

STATE OF SOUTH CAROLINA)
) COVENANTS OF SEALOFT VILLAS
COUNTY OF CHARLESTON) SEABROOK ISLAND

KNOW ALL MEN BY THESE PRESENTS, that Seabrook Island Company, the owner of certain parcels of land at Seabrook Island, Charleston County, South Carolina, and known as SEALOFT VILLAS which parcels of land are more fully represented and delineated on plat(s) of the same, made by E. M. Seabrook, Jr., C.E. and L.S., dated MARCH 18, 1979, and recorded in the R.M.C. Office for Charleston County in Plat Book FM, at Page 113, hereby covenants and agrees on behalf of itself, its successors and assigns, with persons who shall hereafter purchase the lots as shown on the aforesaid plat(s) (or made subject hereto by Deed or other written instrument) at Seabrook Island, their heirs and assigns, as follows:

1. DEFINITIONS: "Company" shall refer to Seabrook Island Company, its successors and assigns.

"Association" shall refer to SEALOFT VILLAS Owners Association, a South Carolina non-profit corporation.

"Common Properties" shall refer to those areas of lands, together with any improvements thereon, which are deeded to the Association and designated in said deed as "Common Properties." All common properties are to be maintained by, devoted to and intended for the common use and enjoyment of the owners of the lots shown on said plats.

"Owner" shall refer to the record owner, whether one or more legal persons, of the fee simple title to any lot.

2. MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION: The Company and every record owner to any lot which is subject to assessment by the Association shall be a member of the Association. Members shall be entitled to one vote for each lot owned and when more than one person or entity owns such interest in any lot, all such persons or entities shall be members and the vote for such lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any such lot.

3. PROPERTY RIGHTS IN THE COMMON PROPERTIES: Subject to the provisions of these Covenants and the Rules and Regulations of the Association, every owner shall have a right and easement of enjoyment in and to the common properties, and such easement shall be appurtenant to and shall pass with the title of every lot.

The Company may retain the legal title to the common properties until such time as it has completed improvements thereon, and until such time as, in the opinion of the Company, the Association is able to maintain the same, but notwithstanding any provision herein, the Company hereby covenants that it shall convey the common properties to the Association within three hundred sixty-five (365) days from the date hereof.

The owners' rights and easements of enjoyment created hereby shall be subject to the following:

- (a) The right of each lot owner to have access to such owner's lot by an easement appurtenant thereto for

ingress, egress and regress over and upon the common properties;

- (b) The right of the Association to take such steps as are reasonably necessary to protect the common properties against foreclosure; and
- (c) The right of each lot owner to have an easement appurtenant for utilities to such lot over and upon the common properties; and
- (d) The right of the Association, as provided in its By-Laws, to suspend the enjoyment of rights of any member for any period during which any assessment remains unpaid, and for any period not to exceed thirty (30) days for any infraction of its published Rules and Regulations, it being understood that any suspension for either non-payment of any assessment or a breach of the Rules and Regulations of the Association shall not constitute a waiver or discharge of the member's obligation to pay the assessment; and the right of the Company or the Association to dedicate or transfer to any public or private utility, utility easements, provided for herein, or otherwise, on any part of the common properties.

4. MAINTENANCE ASSESSMENTS: Each owner of any lot shall by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, agree to all of the terms and provisions of these Covenants, and to pay to the Association: (i) an interim management fee in the sum of Ten (\$10.00) Dollars per month; (ii) working capital for the Association; (iii) maintenance assessments; (iv) special assessments established and collected for hereunder, whether maintenance assessments or special assessments, together with such interest thereon and costs of collections therefor, shall be a charge and continuing lien on the lots against which each such assessment is made. Each such assessment shall also be the personal obligation of the person(s) or entity who was the owner of such lot at the time when the assessment fell due. In the case of co-ownership of a lot, all such co-owners shall be jointly and severally liable for the entire amount of the assessments.

The assessments levied by the Association shall be used exclusively for the improvement, maintenance, and operation of the common properties, including, but not limited to, the payment of taxes and insurance thereon and repair, replacement and additions thereto, and for the cost of labor, equipment, material, management, and supervision thereof; and for the operation and running of the Association.

From the date of the first conveyance of title by the Company to an owner of a lot shown on said plat(s) until the date of the first Association meeting, the Company or its designee, shall serve as the Interim Management Agent with responsibility for coordinating all normal management services of the Association. During such period, the Interim Management Agent, or its designee, shall receive a monthly management fee from each owner of Ten (\$10.00) Dollars, plus a special assessment payable monthly in the sum of Twenty (\$20.00) Dollars for site lighting electricity, pest control, and landscaping.

Upon selection by the Association of a Regular Management Agent and the adoption of the annual association budget by the Board of Directors of the Association, any excess of interim assessments over total, actual operating expenses shall be deposited by the Company to the account of

the Association. The Interim Management Agent shall provide to the Regular Management Agent an accounting of operating revenues and expenses. After adoption of the annual budget, the Company shall be subject to regular assessments for any lots with completed improvements built thereon and still owned by it.

At the time title is conveyed to an owner, each owner shall contribute to the working capital reserve established by the Interim Management Agent the sum of One Hundred (\$100.00) Dollars. Such funds shall be used solely for initial operating and capital expenses of the Association and the common properties. At the time of selection of the Regular Management Agent, the Interim Management Agent shall pay to the account of the Association all unused funds, and it shall provide an accounting of all revenues and expenditures.

The Board of Directors of the Association shall have the right and power to fix the assessments for each of the lots. Commencing six months from the date of the first conveyance of a lot by the Company to an owner, and on the same day of each year thereafter, each lot owner shall pay to the Association, in advance, the maintenance charges against his property, and such payments shall be used by the Association to create and continue a maintenance fund to be used by the Association for the purposes stated herein. The assessment shall be delinquent when not paid within thirty days after becoming due. Nothing herein shall prohibit the imposition of a monthly, quarterly or semi-annual assessment in the place of the annual assessment herein contemplated, if so desired by the Board of Directors.

The assessments may be increased, adjusted or reduced from year to year by the Board of Directors of the Association, as the needs of the common property, in its judgment, may require, and each lot shall be subject to the same assessment.

5. MAINTENANCE FUND: The assessments collected by the Association shall be used to create a maintenance fund for the following: lighting, pest control, landscaping, maintenance and leasing of master TV antenna, improving and maintaining streets, and parking areas comprising portions of the common properties; for maintaining and improving amenities and recreational facilities located on the common properties of the Association; for cutting, pruning and maintaining shrubbery, trees and grass in the common areas; for the payment of taxes on the common property; and for doing any other thing necessary or desirable in the opinion of the Board of Directors of the Association, to keep the property neat and in good order, and to eliminate health and fire hazards, which in the opinion of the Board of Directors may be of general benefit to the owners of the lots.

6. The lots shall be subject to the Protective Covenants of Seabrook Island dated April 22, 1974, and recorded in the R.M.C. Office for Charleston County in Book M-105, Page 194, as amended by Modification dated October 29, 1976, and recorded in the R.M.C. Office aforesaid in Book Y-110, Page 145. Also, the lots are subject to the By-Laws of Seabrook Island Property Owners Association, recorded in Book S-109, Page 2, R.M.C. Office for Charleston County.

7. EXTERIOR APPEARANCE OF DWELLINGS: No change shall be made to the exterior appearance of any dwelling which shall include the erection of any exterior window covering, awnings, or shutters, which can be seen from the outside of the dwelling, without the express approval of the Company under paragraph 6 of the Protective Covenants dated April 22, 1974, and recorded in the R.M.C. Office for Charleston

County in Book M-105, Page 194.

8. DURATION AND AMENDMENT: These Covenants shall run with and bind the land and shall inure to the benefit of and be enforceable by the Association the Company or the owner of any lot subject hereto for a term of twenty years from the date of the recordation of this instrument, after which time said Covenants shall be automatically extended for successive periods of ten (10) years unless three-fourths of the then owner's vote to terminate these Covenants at a duly called meeting of the Association. The Covenants may be amended at any time upon the affirmative vote of three-fourths (3/4) of the owners at a duly called meeting of the Association. During the period ending one year from the date hereof, the Company may delete, amend or add to these Covenants, without the consent of the owners, to clarify or correct any of the items hereof. The Company shall not, by reason of any power herein reserved, have the right to alter the amount or method of making annual, monthly, or special assessments, nor to affect the voting rights of any owner.

9. SEVERABILITY: Should any covenant herein contained, paragraph, sentence, clause, phrase or term of this instrument, be declared to be void, invalid, illegal, or unenforceable, for any reason by the adjudication of any competent court having jurisdiction, the same shall be declared to be severable and the provisions hereof not affected shall remain in full force and effect.

IN WITNESS WHEREOF, SEABROOK ISLAND COMPANY has caused these presents to be executed in its name by Thistle Corp., its General Partner, by W. Russell Campbell, its Senior Vice President, and by Charles H. S. Bridges, its Assistant Secretary, this 5th day of April., 1979.

SIGNED, SEALED AND DELIVERED IN THE PRESENCE OF:

SEABROOK ISLAND COMPANY BY THISTLE CORP., ITS GENERAL PARTNER

Wanda B. Sessions
Richard [Signature]

BY: W. Russell Campbell (SE)
W. Russell Campbell
Its Senior Vice President

BY: Charles H. S. Bridges (SE)
Charles H. S. Bridges
Its Assistant Secretary

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

PERSONALLY APPEARED the undersigned witness, who, on oath, says that s/he saw SEABROOK ISLAND COMPANY BY THISTLE CORP., ITS GENERAL PARTNER, by W. Russell Campbell, its Senior Vice President, and by Charles H. S. Bridges, its Assistant Secretary, sign, seal, and as its act and deed deliver the within-written COVENANTS OF SEALOFT VILLAS, SEABROOK ISLAND, and that s/he with the other witness above subscribed witnessed the execution thereof.

SWORN to BEFORE me this 5th day of April., 1979. Wanda B. Sessions
Richard [Signature] (L.S.)
NOTARY PUBLIC for South Carolina

My Commission expires: 12/15/79.

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

RESOLUTION

At a meeting of the Board of Directors of Sealoft Villas Owners Association (the "Association"), duly held and called on May 4, 1990, upon motion made and seconded, it was unanimously:

RESOLVED, that liens to be filed by the Association or Notices thereof for past due assessments may be executed by our attorneys, Krawcheck & Davidson, for and on behalf of the Association, as attorney and authorized agent, to the same effect and with the same purpose as if executed and recorded by any officer or director who was authorized to so do by the Association.

Witness the hand and seal of the undersigned officer this 15th day of February, 1991.

WITNESSES:

Olene Hutchinson
Carolyn M. Miller

By: [Signature]
Its: Secretary

STATE OF SOUTH CAROLINA) AMENDMENT TO COVENANTS OF SEALOFT
) VILLAS, SEABROOK ISLAND
 COUNTY OF CHARLESTON)

THIS IS CERTIFICATION that the Covenants of Sealoft Villas, Seabrook Island dated April 5, 1979 and recorded in Book X 118, at Page 352, Charleston County RMC Office have been amended by the affirmative vote of three-fourths (3/4) of the Owners at a duly called meeting of the Association in the following particulars:

1. The first unnumbered paragraph of Section 4 shall be amended to read as follows:

Each owner of any lot shall by acceptance of a deed therefore, whether or not it shall be so expressed in such deed agrees to all of the terms and provisions of these Covenants and to pay to the Association: (i) interim management fee in the sum of Ten (\$10.00) Dollars per month; (ii) working capital for the Association; (iii) maintenance assessments; (iv) special assessments established and collected for hereunder, whether maintenance assessments or special assessments, together with such interest thereon, late fees, cost of collection, and a reasonable attorneys fee, shall be a charge and continuing lien on the lots against which each such assessment is made and the amounts so assessed together with interest, late fees, cost of collection, and reasonable attorneys fee shall also be the personal obligation of the person(s) or entity who was the owner of such lot at the time the assessment falls due. In the case of co-ownership of a lot, all such co-owners shall be jointly and severally liable for the entire amount of the assessment.

2. The sixth unnumbered paragraph of Section 4 shall be amended to read as follows:

The Board of Directors of the Association shall have the right and power to fix the assessments for each of the lots. Commencing six months from the date of the first conveyance of a lot by the Company to an Owner and on the same day of each year thereafter, each lot owner shall pay to the Association, in advance, the maintenance charges against his property, and such payments shall be used by the Association to create and continue a maintenance fund to be used by the Association for the purposes stated herein. The assessment shall be delinquent when not paid within 30 days after becoming due. The Board of Directors may impose a one time late charge not to exceed five percent (5%) of the balance on delinquent assessments not received by the 15th of the second month of the quarter billed or not received within

forty-five (45) days of the due date. Nothing herein shall prohibit the imposition of a monthly, quarterly, or semi-annual assessment in the place of an annual assessment, herein contemplated, if so desired by the Board of Directors.

IN WITNESS WHEREOF, the Secretary of Sealoft Villas Owners Association, Inc. has set his/her Hand and Seal this 5th day of May, 1994.

WITNESSES:

SEALOFT VILLAS OWNERS ASSOCIATION, INC.

Rita M. Phillips
Stephanie A. Watts

John Arwood
BY:
Its: Secretary

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

PERSONALLY appeared before me, the undersigned witness, and made oath that (s)he saw the within named Sealoft Villas Owners Association, Inc. by John Arwood, its Secretary, sign, seal and as act and deed, deliver the within in written instrument, and that (s)he, with the other witness subscribed above, witnessed the execution thereof.

SWORN to before me this 5th day of May, 1994. Rita M. Phillips

Shirley A. Watts
NOTARY PUBLIC FOR SOUTH CAROLINA
MY COMMISSION EXPIRES: 12-26-96

BKE 243PG076

RETURN TO:
KRAWCHECK & DAVIDSON
9 STATE ST.
CHASN., S.C. 29401

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ROBERT N. KING
REGISTER
CHARLESTON COUNTY SC

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

AMENDMENT TO COVENANTS
OF SEALOFT VILLAS, SEABROOK
ISLAND

THIS CERTIFICATION that the Covenants of Sealoft Villas, Seabrook Island dated April 5, 1979 and recorded in Book X-118, Page 352 and as amended by instrument recorded in Book E-243, Page 74, RMC Office for Charleston County have been amended by the affirmative vote of three-fourths (3/4) of the Owners at a duly called meeting of the Association in the following particulars:

(1) The fifth unnumbered paragraph of Section 4 shall be amended to read as follows:

At the time title is conveyed to an Owner, each Owner shall contribute to the working capital reserve established for the Association the sum of Three Hundred and 00/100 (\$300.00) Dollars or an amount equal to 1/1000th of the sales price of the lot, whichever is greater. Such funds shall be used solely for operating and capital expenses of the Association and the Common Properties.

The remaining provisions of the Covenants shall remain in full force and effect.

IN WITNESS WHEREOF, the Secretary of Sealoft Villas Owners Association, Inc. has set his/her hand and seal this 10th day of SEPTEMBER 2001.

WITNESS:

SEALOFT VILLA OWNERS ASSOCIATION,
INC.

[Signature]
[Signature]

By: [Signature] Pres.
Its: Secretary
Or Board President

NEW YORK
STATE OF ~~SOUTH CAROLINA~~)
)
COUNTY OF MONROE)

The foregoing instrument was acknowledged before me this 10th day of September 2001, by SEALOFT VILLA OWNERS ASSOCIATION, BY ITS ABOVE NAMED OFFICER.

[Signature] (SEAL)
NOTARY PUBLIC FOR SOUTH CAROLINA NEW YORK
MY COMMISSION EXPIRES: 2/28/03

[Signature]
CANDACE R. HANTON
Notary Public in the State of New York
MORRIS COLLEGE
Commission Expires 2/28/03

RETURN TO: *Michele*
Krawcheck & Davidson, L.L.C.
9 State Street
Charleston, SC 29401

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CHARLIE LYBRAND
REGISTER
CHARLESTON COUNTY SC

RECEIVED
SEP 21 2001
REGISTER
CHARLESTON COUNTY SC

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

AMENDMENT TO COVENANTS
OF SEALOFT VILLAS, SEABROOK
ISLAND

THIS CERTIFICATION that the Covenants of Sealoft Villas, Seabrook Island dated April 5, 1979 and recorded in Book X-118, Page 352 and as amended by instruments recorded in Book E-243, Page 74, and Book X-382, Page 835, RMC Office for Charleston County have been further amended by the affirmative vote of three-fourths (3/4) of the Owners at a duly called meeting of the Association in the following particulars:

- (1) Paragraph 7 shall be deleted in its entirety and replaced with the following language:

No change shall be made to the exterior appearance of any dwelling which shall include the erection of any exterior window covering, awning, or shutters, which can be seen from the outside of the dwelling without first having obtained a building permit from the appropriate authority and having had the plans and specifications approved by the Sealoft Villas Board of Directors and having deposited with the Board an amount of money sufficient, in the sole discretion of the Board, to defray all costs of reviewing the proposed plans and specifications and recording any amendment to the Covenants necessitated by the exterior modifications, including attorneys' fees. Further, the owners must obtain approvals required under Paragraph 6 of the Protective Covenants dated April 22, 1974, and recorded in the RMC office for Charleston County in Book M-105, Page 194.

The remaining provisions of the Covenants shall remain in full force and effect.

IN WITNESS WHEREOF, the Secretary of Sealoft Villas Owners Association, Inc. has set his/her hand and seal this 12 day of May, 2003

WITNESS:

SEALOFT VILLAS OWNERS ASSOCIATION,
INC.

Marilyn Summers
[Signature]

By: [Signature]

Its: Secretary

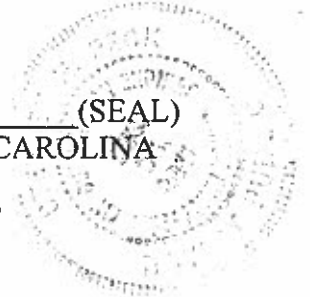
STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

The foregoing instrument was acknowledged before me this 12 day of MAY, 2003, by SEALOFT VILLAS OWNERS ASSOCIATION, BY ITS ABOVE NAMED OFFICER.



NOTARY PUBLIC FOR SOUTH CAROLINA
MY COMMISSION EXPIRES:

Dec 3, 2011



terri\sealoft.amend

STATE OF SOUTH CAROLINA)
)
 COUNTY OF CHARLESTON)

**FIFTH AMENDMENT TO THE
 COVENANTS OF SEALOFT VILLAS
 SEABROOK ISLAND**

WHEREAS, by Declaration of Covenants of Sealoft Villas Seabrook Island dated March 18, 1979, and recorded April 20, 1979 in Book X-118, Page 352 in the Charleston County RMC Office (ACovenants@), Sealoft Villas Owners Association, a South Carolina Non-profit Corporation (AAssociation@) was created and in accordance with the provisions therein. The Covenants have been amended by instruments recorded in Book X-139, Page 518; Book E-243, Page 074; Book X-382, Page 835; and Book W-451, Page 186 in the Charleston County RMC Office; and

WHEREAS, Section 8, of said Covenants provides the Covenants may be amended by an affirmative vote of three-fourths (3/4) of the Owners at a duly called meeting of the Association; and

WHEREAS, the fifth unnumbered paragraph of Section 4 of the Covenants was amended by instrument recorded in Book X-382, Page 835 of the Charleston County RMC Office.

WHEREAS, the following amendment to the Covenants has been approved by the required number of votes at a duly called meeting of the Association and the Association is desirous that said amendment to the Covenants be made of record;

NOW THEREFORE, The Covenants are amended in accordance with Section 8 of the Covenants as follows:

1. The language of instrument recorded in Book X-382, Page 835 in the Charleston County RMC Office is abandoned and the fifth unnumbered paragraph of Section 4 of the Covenants shall be amended to read as follows: At the time title is conveyed to an Owner, each Owner shall contribute to the Working Capital reserve established for the Association an amount to be determined at the time of conveyance by the duly elected Board of Directors of the Association in its sole discretion. This contribution shall not exceed .2% (.002) of the purchase price of the villa. Such funds shall be used solely for operating and capital expenses of the Association and the Common Properties.

2. The aforesaid amendment to the Covenants is effective upon its recording in the RMC Office for Charleston County, South Carolina.

3. All other terms and provisions of the Covenants shall remain in full force and effect.

RETURN TO:
 Krawcheck & Davidson
 9 State Street
 Charleston, SC 29401

IN WITNESS WHEREOF, the undersigned have set their hands and seals this 5th day of November, 2007.

SEALOFT VILLAS OWNERS ASSOCIATION

Katherine J. Lennon
Witness # 1

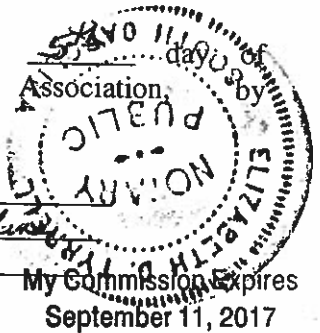
By Mark A. Ellwanger
Its: President

Marilyn Summs
Witness # 2

By ~~XXXXXXXXXXXXXXXXXXXXXXXXXXXX~~
~~Its Secretary~~

STATE OF South Carolina)
COUNTY OF Charleston)

The foregoing instrument was acknowledged before me this 5th day of November, 2007, by Sealoft Villas Owners Association, by MARK A. ELLWANGER, Its President.



Elizabeth D. Spurrell
Notary Public for South Carolina
My Commission Expires: _____
My Commission Expires September 11, 2017

STATE OF _____)
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2007, by Sealoft Villas Owners Association, by _____, Its Secretary.

Notary Public for _____
My Commission Expires: _____