HANDLE THE MATERIAL BEFORE CONSULTING A PROFESSIONAL TRAINED IN THE HANDLING OF ASBESTOS CONTAINING MATERIALS.**

7.7 Restriction on Hard Floors in Upstairs Garden Units. In order to maintain an acceptable noise level in the downstairs garden Units (Units 2A, 2B, 2E, 2F, 19A, 19B, 19E and 19F), no hardwood floors or other similar sound conducive flooring material shall be installed in the upstairs garden Units (Units 2C, 2D, 2G, 2H, 19C, 19D, 19G, and 19H).

ARTICLE VIII AMENDMENT OF MASTER DEED

The Declarant reserves the right to make any changes in the Master Deed as may be required by law or any title insurance company or any lending institution including the Federal National Mortgage Association, to supplement the Exhibits hereto, or to correct any typographical errors, provided that such changes do not increase an owner's share of the Common Expenses or change the share in the Common Elements appurtenant to any Unit.

This Master Deed may be amended at the regular or any special meeting of the Association, called and convened in accordance with the By-Laws, upon the affirmative vote of the Co-Owners constituting sixty-seven percent (67%) of the total basic value of the Units in the Condominium; provided however, that this Master Deed may not be cancelled nor any amendment be made hereto having as its effect a termination of the Condominium without the written agreement of all the Co-Owners in the Condominium and all mortgagees holding mortgages of record upon the Condominium or any portion thereof, as provided in the Act; provided, further that no amendment to this Master Deed may change the configuration of or approve the construction of any improvement or placement of any item of personal property in a General Common Element without the approval of the Co-Owners owning sixty-seven percent (67%) of the total basic value of the Units in the Condominium nor shall any amendment to this Master Deed change the Limited Common Elements appurtenant to a Unit without the approval of the Co-Owners of that Unit.

Notwithstanding anything to the contrary contained herein, the system of administration as set forth in the Charter and By-Laws may be amended and modified from time to time in accordance with the provisions of the Act and any other applicable provisions of the statutory laws of South Carolina, the Charter and By-Laws of the Association. The procedure for effecting an amendment to this Master Deed shall be that as provided for amendment of the By-Laws, hereto attached, except that the approval required shall be sixty seven percent (67%) of

the basic value of the Units in the Condominium unless a different percentage is provided for in this Master Deed or the Exhibits.

No amendments to the Master Deed or other Condominium Instruments shall diminish or impair the rights of mortgagees under the Condominium Instruments without the prior written consent of all mortgagees of record, nor diminish or impair the rights of the Declarant under the Condominium Instruments without the prior written consent of the Declarant. No amendment may modify this Article or the rights of any person hereunder. Except as specifically provided in the Condominium Instruments, no provision of the Condominium Instruments shall be construed to grant to any Co-Owner, or to any other person, any priority over any rights of mortgagees.

All amendments hereto shall be recorded and certified as required by the Act. Except as otherwise expressly stated herein no amendment(s) shall change any Unit or the proportionate share of the Common Expenses or Common Surplus attributable to each Unit, nor the voting rights of any Unit, unless all Co-Owners of the Condominium and all mortgagees holding any mortgages or other liens upon the Property or any part(s) thereof shall join in the execution of such amendment. No amendment shall be passed which shall impair or prejudice rights and/or priorities of any mortgagee or change the provisions of any mortgage or change the provisions of this Master Deed with respect to mortgagees without the written approval of all mortgagees of record.

ARTICLE IX DECLARANT CONTROL PERIOD

Notwithstanding anything to the contrary herein, until the Declarant has completed and closed the sales of all of the Units in the Condominium, neither the Co-owners nor the Association shall interfere with the sale of the Units. The Declarant may make such use of the unsold Units and Common Elements as may facilitate such completion and the sale of such Units, including, but not limited to, maintenance of a sales office, the showing of the Property and the display of signs, subject however to the terms of this Master Deed and the Exhibits hereto.

Furthermore, Declarant reserves to itself a special membership in the Association for the period beginning on the date of incorporation of the Association and ending on the date of the first meeting of members of the Association occurring after the earlier of (i) the third (3rd) anniversary of the date the first Unit is sold by the Declarant and (ii) four months after the date the Declarant has sold seventy-five percent (75%) of the Units in the Condominium ("Declarant Control Period"). During the Declarant Control Period, Declarant shall have the right to elect all members of the Board of Directors of the Association, and the approval of Declarant will be required as a condition to amendment of this Master Deed, the Charter and By-Laws of the Association, and to the merger, consolidation or dissolution of the Association.

**ARTICLE X
CONDITIONS OF TITLE**

The present title to the Property hereby subdivided by the Declarant and the title to each Unit which shall be hereafter conveyed or acquired in any manner, is hereby expressly declared and made subject to the terms and provisions of this Master Deed and its Exhibits. The acquisition of title to a Unit shall be conclusively deemed to mean that the grantee approves, adopts and ratifies the provisions of this Master Deed and all Exhibits thereto including, but not limited to, the By-Laws and Rules and Regulations of the Association as amended from time to time, and will comply therewith. The covenants, agreements, and restrictions set forth herein shall be appurtenant to each Unit, shall run with the land, and shall be binding upon the Declarant, its successors and assigns, and upon all persons whomsoever (including corporate and/or business entities) claiming by, through or under the Declarant, its successors and assigns.

**ARTICLE XI
TERMINATION**

This Condominium may be voluntarily terminated at any time upon the terms and conditions and in the same manner set forth and described in the Act; provided, however notwithstanding anything to the contrary in the Act as to termination in the event of destruction, the Condominium may not be terminated unless and until all Co-Owners and all mortgagees of record of all Units agree thereto and said mortgagees agree in writing to accept such termination and to accept as security the undivided portion of the Property owned by the debtors of each. In the event of such termination, all Co-Owners shall become tenants in common of the real property and improvements constituting the Unit and Common Elements. The ownership of each Co-Owner upon termination as tenants in common shall be the same percentage as his percentage ownership in the Common Elements at that time.

**ARTICLE XII
RIGHTS OF LENDERS**

Notwithstanding any other provision hereof, any insurer, guarantor, or mortgagee of record shall upon written request to the Association:

12.1 Be permitted to inspect the books and records of the Association during normal business hours;

12.2 Receive a copy of any audit performed by or for the Association and all proposed and adopted budgets and any proposed action that requires the consent of a majority of the mortgages of record;

12.3 Receive written notice of all meetings of the Association and be permitted to designate a representative to attend and observe all such meetings;

12.4 Receive written notification from the Association of any default by any of its mortgagors in the performance of his obligations to the Association which is not cured within sixty (60) days:

12.5 Receive written notice of any condemnation or casualty loss affecting either a material portion of the Condominium or the Unit securing its mortgage; and

12.6 Receive written notice of a lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.

**ARTICLE XIII
LEASE RESTRICTIONS**

13.1 Minimum Term. No Unit may be leased for less than a six (6) month period; provided, however, (i) Mortgagees of record of Units may lease Units for periods of as little as one (1) month after taking possession of a Unit through foreclosure or deed in lieu of foreclosure and (ii) such restriction shall not apply to any Unit owned by the Declarant.

13.2 Registration with Association. In the event a Unit in the Building is leased, the Co-Owner shall provide the Association with the name(s) of the tenant and a true copy of the applicable signed lease for the Unit. All leases of Units shall be in writing.

**ARTICLE XIV
PROHIBITION OF TIMESHARING**

“Time Sharing”, “Vacation Sharing” or similar plans or schemes of interval ownership of a Unit, including any type of Vacation Time Sharing Plan as defined by the 1976 Code of Laws for the State of South Carolina, as amended, are prohibited without the prior written consent of the Association. In addition and not as any limitation thereof, “time sharing” or “vacation sharing” means and shall include ownership of either: (a) an “interval estate” meaning a combination of (i) an estate for years in a Unit, during the term of which title to the Unit rotates among the time share owners thereof, vesting in each of them in turn for periods established by a fixed recorded schedule, with the series thus established recurring until the term expires, coupled with (ii) a vested undivided fee simple interest in the remainder in that Unit, the magnitude of that interest having been established by the declaration or deed creating the interval estate; or (b) a “time-span estate,” meaning a combination of (i) an undivided interest in a present estate in a fee simple in a Unit, the magnitude of that interest having been established by the declaration or by the deed conveying the time-span estate, coupled with (ii) the exclusive right to possession and occupancy of that Unit during a regularly recurring period designated by that deed or by a recorded document referred to therein. Nothing herein shall prohibit rental or ownership of a Unit by a corporation, limited liability company, partnership, limited partnership or similar entity.

ARTICLE XV
MISCELLANEOUS

15.1 Severability. It is the intention of the Declarant that the provisions of this Master Deed and its Exhibits are severable so that if any provision, condition, covenant or restriction thereof shall be invalid or void under any applicable federal, state or local law, the remainder shall be unaffected thereby. In the event that any provision, condition, covenant or restriction thereof is, at the time of the recording of this Master Deed, void, voidable or unenforceable as being contrary to any applicable federal, state or local law, the Declarant, its successors and assigns, and all persons claiming by, through, or under the Declarant, covenants and agrees that any future amendments or supplements to the said laws having the effect of removing said invalidity, voidability or unenforceability, shall be deemed to apply retroactively to this Master Deed thereby operating to validate the provisions of this Master Deed and the exhibits thereto which otherwise might be invalid; and it is further covenanted and agreed that any such amendments and supplements to the said laws shall have the effect herein declared as fully as if they had been in effect at the time of the execution of this Master Deed.

15.2 Captions. Captions or titles in this Master Deed and the Exhibits attached hereto are inserted as a matter of convenience and for reference only, and in no way define, limit, extend or describe the scope of this Master Deed or Exhibits or the intent of any provision hereof.

15.3 No Obligations. Nothing contained in the Condominium Instruments shall be deemed to impose upon the Declarant or its successors or assigns any obligation of any nature to build, renovate or provide any improvements except to the extent required by the Act.

15.4 Provisions of Master Deed. Notwithstanding the fact that the present provisions of the Act are incorporated by reference and included thereby, the provisions of this Master Deed and the Exhibits hereto shall be paramount to the Act as to those provisions where variances are permitted; otherwise, the provisions of the Act shall prevail and shall be deemed incorporated herein. To the extent the terms of this Master Deed conflict with the By-Laws or the Rules and Regulations, the Master Deed shall control. To the extent the terms of the By-Laws conflict with the Rules and Regulations, the By-Laws shall control.

15.5 Compliance with Act. All remedies for non-compliance provided in the Act shall be in full force and effect. In addition thereto, should the Association find it necessary to bring an action to bring about compliance with any provision of law, the Act, this Master Deed and/or the Exhibits attached hereto, upon a finding by the Court that the violation claimed was willful or deliberate, the Co-Owner so violating shall reimburse the Association for reasonable attorneys' fees incurred in prosecuting such action.

15.6 Mortgagee Priority. Where a mortgagee by some circumstance fails to be a first mortgagee, it should nevertheless for the purpose of the Master Deed and the Exhibits hereto be deemed to be a first mortgagee of record.

15.7 Inspection of Records. The Association shall make available to Co-Owners and lenders, and to holders, insurers or guarantors of any first mortgage, for inspection during normal business hours or under other reasonable circumstances, current copies of the Master Deed, By-Laws, or the Rules and Regulations concerning the Property and the books, records and other financial statements of the Association. Any holder of a first mortgage is entitled, upon written request, to a financial statement for the immediately preceding fiscal year.

15.8 Ad Valorem Taxes. Each Co-Owner shall pay all ad valorem taxes and other taxes assessed against its Unit and shall file any tax returns required in connection therewith. No Co-Owner shall have a right to contribution or a right of adjustment against any other Co-Owner because the value of its Unit as fixed by any taxing authority may differ from that stated herein. For the purposes of taxation, the interest of the Co-Owner of a Unit in its Unit and Common Elements appurtenant thereto shall be considered a Unit.

The value of said Unit as compared to the value of the Condominium shall be equal to the percentage of the value of the entire Condominium as then constituted, including land and improvements, as has been assigned to said Unit and as set forth in this Master Deed. The total of all said percentages equal one hundred percent (100%) of the value of all the land and improvements as it shall then be constituted.

15.9 Assignment of Warranties. All contractual warranties, if any, running in favor of the Declarant in connection with any renovation or improvement to the Building and the installation of material, equipment and appliances therein, shall accrue to the benefit of and are hereby assigned to the respective Co-Owners or the Association as appropriate.

15.10 Disclaimer. THE DECLARANT SPECIFICALLY DISCLAIMS ANY INTENTION TO HAVE MADE ANY WARRANTY(IES) OR REPRESENTATION(S) IN CONNECTION WITH THE PROPERTY OR ANY PORTION THEREOF (INCLUDING ANY WARRANTIES AS TO MERCHANTABILITY OR FITNESS FOR USE OR FITNESS FOR A PARTICULAR PURPOSE, ANY WARRANTIES AS TO THE PRESENCE OR QUALITY OF INSULATION OR ANY WARRANTIES AS TO THE PRESENCE, OR LACK OF PRESENCE, OF LEAD BASED PAINT OR LEAD BASED PAINT HAZARDS, ASBESTOS OR TOXIC MOLDS) OR THE DOCUMENTS ESTABLISHING OR GOVERNING THE CONDOMINIUM, EXCEPT THOSE WARRANTIES AND REPRESENTATIONS (IF ANY) EXPLICITLY SET FORTH HEREIN. NO PERSON SHALL BE ENTITLED TO RELY UPON ANY WARRANTY OR REPRESENTATION NOT EXPLICITLY SET FORTH HEREIN. STATEMENTS (IF ANY) AS TO COMMON EXPENSES, TAXES, ASSESSMENTS OR OTHER CHARGES MADE BY THE DECLARANT OR ANY REPRESENTATIVE THEREOF ARE ESTIMATES ONLY AND NO WARRANTY, GUARANTEE OR REPRESENTATION IS MADE THAT THE ACTUAL AMOUNT OF SUCH COMMON EXPENSES, ASSESSMENTS OR OTHER CHARGES WILL CONFORM WITH SUCH ESTIMATES.

The Declarant shall not be responsible for any condition caused by condensation on or expansion or contraction of materials, including paint (over interior or exterior walls), for loss or

injury in any way due to the elements, the water tightness (or absence thereof) of windows and doors, the collection of water within the Building or on any portion of the Property or defects which are the result of characteristics common to the type of materials used, or for damage due to ordinary wear and tear or abusive use or any other cause, except as the Declarant and a Co-Owner may specifically agree in writing. The enforcement of any guaranty or warranty from any contractor, sub-contractor, supplier or manufacturer shall be the obligation of the Association and its members and not the Declarant.

15.11 Singular or Plural and Gender. Whenever the context so requires, the use of the singular shall include the plural, the plural shall include the singular and the use of any gender shall be deemed to include all genders. The provisions of the Master Deed shall be liberally construed to effectuate its purposes of creating a uniform plan for the operation and development of a horizontal property regime.

15.12 Submerged Land. To the extent, if any, that the Property contains any submerged land, all purchasers are hereby advised that, pursuant to S.C. Code § 27-31-100, all activities on or over and all uses of the submerged land or other critical areas are subject to the jurisdiction of the South Carolina Department of Health and Environmental Control including, but not limited to, the requirement that any activity or use must be authorized by the South Carolina Department of Health and Environmental Control. Any Co-Owner shall be liable to the extent of his ownership for any damages to, any inappropriate or unpermitted uses of, and any duties or responsibilities concerning any submerged land, coastal waters, or any other critical area.

15.13 Covenants Running With the Land. All provisions of this Master Deed and all Exhibits hereto and amendments hereof shall be construed as covenants running with the land and of every part thereof and interest therein including, but not limited to, every Unit and the appurtenances thereto. Every Co-Owner and/or occupant of the Property or any part thereof or any party owning any interest therein, their heirs, executors, successors, administrators and assignees, shall be bound by all the provisions of this Master Deed and Exhibits hereto and any amendments to the same and the Act.

15.14 Duration; Rule Against Perpetuities. So long as South Carolina law limits the period during which covenants restricting lands to certain uses may run, it shall be the duty of the Board of Directors to cause the covenants contained herein, as amended from time to time, to be extended when necessary by filing a document bearing the signatures of a majority of the then Co-Owners reaffirming and newly adopting the Master Deed and its Exhibits and covenants then existing in order that the same may continue to be covenants running with the land. Such adoption by a majority shall be binding on all, and each Co-Owner of any Unit, by acceptance of a deed therefor, is deemed to agree that the Master Deed and/or its Exhibits and covenants may be extended as provided herein. 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 or other law, then such provision shall continue only for the maximum period of time permitted by the rule against perpetuities or such other law.

IN WITNESS WHEREOF, the Declarant has caused these presents to be executed as of the date first written above.

WITNESSES:

DECLARANT:

PARKDALE HOLDINGS LLC*

Anna Haney
Adriana Sanchez

By: [Signature]
Name: Michael Blonder
Title: MANAGER

STATE OF Georgia
COUNTY OF Cobb

)
) ACKNOWLEDGEMENT
)

The foregoing instrument was acknowledged before me this 28th day of May, 2004, by Michael Blonder a Manager of Parkdale Holdings LLC, a South Carolina limited liability company, on behalf of the limited liability company.

Anna C. Haney
Notary Public

My Commission Expires:

[SEAL]

Notary Public, Cobb County, Georgia
My Commission Expires Sept. 23, 2007



ACCEPTANCE OF CONDOMINIUM

FOR GOOD AND VALUABLE CONSIDERATION, the receipt whereof is hereby acknowledged, CAROLINA COVE HOMEOWNERS ASSOCIATION, INC. hereby agrees to and does on behalf of itself and all its present and future Co-Owners of CAROLINA COVE HORIZONTAL PROPERTY REGIME, accepts all the benefits and all the duties, responsibilities, obligations and burdens imposed upon it and them by the provisions of this Master Deed together with all the Exhibits hereto and as set forth in the Act.

IN WITNESS WHEREOF, the above named CAROLINA COVE HOMEOWNERS ASSOCIATION, INC. has caused these presents to be signed in its named by its duly authorized agent this 28 day of May, 2004.

WITNESSES:

CAROLINA COVE HOMEOWNERS ASSOCIATION, INC.

Anna Haney
Adele Samuel

By: [Signature]
Name: Michael Blonder
Title: Pres

STATE OF Georgia)
COUNTY OF Cobb)

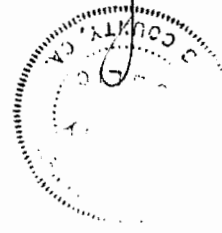
ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me this 20th day of May, 2004, by Michael Blonder, the president of Carolina Cove Homeowners Association, Inc., a South Carolina corporation, on behalf of the corporation.

Anna C. Haney
Notary Public

My Commission Expires:

[SEAL]



Notary Public, Cobb County, Georgia
My Commission Expires Sept. 23, 2007

**EXHIBIT A
TO MASTER DEED ESTABLISHING
CAROLINA COVE HORIZONTAL PROPERTY REGIME**

LEGAL DESCRIPTION OF PROPERTY

All that certain piece, parcel or tract of land, situate, lying and being in the City of Charleston, County of Charleston, State of South Carolina, containing 8.826 acres according to an "ALTA/ACSM Land Title Survey for Fidelity National Title Insurance Company, 415 Parkdale Drive, Charleston County, Charleston, South Carolina, (Pointwest)" dated 7/03/03 by Site Design, Inc. with the following metes and bounds to wit:

Beginning at an old 1" crimp top iron pin on the western right of way of Parkdale Drive, and at the joint corner of Commissioners of Public Works City of Charleston now or formerly, said pin being 204' ± from the Northern right of way of Park Stone Drive, thence leaving said right of way and along the line of Commissioners of Public Works City of Charleston, and T.M. and A.D. Smith now or formerly and R.B. Strickland now or formerly, and B.F. Weigand now or formerly and J.A. and S.P. Eades now or formerly S 81-27-21 W 509.24 feet to a 5/8" rebar iron pin (set), crossing over an old 5/8" rebar iron pin at 398.85 feet, thence along the line of J.A. and S.P. Eades property N 08-21-06 W 467.53 feet to an old 1" open top iron pin, thence S 88-11-26 W 27.02 feet to an old 3/4" open top iron pin, thence N 14-27-18 W 161.67 feet to an old 1" open top iron pin, thence N 01-53-06 W 106.99 feet to an old 1" crimp top iron pin at the joint corner of Lot #25 Sylvan Shores East Subdivision, thence along the line of Sylvan Shores East Subdivision the following metes and bounds S 79-23-04 E 68.47 feet to an old 5/8" rebar iron pin, thence S 84-50-49 E 156.64 feet to an old 5/8" rebar iron pin, thence S 59-13-35 E 180.08 feet to an old 1" open top iron pin, thence S 77-13-24 E 323.87 feet to an old 1/4" solid rod, thence S 69-45-16 E 139.07 feet to an old 1" open top iron pin on the western right of way of Parkdale Drive, thence along said right of way S 23-13-15 W 200.63 feet to an old 1/2" rebar iron pin, thence S 24-25-05 W 248.85 feet to the point of beginning.

Together with those certain 35' and 50' drainage easements lying adjacent to the western boundary line as shown on plat prepared by Thomas V. Bessent, Jr., and recorded in Plat Book CO, Page 30 in the RMC Office for Charleston County.

Together with that certain 20' drainage easement lying adjacent to the southern boundary line as shown on plat of Park Place Subdivision, Phase II, prepared by East Coast Engineering, Inc., recorded in Plat Book BP, Page 122 in the RMC Office for Charleston County.

Being the same property conveyed to Declarant by Limited Warranty Deed of Point West Associates Limited Partnership, dated March 21, 2004 and recorded on April 2, 2004 in Book N 489, Page 810 of the Charleston County RMC Office.

TMS #310-10-00-004

BK R 497PG591

**EXHIBIT B
TO MASTER DEED ESTABLISHING
CAROLINA COVE HORIZONTAL PROPERTY REGIME**

LAND SURVEY, PLOT PLAN AND BUILDING PLANS
(See Attached)

**EXHIBIT C
TO MASTER DEED ESTABLISHING
CAROLINA COVE HORIZONTAL PROPERTY REGIME**

SCHEDULE OF BASIC VALUES

UNIT	BASIC VALUE	PERCENTAGE VALUE
1 - A	\$86,900	0.91%
1 - B	\$84,900	0.89%
1 - C	\$84,900	0.89%
1 - D	\$86,900	0.91%
2 - A	\$112,900	1.18%
2 - B	\$112,900	1.18%
2 - C	\$115,400	1.21%
2 - D	\$115,400	1.21%
2 - E	\$112,900	1.18%
2 - F	\$112,900	1.18%
2 - G	\$115,400	1.21%
2 - H	\$115,400	1.21%
3 - A	\$86,900	0.91%
3 - B	\$84,900	0.89%
3 - C	\$84,900	0.89%
3 - D	\$84,900	0.89%
3 - E	\$84,900	0.89%
3 - F	\$86,900	0.91%
4 - A	\$88,900	0.93%
4 - B	\$86,900	0.91%
4 - C	\$86,900	0.93%
4 - D	\$88,900	0.93%
5 - A	\$86,900	0.91%
5 - B	\$84,900	0.89%
5 - C	\$84,900	0.89%
5 - D	\$84,900	0.89%
5 - E	\$84,900	0.89%
5 - F	\$86,900	0.91%
6 - A	\$86,900	0.91%
6 - B	\$84,900	0.89%
6 - C	\$84,900	0.89%
6 - D	\$84,900	0.89%
6 - E	\$84,900	0.89%
6 - F	\$84,900	0.89%
6 - G	\$84,900	0.89%
6 - H	\$86,900	0.91%
8 - A	\$96,900	1.01%

8 - B	\$94,900	0.99%
8 - C	\$94,900	0.99%
8 - D	\$94,900	0.99%
8 - E	\$94,900	0.99%
8 - F	\$96,900	1.01%
9 - A	\$87,400	0.91%
9 - B	\$85,400	0.89%
9 - C	\$85,400	0.89%
9 - D	\$85,400	0.89%
9 - E	\$85,400	0.89%
9 - F	\$87,400	0.91%
10 - A	\$86,900	0.91%
10 - B	\$84,900	0.89%
10 - C	\$84,900	0.89%
10 - D	\$84,900	0.89%
10 - E	\$84,900	0.89%
10 - F	\$86,900	0.91%
11 - A	\$86,900	0.91%
11 - B	\$84,900	0.89%
11 - C	\$84,900	0.89%
11 - D	\$86,900	0.91%
12 - A	\$86,900	0.91%
12 - B	\$84,900	0.89%
12 - C	\$84,900	0.89%
12 - D	\$84,900	0.89%
12 - E	\$84,900	0.89%
12 - F	\$86,900	0.91%
13 - A	\$86,900	0.91%
13 - B	\$84,900	0.89%
13 - C	\$84,900	0.89%
13 - D	\$84,900	0.89%
13 - E	\$84,900	0.89%
13 - F	\$86,900	0.91%
14 - A	\$97,900	1.02%
14 - B	\$95,900	1.00%
14 - C	\$95,900	1.00%
14 - D	\$95,900	1.00%
14 - E	\$95,900	1.00%
14 - F	\$97,900	1.02%
15 - A	\$88,900	0.93%
15 - B	\$86,900	0.91%
15 - C	\$86,900	0.91%
15 - D	\$88,900	0.93%
16 - A	\$97,900	1.02%
16 - B	\$95,900	1.00%

16 - C	\$95,900	1.00%
16 - D	\$95,900	1.00%
16 - E	\$95,900	1.00%
16 - F	\$97,900	1.02%
17 - A	\$86,900	0.91%
17 - B	\$84,900	0.89%
17 - C	\$84,900	0.89%
17 - D	\$84,900	0.89%
17 - E	\$84,900	0.89%
17 - F	\$86,900	0.91%
18 - A	\$86,900	0.91%
18 - B	\$84,900	0.89%
18 - C	\$84,900	0.89%
18 - D	\$86,900	0.91%
19 - A	\$112,900	1.18%
19 - B	\$112,900	1.18%
19 - C	\$115,400	1.21%
19 - D	\$115,400	1.18%
19 - E	\$112,900	1.18%
19 - F	\$112,900	1.18%
19 - G	\$115,400	1.21%
19 - H	\$115,400	1.21%

Total	\$9,572,600	100%
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These foregoing values are fixed for the sole purposes of complying with the Act and do not necessarily reflect the market value, appraised value or any other value of the Unit or the Property. These assigned values shall in no way inhibit or restrict any owner of a Unit from fixing a different circumstantial value or sales price to his, her or its Unit in all types of acts or contracts.