

STATE OF SOUTH CAROLINA)
) FIRST AMENDMENT TO MASTER DEED
COUNTY OF CHARLESTON)

WHEREAS, RIVERS POINT ROW, LLC^{*} has heretofore executed and recorded that certain Master Deed for Rivers Point Row Horizontal Property Regime dated May 4, 2004 and recorded at Book G493, Page 001 (the "Master Deed") wherein it submitted that certain property known as Rivers Point Row to the Rivers Point Row Horizontal Property Regime under the terms of the Master Deed; and

WHEREAS, the undersigned Rivers Point Row, LLC is the owner of all the units in said Horizontal Property Regime and wishes to amend said Master Deed as set forth herein.

KNOW ALL MEN BY THESE PRESENTS that RIVERS POINT ROW, LLC does hereby amend that certain Master Deed of Rivers Point Row Horizontal Property Regime dated May 4, 2004 and recorded May 4, 2004 in Book G493, Page 001, Charleston County RMC Office (the "Master Deed") as follows:

- 1. Article II Section 1 (q) is deleted in its entirety and replaced with the following:

(q) "Majority of Co-owners" or "Majority of Owners" means fifty one percent (51%) or more of the Common Interests, as calculated on the basic value of the Property as a whole, computed in accordance with the provisions of Section 27-31-60 of the Act, and as shown in Exhibit "D" to this Master Deed. "Value" as shown herein is set forth for the sole purpose of the Act and does necessarily relate to current or future property value or sales price.

- 2. Article IV Section 7 is deleted in its entirety and replaced with the following:

Section 7. Working Capital. At the time that title is conveyed to an owner by the Declarant, the Owner shall contribute to a working capital reserve established by the Association a sum equal to three (3) times that Unit's monthly Assessment. Such funds shall be used solely for initial operating and capital expenses of the Regime.

3. Article IV Section 8 (f) is deleted in its entirety and replaced with the following:

(f) Rights of Unit Mortgagees Regarding Reconstruction. If insurance proceeds are sufficient to pay for the cost of reconstruction and repair of all damaged portions of the Property, or if the insurance proceeds are insufficient but additional funds are committed by special assessment or any other manner within ninety (90) days after the costs of restoration and repair are determined, then no Unit Mortgagee shall have the right to require the application of insurance proceeds to the payment of its loan. Any action to terminate the legal status of the project after substantial destruction or condemnation of the property must be agreed upon by Unit Owners that represent at least two thirds (2/3rds) of the Common interests and by eligible Unit Mortgagees who represent at least 51% of the votes of the Unit Owners that are subject to Unit Mortgages.

4. Article IV Section 8 (h) is deleted in its entirety and replaced with the following:

(h) Use of Insurance Proceeds If Damage to Units and Common Area Is Less Than \$20,000.00. If a loss of \$20,000.00 or less occurs to improvements within one or more Units and to improvements within the contiguous Common Area (including Limited Common Area), or to improvements within the Common Area alone, the Insurance Trustee shall pay the proceeds received as a result of such loss to the Association. Upon receipt of such proceeds, the Association will promptly contract for the necessary repairs to the improvements within the Common Area and within the damaged Units; provided, however, that if the necessary repairs to the improvements with the damaged Units are repairs which can be accomplished without detrimentally affecting other Owners or the Common Area, then the Association may allow the Owner of the Unit to contract directly for the repair of the improvements within the Unit. Unless the Board of Directors shall determine that the insurance proceeds are sufficient to repair all of the damage to the Common Area and within the Units, the proceeds shall be applied first to repair the improvements within the Common Area, and the balance of the funds shall be apportioned to repair improvements within the damaged Units, in proportion to the loss sustained to improvements within all the damaged Units, as estimated by the insurance carrier. In such event, the Owners of Units containing damaged improvements shall be subject to a special assessment and shall contribute to the Association the remaining funds necessary to repair the improvements within their Units. If any Owner(s) of Units containing damaged improvements refuses to pay such assessment, then the majority of Owners of Units so damaged may proceed with the reconstruction at the expense of all Owners benefited thereby.

5. Article IV shall be amended to add Section 10 to read as follows:

Section 10. Unit Mortgagee Notification. Unit Mortgagees shall be notified of (i) any condemnation or casualty loss; (ii) any 60 day delinquency of Regime Fees on their Units; (iii) any lapse, cancellation or material modification of the Regime insurance; and, (iv) any other

action requiring consent of the Unit Mortgagees. Current copies of the Bylaws and Articles of Incorporation for the Regime shall be made available to Unit Owners and Unit Mortgagees.

6. Article V Section 4 (b) is deleted in its entirety and replaced with the following:

(b) All maintenance, repairs and replacements to the Common Area and Limited Common Area, whether located inside or outside of the Units (other than maintenance of and repairs to the Common Area contained therein which are necessitated by the negligence, misuse or neglect of the Owner of such Unit or such Owner's invitees or licensees) shall be made by the Association and those costs associated with the Common Area shall be charged to all the Unit Owners as a Common Expense and those costs associated with the Limited Common Area shall be billed to the Unit Owner of the Limited Common Area.

7. Article VI Section 1 (a) is deleted in its entirety and replaced with the following:

(a) Fiscal Year and Annual Budget. The fiscal year of the Association shall be the calendar year. Unless otherwise determined by the Board of Directors, the Board of Directors shall prepare or cause to be prepared by December 1 an operating budget (the "Budget") for the next fiscal year setting forth the estimated Common Expenses and anticipated revenues of the Association for such fiscal year, and any projected deficit or surplus from the preceding fiscal year. The Budget, once approved by the Board of Directors, shall serve as the basis for assessments to all Owners (the "Assessments") for such fiscal year and the primary guideline under which the Association shall be projected to be operated during such fiscal year. If the Board fails for any reason to adopt a Budget for the fiscal year, then until such time as it is adopted, the Budget and Assessments in effect for the current year shall automatically be increased effective the first day of the fiscal year in the same proportion as any percentage increase of the then current calendar year over the preceding calendar year, in the Consumer Price Index (all Urban Consumers, United States City Average, All Items), or its successor index, as determined by the Board of Directors. Such adjusted Budget shall be the Budget for the succeeding year, until a new Budget is adopted. Within ninety (90) days following the close of the Association's fiscal year, or such later date as the Board of Directors determines is warranted, the Board of Directors shall cause an unaudited financial statement of the Association (the "Annual Report") to be prepared. Upon request, a copy of the Annual Report shall be provided to any Owner of any Unit.

8. Article VII Section 2 is deleted in its entirety and replaced with the following:

Section 2. Amendments by Association. Amendments to this Master Deed, other than those authorized by Section 3, below, shall be adopted, upon the vote of at least two-thirds (2/3rds) of the Common interests, in accordance with the procedure set

forth in the Bylaws, by Unit Owners that represent at least two thirds (2/3rds) of the Common interests and by eligible Unit Mortgagees who represent at least 51% of the votes of the Unit Owners that are subject to Unit Mortgages; provided, however, that no amendment which imposes a greater economic or legal burden on Declarant than exists under the current provisions of this Master Deed shall be valid unless it is approved, in writing, by Declarant and that Unit Mortgagees must reply to any request for an amendment to the Master Deed within thirty days or be deemed to have approved the request.

9. Bylaws Section 11.2 is deleted in its entirety and replaced with the following:

11.2 Amendment by Declarant. Declarant may amend the Bylaws without the consent of the Association, the Board, any Member or any mortgagee if, in Declarant's opinion, such amendment is necessary to; (i) bring any provision of the Bylaws or the Master Deed into compliance or conformity with the provisions of any applicable governmental statute, rule or regulation or any judicial determination which is in conflict with the Master Deed or the Bylaws; (ii) enable any title insurance company to issue title insurance coverage with respect to any Units subject to the Master Deed; (iii) enable any mortgagee to make mortgage loans on any Unit or other improvements subject to the Master Deed; (iv) enable any governmental agency or private mortgage insurance company to insure mortgages on the Units subject to the Master Deed; (v) enable any insurer to provide insurance required by the Master Deed; (vi) comply with any regulation of a Federal Home Loan Bank Board, Veterans Administration, Department of Housing and Urban Development and/or the Federal Housing Administration; or (vii) clarify any provision of the Bylaws or the Master Deed or eliminate any conflict between provisions of the Bylaws or the Master Deed. Otherwise, any action to amend the Bylaws must be agreed upon by Unit Owners that represent at least two thirds (2/3rds) of the Common interests and by eligible Unit Mortgagees who represent at least 51% of the votes of the Unit Owners that are subject to Unit Mortgages.

10. Exhibit H is deleted in its entirety and replaced with the following:

Declarant reserves the right to build Building 2 at a future date as follows: (i) containing a maximum of 8 Townhouse Units; (ii) to be built within three years from the recording of the Master Deed; (iii) making use of the existing Common Areas without substantial increase to the proportionate share amount of the Common Expenses payable by existing Unit Owners.

A chart showing the percentage interest in the Common Areas of each original Unit Owner at the point at which the additional 8 Units are built is as indicated in Exhibit D showing the % after Building 2 and the proposed Townhouse units 2 A-H.

11. Except as specifically amended herein said Master Deed shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned has executed this First Amendment to Master Deed this 24th day of May, 2004.

WITNESSES:


Melissa Stewart
Lozano Manly

RIVERS POINT ROW, LLC,*a
South Carolina limited liability company

By: Neil B. Segert
Its: Manager

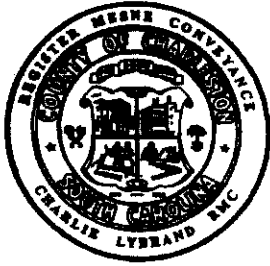
STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON) ACKNOWLEDGEMENT

THE FOREGOING instrument was acknowledged before me this 21 day of May, 2004 by RIVERS POINT ROW, LLC, a South Carolina limited liability company by John B. Hagerly its Manager


Notary Public for South Carolina
Commission Expires: ~~My commission expires October 27, 2009~~ **NOTARY PUBLIC FOR SOUTH CAROLINA**

RECORDER'S PAGE

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MAY 26 2004

PEGGY A. MOSELEY
CHARLESTON COUNTY AUDITOR

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R 495-385

2004 MAY 24 PM 3:01

CHARLES LYBRAND
REGISTER
CHARLESTON COUNTY SC

PID VERIFIED BY ASSESSOR
REP LMG
DATE 5/26/04