

SCHEDULE A

BYLAWS OF
THE HOMES OF HIDDEN OAKS
PROPERTY OWNERS ASSOCIATION, INC.

Prepared by:
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November 3, 1993

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STATE OF SOUTH CAROLINA)
CHARLESTON COUNTY, SC) BYLAWS OF THE HOMES
) OF HIDDEN OAKS PROPERTY
COUNTY OF CHARLESTON) OWNERS ASSOCIATION, INC.

These Bylaws of The Homes of Hidden Oaks Property Owners Association, Inc. ("Bylaws") are made this 17th day of November, 1993 by Hidden Oaks Development Corp., a South Carolina corporation and Hidden Oaks Development Corp. II, a South Carolina corporation (the "Declarant").

W I T N E S S E T H:

WHEREAS, Knebworth of Seabrook, Inc. ("Knebworth") caused to be recorded a Declaration of Covenants, Conditions and Restrictions for The Homes of Hidden Oaks, dated July 15, 1992 and recorded in the RMC Office for Charleston County in Book E-216, at Page 454, which Declaration was supplemented by that certain Supplement to Declaration of Covenants, Conditions and Restrictions for The Homes of Hidden Oaks, dated August 4, 1993 and recorded in the RMC Office for Charleston County in Book J-230, at Page 715, which documents may be amended or supplemented from time to time (the "Declaration"); and

WHEREAS, Knebworth assigned all of its rights as "Declarant" under the Declaration to Hidden Oaks Development Corp. pursuant to an Assignment of Rights dated May 27, 1993, and recorded June 23, 1993 in the RMC Office for Charleston County in Book P-228, at Page 357; and

WHEREAS, Hidden Oaks Development Corp. conveyed a one-half interest in its rights as "Declarant" to Hidden Oaks Development Corp. II by virtue of that certain Assignment of Rights dated November 17, 1993 and recorded simultaneously herewith; and

WHEREAS, Hidden Oaks Development Corp. and Hidden Oaks Development Corp. II now constitute the "Declarant" under the Declaration; and

WHEREAS, pursuant to Article 3 of the Declaration, the Declarant reserved the right to organize a property owners association; and

WHEREAS, Declarant now wishes to form the association and provide bylaws for the management of its affairs.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that the Declarant hereby declares as follows:

ARTICLE I
NAME AND LOCATION

The name of the association is The Homes of Hidden Oaks Property Owners Association, Inc., hereinafter referred to as the "Association". The principal office of the Association shall be located at 1002 Landfall Way, Seabrook Island, South Carolina

29455, but meetings of Members and Directors may be held at such places within the State of South Carolina as may be designated by the Board of Directors.

ARTICLE II DEFINITIONS

The words and terms used in the Bylaws or any supplemental set of Bylaws, unless the context shall clearly indicate otherwise, have the same meanings as shall be set forth in the Declaration.

ARTICLE III MEMBERS

Section 1. Association Membership. Every Owner of a Lot which is subject to the Declaration shall be a Member of the Association (a "Member"). Membership shall be appurtenant to and shall not be separated from ownership of any Lot which is subject to assessments.

Section 2. Membership Rights Subject to Assessment Payment. The rights of membership are subject to the payment of annual and special assessments levied by the Association, the obligation of which assessments is imposed against each Owner of, and becomes a lien upon, the Lot against which such assessments are made, as provided in the Declaration.

Section 3. Voting Rights. The Association shall have two classes of voting membership.

(a) Class A. Class A Members shall be every Owner, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. Declarant may become a Class A Member upon the expiration of its Class B Membership status as hereinafter set forth. When more than one person, other than Declarant, holds title to any Lot, all such persons shall be Members and the one vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

(b) Class B. Class B Member(s) shall be the Declarant, its successors and assigns. The Class B Member(s) shall be entitled to four (4) votes for each Lot in which it holds the interest required for membership under Section 1 of this Article. As to additional lots which may be subdivided from additional Property subjected to this Declaration, the Class B Member(s) shall be entitled to four (4) votes for each of these additional lots owned by Declarant at the time said additional Property is subjected to this Declaration or thereafter.

The Class B Membership shall cease and be converted to Class A Membership on the happening of either of the following events, whichever occurs earlier:

CONSENT CERTIFICATE

RE: ORGANIZATION OF CORPORATION

The undersigned, being the two initial Incorporators of The Homes of Hidden Oaks Property Owners Association, Inc. (the "Corporation"), a non-profit corporation incorporated under the laws of the State of South Carolina, named and elected in the Written Consent In Lieu of an Organizational Meeting of the Incorporators, hereby adopts the following resolutions pursuant to Section 33-2-105 of the South Carolina Business Corporation Act of 1988 in lieu of a formal organizational meeting:

ELECTION OF DIRECTORS

RESOLVED, that those persons set forth in Schedule B attached hereto, having been duly elected by the Incorporators of the Corporation to serve as the Directors of the Corporation, hereby agree to serve as Directors of the Corporation, to complete the organization of the Corporation, and to hold such office until their current term expires, until their earlier resignation or removal, or until their successor shall be chosen and shall qualify.

ADOPTION OF BYLAWS

RESOLVED, that this Corporation hereby adopts the Bylaws, together with all of their various exhibits, attached hereto as Schedule A.

APPOINTMENT OF OFFICERS

RESOLVED, that those persons set forth in Schedule C attached hereto are hereby appointed to serve in the offices set opposite

- (1) when the Declarant executes and records an instrument forfeiting its Class B Membership; or
- (2) on December, 31, 2001.

Section 4. Suspension of Rights. The membership rights of any person whose interest is subject to assessments under Article III, Section 2 hereinabove may be suspended by action of the Board of Directors during the period when the assessments remain unpaid; but, upon payment of such assessments, his rights and privileges shall be automatically restored. If the Board of Directors has adopted and published rules and regulations governing the use of the Common Areas and facilities, and the personal conduct of any person thereon, as provided in the Declaration, they may, in their sole discretion, suspend the rights of any such person for violation of such rules and regulations for a period not to exceed thirty (30) days for each violation.

ARTICLE IV MEETINGS OF MEMBERS

Section 1. Membership Annual Meeting. Meetings of the Members shall be held at such place as may be designated by the Board of Directors, and shall occur at least once a year. An annual meeting of the Members shall be held on a day and time as determined by the Board of Directors, to be designated in the notice of the meeting.

Section 2. Membership Special Meetings. Special Meetings of the Members for any purpose may be called at any time by the President, Vice President, Secretary or Treasurer, or by any two (2) or more members of the Board of Directors, or upon written request of Members holding at least ten percent (10%) of all the votes entitled to be cast on any issue proposed to be considered at the special meeting.

Section 3. Notice. Notice of any meetings shall be given to the Members by the Secretary. Notice may be given to each Member either personally or by sending a copy of the notice through the mail, postage thereon fully prepaid to his address appearing on the books of the Association. Each Member shall register his address with the Secretary and notices of meetings shall be mailed to such address. Notice of any meeting, regular or special, shall be mailed not more than sixty (60) days, and not less than ten (10) days in advance of the meeting and shall set forth in general the nature of the business to be transacted and the purpose for which the meeting is called; provided, however, that if the business of any meeting shall involve and be governed by the Declaration applicable to the Property, or any action for which other provision is made in these Bylaws, notice of such meeting shall be given or sent as therein or herein provided. Notice is effective upon mailing by first class mail of the U.S. Postal Service to the address of each Member registered with the Association.

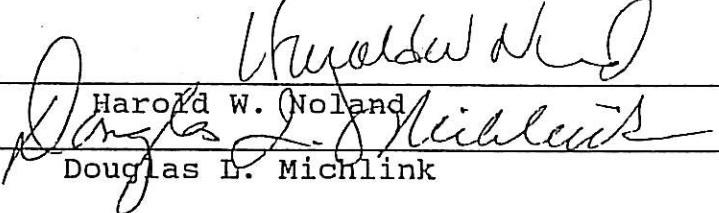
SEVENTH. That they desire to be incorporated in perpetuity.

Wherefore your petitioners pray that the Secretary of State do issue to the aforesaid

The Homes of Hidden Oaks Property Owners Association, Inc.

a Certificate of Incorporation, with all rights, powers, privileges and immunities, and subject to all the limitations and liabilities conferred by Title 33, Chapter 31, 1976 Code, and Acts amendatory thereto, to provide for the incorporation of Religious, Education, Social, Fraternal or Charitable Churches, Lodges, Societies, Associations, or Companies, and for amending the Charters of those already formed and to be formed.

(Sign here)



Harold W. Noland



Douglas L. Michlink

Date April 7, ¹⁹⁹⁴~~1997~~.

Section 4. Quorum. The presence at any meeting of Members entitled to cast, or of proxies entitled to cast, fifty-one percent (51%) of the total votes of the Association shall constitute a quorum for any action governed by these Bylaws. Any Owner not physically present or represented by his agent at the meeting or who does not execute and return the proxy form sent to him in the required mailing shall be deemed to be present for the purpose of determining the presence of a quorum. Any action governed by the Declaration applicable to the Property shall require a quorum as therein provided.

Section 5. Informal Action by Members. Any action required or permitted by law to be taken at a meeting of the Members of the Association may be taken without a meeting if all Members entitled to vote on the action have proper notice of the action and written consent(s) setting forth the action taken shall be signed by all Members entitled to vote on the action as provided by the laws of the State of South Carolina. Such consent(s) shall be delivered to the Association and filed with the Secretary of the Association as part of the Association's records.

Section 6. Manner of Acting. Unless otherwise provided herein or in the Declaration, a majority of the total votes cast in person or by proxy at a duly called meeting of the Association shall be the vote required to pass motions, make decisions and govern the administration of the Association.

Section 7. List of Owners. Pursuant to South Carolina Code Section 33-7-107, the Secretary of the Association shall prepare, or cause to be prepared, at least ten (10) days before every regular or special meeting of the Association, a complete list of Owners entitled to vote at the regular or special meeting. Such list shall include the address of each Member and shall be open to the examination of any Owner during ordinary business hours starting on the date on which the notice of the meeting is given. The list shall be produced and kept at the time and place of any meeting of the Association during the whole time thereof, and may be inspected by any Owner who is present. Unless otherwise provided for in advance by resolution of the Board of Directors, the record date for the purpose of determining Owners entitled to vote at any meeting of the Association shall be the close of business on the day before the first notice is delivered to the Members.

ARTICLE V PROXIES

Section 1. Voting by Proxy. Each Member entitled to vote may vote in person or by proxy at all meetings of the Association.

Section 2. Proxies. All proxies must have an effective date. All proxies shall be executed in writing by the Member or by his duly authorized attorney-in-fact and filed with the Secretary. Unless a proxy otherwise states, it shall be deemed to confer the

authority to execute consents and waivers and to exercise the right to examine the books and records of the Association. A proxy may be revocable or irrevocable but shall be deemed revocable at will unless otherwise specified therein. If at least ten (10) days prior to a duly called meeting a Member is informed by mail of (a) the time and place of the meeting, (b) the agenda for the meeting, and (c) such data as is then available relative to the issues on which there will be a vote, and a proxy form is included in such mailing, and the Member neither attends the meeting nor returns his executed proxy, then such Member shall be deemed present for purposes of determining a quorum and shall be deemed to have given his proxy to and for the majority present and voting. No proxy shall extend beyond the date of the meeting for which it is given unless such meeting is adjourned to a subsequent date; and no proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy. Any proxy shall automatically cease upon sale by the Member of his Lot.

ARTICLE VI
PROPERTY RIGHTS AND RIGHTS OF
ENJOYMENT OF COMMON AREA

Section 1. Use of Common Areas. Each Member shall be entitled to the use and enjoyment of the Common Areas, if any, as provided in the Declaration.

Section 2. Delegation of Rights. Any Member may delegate his rights of enjoyment in the Common Areas and facilities to the members of his family who reside upon the Property or to any of his tenants or renters who lease or rent Property from him. Such Member shall notify the Secretary in writing of the name of any person or persons and of the relationship of the Member to such person or persons. The rights and privileges of such person or persons are subject to suspension to the same extent as those of the Member.

ARTICLE VII
ASSOCIATION PURPOSES AND POWERS

Section 1. Association's Purposes. The Association has been established for the purpose of exercising powers of maintaining, repairing, replacing and administering the Common Areas, if any, and common facilities and providing common services, administering and enforcing the covenants, conditions and restrictions contained in the Declaration, and levying, collecting and disbursing assessments and charges herein created. The Declarant reserves the right to convey to the Association and the Association agrees to accept any or all of its property, rights and obligations set forth herein or in the Declaration. The Association shall be authorized but not required to provide any of the services set forth in the Declaration or these Bylaws and shall be further authorized to provide any and all services necessary or desirable in the judgment of the Board of Directors to carry out the Association's obligations and business under the terms of the Declaration and these Bylaws.

Section 2. Additions to Property and Membership. Additions to the Property described in Exhibit A attached to the Declaration may be made as provided in the Declaration. Such additions, when properly made under the Declaration, shall extend the jurisdiction, functions, duties and membership of this Association to such additional Property.

ARTICLE VIII
BOARD OF DIRECTORS

Section 1. General Powers. The Association shall be governed and the business and affairs of the Association shall be managed by a Board of Directors. Except to the extent otherwise required by the provisions of the South Carolina Code relating to non-profit corporations, these Bylaws, the Declaration, or the Articles of Incorporation of the Association, the powers herein or otherwise granted to the Association may be exercised by the Board of Directors, acting through the officers of the Association, without any further consent on the part of the Owners/Members.

Section 2. Number and Tenure. The Board of Directors shall consist of three (3) members initially appointed by the Declarant at the organizational meeting of the Association. The Declarant shall have the right to appoint or remove any member or members of the Board of Directors with or without cause until the expiration or earlier termination of Declarant's Class B Membership. Beginning with the first annual or special meeting of the Association following the expiration or earlier termination of Declarant's Class B Membership and continuing at each subsequent annual meeting, the Members (including the Declarant if Declarant then owns one or more Lots) shall elect the Directors for a term which expires at the next annual meeting following their election. No cumulative voting is allowed.

Section 3. Vacancies. Vacancies in the Board of Directors shall be filled by the Declarant so long as Declarant retains its Class B Membership, and thereafter by a majority of the remaining Directors, and any such appointed Director shall hold office until his successor is elected as provided herein.

Section 4. Annual Meetings. Annual Meetings of the Board of Directors shall be held immediately following the annual meeting of the Association. The Board of Directors may provide by resolution the time and place for holding of additional regular meetings of the Board.

Section 5. Special Meetings. Special Meetings of the Board of Directors may be called by or at the request of the President or by any two (2) Directors by giving notice thereof to the members of the Board as provided herein.

Section 6. Notice. When notice of any meeting of the Board of Directors is required, such notice shall be given at least three (3) days prior to such meeting by written notice delivered personally or sent by mail to each Director at his address as shown on the records of the Association. Any director may waive notice of any meeting before or after the time of the meeting stated herein, and attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, or the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice at such meeting, unless specifically provided by law, the Articles of Incorporation, these Bylaws, or the Declaration.

Section 7. Quorum. A majority of the Board of Directors actually holding office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 8. Manner of Acting. The act of a majority of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors and will bind all Directors.

Section 9. Compensation. Directors shall not receive any salaries for their services, but by resolution of the Board of Directors, any Director may be reimbursed for his actual expenses incurred in the performance of his duties as a Director. Nothing herein contained shall be construed to preclude any Director from serving the Association in any other capacity and receiving compensation therefor.

Section 10. Informal Action by Directors. Any action required or permitted by law to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent or consents, in writing, setting forth the action so taken shall be signed by all of the Directors, which consent shall be filed with the Secretary of the Association as part of the Association's records. Telephone conference meetings where the action of the Board of Directors is subsequently reduced to a written memorandum and signed by all the Directors within seven (7) days after the telephone conference shall be effective as if occurring at a duly called meeting. Actions under this section are effective when the last Director executes a consent.

Section 11. Removal of Directors. Any Director may be removed from the Board of Directors, with or without cause, by the Declarant while retaining its Class B Membership or by written consent of the Declarant and a majority vote of the Members of the Association. If Declarant is not a Class B Member, then any Director may be removed with or without cause by a majority vote of the membership. A successor may then and there be elected to fill the vacancy thus created or the vacancy may be filled by the majority vote of the remaining Directors. The term of a director

elected to fill a vacancy expires at the next meeting at which directors are elected.

A Director may be removed by the Members as provided above only at a meeting called for the purpose of removing him and the meeting notice must state that the purpose, or one of the purposes, of the meeting is the removal of the director.

ARTICLE IX
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Areas, amenities and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use the Common Areas, amenities and facilities, if any, of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended for a period not to exceed thirty (30) days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the Membership by other provisions of these Bylaws, or the Declaration;

(d) employ a Property manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties;

(e) grant utility and ingress/egress easements on, over and across the Lots and Common Areas of the Association, as provided in the Declaration;

(f) sell, transfer and convey portions of Common Areas without a vote of the Members of the Association in order to (i) correct errors or mistakes in deeds or easements to or from the Association; or (ii) to divest the Association of Properties which are not necessary for the functions and services which the Association is authorized to carry out and deliver;

(g) exercise for the Association all powers and authority necessary to carry out the intent of the Declaration and the Bylaws.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and Association affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by a one-fourth (1/4) vote of the Class A Members who are entitled to vote;

(b) supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;

(c) perform as follows and as more fully provided in the Declaration:

- (1) to fix and levy the amounts of all assessments, annual, special or otherwise;
- (2) to send written notice of all assessments to every Owner subject thereto;
- (3) in the discretion of the Board, to foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the Owner personally obligated to pay the same; and
- (4) to provide for a board of Architectural Review should the Declarant transfer and relinquish such authority to the Board.

(d) to issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment. These certifications will be issued subject to all state and federal laws concerning the disclosure of a debtor's financial information;

(e) to procure and maintain adequate liability, hazard, flood or other insurance on Common Areas and other property owned or leased by the Association as it may deem appropriate;

(f) to cause all officers, agents or employees having fiscal responsibilities to be bonded, as it may deem appropriate; to provide Directors and Officers liability insurance, errors and omission insurance or similar insurance for Officers and Directors, as it may deem appropriate;

(g) to cause the Common Areas to be maintained, replaced or improved, and properly landscaped;

(h) to prepare an annual budget for the Association, outlining anticipated receipts and expenses for the following fiscal year;

(i) to carry out the reconstruction of Common Areas and improvements after casualty, and to carry out the further improvement of such Common Areas including a right to levy a special emergency assessment necessary to pay for emergency repairs, to pay insurance deductibles, or otherwise provide for the repair and reconstruction of the Common Areas to the condition existing prior to the casualty;

(j) to acquire, operate, lease, manage and otherwise trade and deal with property, real and personal, including the Common Areas, as may be necessary or convenient in the operation and management of the Association, except those which may be required by the Declaration to have approval of the Members;

(k) to enforce by legal means the provisions of the Certificate of Incorporation, Declaration and Bylaws of the Association, and the regulations promulgated by the Board;

(l) to pay all taxes and assessments which are liens against any part of the Common Areas or other property, real or personal, belonging to the Association;

(m) to pay all costs of power, water and sewer and other utility services rendered to the Association and not billed to the Owners of Lots;

(n) to borrow money on behalf of the Association and to pledge/mortgage the property of the Association as security for such loan(s);

(o) to implement erosion control steps and/or devices and to levy assessments therefor, should the Board of Directors determine that such steps and/or devices are necessary;

(p) to exercise for the Association all powers, duties and authority vested in or delegated to the Association by the Declaration and not reserved to the Membership by other provisions of these Bylaws, the Declaration or the Certificate of Incorporation.

ARTICLE X AUTHORITY TO MORTGAGE

To the extent provided by law, the Board of Directors shall have the power and authority to mortgage the property of the Association and to pledge the revenues of the Association as security for loans made to the Association which loans shall be used by the Association in performing its authorized functions. Notwithstanding anything in the Declaration to the contrary, the Association shall not be allowed to reduce the limits of the minimum regular annual assessment at any time there are outstanding any amounts as repayment of any such loans.

ARTICLE XI
OFFICERS

Section 1. Officers. The officers of the Association shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, and a Treasurer. The Board of Directors may elect such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two or more offices may be held by the same person. The President shall be a Director of the Association. Other officers may be, but need not be, Directors of the Association.

Section 2. Election, Term of Office and Vacancies. The officers of the Association shall be appointed and removed by the Declarant until the expiration or earlier termination of Declarant's Class B Membership, and thereafter, shall be elected annually by the Board of Directors following each annual meeting of the Members. A vacancy in any office arising because of death, resignation, removal or otherwise may be filled by the Declarant so long as Declarant retains its Class B Membership, and thereafter, by the Board of Directors for the unexpired portion of the term.

Section 3. Removal. Any officer may be removed with or without cause by the Declarant or the Board of Directors whenever, in its judgment, the best interest of the Association will be served thereby.

Section 4. Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board of Directors. Except as otherwise determined by the Board of Directors, the President shall be chief executive officer of the Association.

Section 5. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. President. The President shall be the chief executive officer of the Association. He shall execute on behalf of the Association all instruments requiring such execution except to the extent the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent. The President shall preside at all meetings of the Association and the Board of Directors. He shall have all general powers and duties which are usually vested in the office of President of a

property owners association, including the power to appoint committees.

Section 7. Vice President. The Vice President shall act under the direction of the President and shall perform such duties as may be imposed by the Board. In the absence or disability of the President, the Vice President shall perform the duties and exercise the powers of the President.

Section 8. Secretary. The Secretary shall act under the direction of the President. Subject to the direction of the President, the Secretary shall attend all meetings of the Board of Directors and meetings of the Association and record the proceedings. He shall give, or cause to be given, notice of all meetings of the Association and of the Board of Directors as required by these Bylaws and shall perform such other duties as may be prescribed by the President or the Board of Directors.

Section 9. Treasurer. The Treasurer shall act under the direction of the President and shall keep or be responsible for keeping the accounts of the Association. He shall disburse the funds of the Association as may be ordered by the President or the Board of Directors and shall render on request or at the regular meetings of the Board of Directors an account of all his transactions as Treasurer and of the financial condition of the Association. The Treasurer shall be responsible for mailing all assessment, meeting and proxy notices while also keeping the list of Owners current.

ARTICLE XII COMMITTEES

Section 1. Committees of Directors. Subject to the South Carolina Code governing non-profit corporations, the Board of Directors may designate one or more committees, each of which shall consist of two or more Directors and such other Members as the Board shall determine, which committees, to the extent authorized by the Board, shall have and exercise the authority of the Board of Directors in the management of the affairs of the Association; provided, however, that no such committee shall have the authority of the Board of Directors as to the following matters: (a) the dissolution, merger or consolidation of the Association; the amendment of the Articles of Incorporation of the Association; or the sale, lease or exchange of all or substantially all of the property of the Association; (b) the designation of any such committee or the filling of vacancies in the Board of Directors or in any such committee; (c) the amendment or repeal of these Bylaws or the Declaration or the adoption of new Bylaws; (d) the amendment or repeal of any resolution of the Board of Directors or (e) any other matter expressly prohibited by the South Carolina Corporate Code.

Section 2. Other Committees. Other committees not having and exercising the authority of the Board of Directors in the management of the affairs of the Association may be designated by a resolution adopted by a majority of Directors present at a duly called meeting. Such committees shall perform such duties and have such powers as may be provided in the resolution.

Section 3. Rules. Each committee may adopt rules for its own government not inconsistent with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

ARTICLE XIII
LIABILITY AND INDEMNIFICATION

Section 1. Liability of Board Member. No Board Member or Officer of the Association shall be liable to any Owner for any decision, action or omission made or performed by such Board Member or Officer in the course of his duties unless such Board Member or Officer acted in bad faith or in reckless disregard of the rights of any person or of the terms of the Declaration or these Bylaws.

Section 2. Indemnification of Board Member. The Association shall indemnify and defend each Board Member to the extent and in the manner permitted by law, from any liability claimed or imposed against him by reason of his position or decision, action or omission as a Board Member if all of the following conditions are satisfied:

(a) Such Board Member has not acted in bad faith or in reckless disregard of the rights of any person or of the terms of the Declaration or these Bylaws;

(b) Such Board Member reasonably believed:

(1) in the case of conduct in his official capacity with the Association, that his conduct was in its best interest;

(2) in other cases, that his conduct was at least not opposed to its best interests; and

(3) in the case of criminal proceedings, he had no reasonable cause to believe his conduct was unlawful;

(c) Such Board Member or Officer gives the Association adequate notice of the claim or imposition of liability to permit the Association reasonable opportunity to defend against the same; and

(d) Such Board Member or Officer cooperates with the Association defending against the liability.

The expense of indemnifying a Board Member or Officer as provided herein shall be a Common Expense of the Association and shall be borne by all Property Owners, including such Board Member or Officer.

ARTICLE XIV AMENDMENTS

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the Board of Directors, at a regular or special meeting of the Board by a vote of a majority of all Directors, provided notice of such pending action with a copy or summary of the proposal is given in the call for said meeting, and provided further that Declarant consents to such amendment so long as Declarant retains its Class B Membership. However, no amendment to Articles II, V, XIV or XV may be made by the Board of Directors alone without consent of Declarant or two-thirds (2/3) vote of the Members.

These Bylaws may also be altered, amended or repealed and new Bylaws may be adopted by the Declarant so long as Declarant retains its Class B Membership.

These Bylaws may also be amended by a two-thirds (2/3) vote of the Members at a duly called meeting of the Association provided notice of such proposed amendment is given in the call for such meeting, and provided further that Declarant consents in writing to such amendment so long as Declarant retains its Class B Membership.

ARTICLE XV MERGER

To the extent and in the manner provided by law, the Association may participate in mergers and consolidation with other non-profit associations organized for the same or similar purpose; provided, however, that any such merger or consolidation shall require approval by a vote of two-thirds (2/3) of the total votes cast at a meeting duly called for such purpose.

Upon merger or consolidation of the Association with another association or associations, its property rights and obligations may, by operation of law, be transferred to another surviving or consolidated association, or in the alternative, the property, rights and obligations of another association may, by operation of law, be added to the properties of the Association as a surviving corporation pursuant to such merger. The surviving or consolidated association may administer the Common Areas, together with the covenants and restrictions established upon any other property as one plan. No merger or consolidation shall effect any revocation, change or addition to the Declaration.

ARTICLE XVI
DISSOLUTION

If the Members determine that it is in the best interest of the Association and/or its Members to completely dissolve the Association, such action may be taken by an affirmative vote of three-fourths (3/4) of the total votes of those present at a meeting duly called and held for such purpose; provided that Declarant consents in writing so long as Declarant retains its Class B Membership.

ARTICLE XVII
FISCAL YEAR

The fiscal year of the Association shall be determined by the Board of Directors.

ARTICLE XVIII
ANNUAL REPORT

The Association, if required by Title 12 of the South Carolina Code, shall file an annual report.

ARTICLE XIX
GENERAL

Section 1. Conflicts. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; in the case of any conflict between these Bylaws and any regulation promulgated by the Board of Directors, these Bylaws shall control.

Section 2. Waiver. No provision of these Bylaws or any regulation promulgated by the Board of Directors pursuant hereto shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches which may have occurred.

Section 3. Severability. The provisions of these Bylaws are severable, and the invalidity of one or more provisions hereof shall not be deemed to impair or affect in any manner the enforceability or effect of the remainder.

Section 4. Captions. Captions are inserted herein only as a matter of convenience and for reference and in no way define, limit, or describe the scope of these Bylaws or the intent of any provision.

Section 5. Gender and Number. All nouns and pronouns used herein shall be deemed to include the masculine, the feminine, and the neuter, and the singular shall include the plural and vice versa, whenever the context requires or permits.

Section 6. Roberts Rules. All meetings of the membership and of the Board of Directors shall be conducted in accordance with Roberts Rules of Order Revised.

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed the day and year first above written.

WITNESSES:

DECLARANT:

M. Jeffrey Vignia
Paul Deppa III

HIDDEN OAKS DEVELOPMENT CORP.,
a South Carolina corporation

By: Harold W. Noland
Harold W. Noland
Its: President

M. Jeffrey Vignia
Paul Deppa III

HIDDEN OAKS DEVELOPMENT CORP. II,
a South Carolina corporation

By: Harold W. Noland
Harold W. Noland
Its: President

STATE OF SOUTH CAROLINA)

COUNTY OF CHARLESTON)

PROBATE)

PERSONALLY appeared before me the undersigned witness after first being duly sworn, deposes and says that s/he saw the within-named Hidden Oaks Development Corp., a South Carolina corporation, by Harold W. Noland, its President, sign, seal and as its act and deed, deliver the within-written Bylaws for the uses and purposes therein mentioned, and that s/he together with the other witness whose signature appears above, witnessed the execution thereof.

M. Jeffrey Vignia
WITNESS

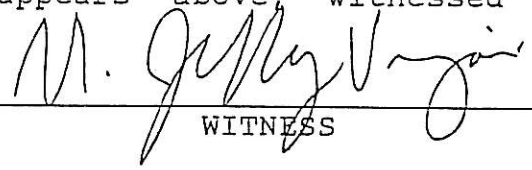
SWORN TO BEFORE ME THIS
17 day of November, 1993.

Paul Deppa III (S.S.)
Notary Public for South Carolina
My commission expires: 9/15/2000

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

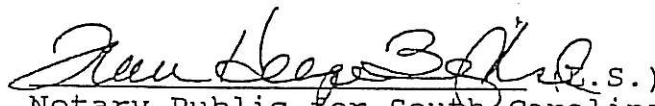
PROBATE

PERSONALLY appeared before me the undersigned witness after first being duly sworn, deposes and says that s/he saw the within-named Hidden Oaks Development Corp. II, a South Carolina corporation, by Harold W. Noland, its President, sign, seal and as its act and deed, deliver the within-written Bylaws for the uses and purposes therein mentioned, and that s/he together with the other witness whose signature appears above, witnessed the execution thereof.



WITNESS

SWORN TO BEFORE ME THIS
17th day of November, 1993.


(L.S.)
Notary Public for South Carolina
My commission expires: 9/17/2000

Schedule B

DIRECTORS

Harold W. Noland
1002-A Landfall Way
Seabrook Island, SC 29455

Douglas L. Michlink
1002-A Landfall Way
Seabrook Island, SC 29455

J. Robert Morris
1002-A Landfall Way
Seabrook Island, SC 29455

Schedule C

OFFICERS

NAMES

OFFICE

Harold W. Noland
1002-A Landfall Way
Seabrook Island, SC 29455

President, Treasurer

Douglas L. Michlink
1002-A Landfall Way
Seabrook Island, SC 29455

Vice President, Secretary

WRITTEN CONSENT IN LIEU OF AN
ORGANIZATIONAL MEETING OF THE INCORPORATORS OF
THE HOMES OF HIDDEN OAKS PROPERTY OWNERS ASSOCIATION, INC.

Pursuant to Section 33-2-105(b), South Carolina Code of Laws 1976, as amended, the undersigned, being the Incorporators named in the Articles of Incorporation of The Homes of Hidden Oaks Property Owners Association, Inc. (the "Corporation"), which Articles of Incorporation were received and filed in the Office of the Secretary of State of South Carolina on November _____, 1993, hereby consent to the following action in lieu of an organizational meeting of the Incorporators:


1. Waiver of Incorporators. We hereby waive all right, title and interest in and to any stock or property of the Corporation, and any right in the management thereof incidental to being the Incorporators of the Corporation.

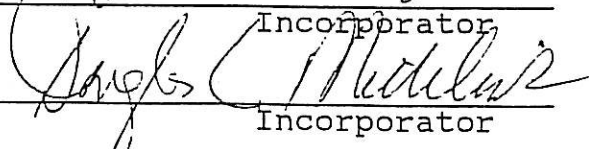
2. Election of Directors. Each of the following persons hereby is elected to serve as a Director of the Corporation, to complete the organization of the Corporation, and to hold such office until their respective terms expire, until their earlier resignation or removal or until their successor is chosen and shall qualify:

Harold W. Noland
1002-A Landfall Way
Seabrook Island, SC 29455

Douglas L. Michlink
1002-A Landfall Way
Seabrook Island, SC 29455

J. Robert Morris
1002-A Landfall Way
Seabrook Island, SC 29455



Incorporator


Incorporator

April 7, 1994
Dated: ~~November _____, 1993~~

INITIAL ANNUAL REPORT OF CORPORATIONS

CL-1
(Rev. 10/88)
3134

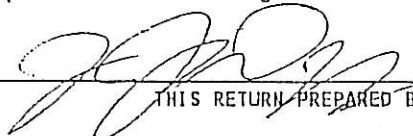
File number _____ ENDING PERIOD _____
Month Year

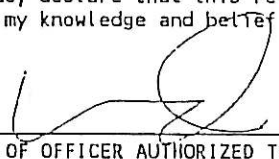
FILE THIS RETURN WITH ARTICLES OF INCORPORATION OR APPLICATION FOR AUTHORITY TO DO BUSINESS

NAME OF CORPORATION The Homes of Hidden Oaks Property Owners Association, Inc.		
ADDRESS OF CORPORATION (NUMBER AND STREET) 1002-A Landfall Way		
CITY AND STATE Seabrook Island, South Carolina	ZIP 29455	COUNTY Charleston
Date "Application for Charter" filed with Secretary of State _____ Date of "Request for authority to do business in this state" (Foreign Corp.) _____ N/A IRS Employer Identification Number _____ applied for Business Code _____ N/A		
1. State of incorporation: South Carolina		
2. Nature of principal business in South Carolina: Homeowner's Association		
3. Location of registered office of the corporation in the state of South Carolina is 1002-A Landfall Way _____ in the city of Seabrook Island. Registered agent at such address is Harold W. Noland		
4. Location of principal office in South Carolina (street, city and county): 1002-A Landfall Way, Seabrook Island South Carolina 29455.		
5. Date business commenced in South Carolina: 4/30/94 Telephone # 768-2560		
6. The corporation's books are in care of Harold W. Noland located at 1002-A Landfall Way Seabrook Island, SC 29455.		
7. Indicate date corporation closes its books: to be determined		
8. If a professional corporation are all shareholders, one-half of the directors (or individuals functioning as directors) and all officers (other than the secretary and treasurer) qualified to practice the professional services engaged in by the corporation? _____ N/A		
9. The names and business addresses of the directors (or individuals functioning as directors) and principal officers in the corporation are:		
Name	Business Address and Office	
Harold W. Noland	1002-A Landfall Way, Seabrook Island, SC 29455	President & Director
Douglas L. Michlink	1002-A Landfall Way, Seabrook Island, SC 29455	Director
10. The total number of authorized shares of capital stock itemized by class and series, if any, within each class is as follows: N/A		
Number of Shares	Class	Series
11. The total number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class is as follows: N/A		
Number of Shares	Class	Series
1. Fee due with this report.....	1.	25 00
2. Interest due.....	2.	
3. Penalty due.....	3.	
4. Total - Fee, Interest and Penalty (Make remittance payable to SC Tax Commission.....	4. \$	25 00

AFFIDAVIT

I, undersigned, principal officer of the corporation for which this return is made, declare that this return including accompanying statements and schedules, has been examined by me and is to the best of my knowledge and belief a true and complete return made in good faith.


THIS RETURN PREPARED BY


SIGNATURE OF OFFICER AUTHORIZED TO SIGN

AFFIDAVIT
OF
PUBLICATION

The Post and Courier

State of South Carolina

County of Charleston



Personally appeared before me
the undersigned advertising Clerk of the
above indicated newspaper published
in the City of Charleston, County and
State aforesaid, who, being duly sworn,
says that the advertisement of

NOTICE IS HEREBY GIVEN that
the undersigned will apply to the
South Carolina Secretary of State
for an eleemosynary corporation
to be known as The Homes of
Hidden Oaks Property Owners
Association, Inc. with principal
place of business to be 1002-A
Landfall Way, Seabrook Island, SC
29455.
Harold W. Noland,
Douglas L. Michlink.

(copy attached)

appeared in the issues of said newspaper

on the following day(s): _____

November 5, 1993

Subscribed and sworn to

before me this 5 day

of November

A.D. 19 93

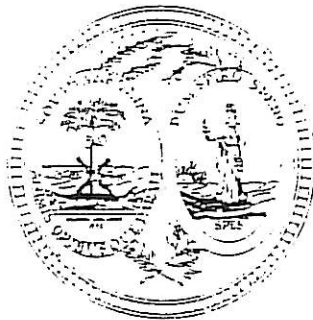


Kay Kramer
(Advertising clerk)

Judith W. Rabb

NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission expires June 18, 2000

The State of South Carolina



Office of Secretary of State Jim Miles Certificate of Incorporation, Nonprofit Corporation

I, Jim Miles, Secretary of State of South Carolina Hereby certify that:

HOMES OF HIDDEN OAKS PROPERTY OWNERS ASSOCIATION, INC. THE, a nonprofit corporation duly organized under the laws of the state of South Carolina on April 11th, 1994, and having a perpetual duration unless otherwise indicated below, has as of the date hereof filed a Declaration and Petition for Incorporation of a nonprofit corporation for Religious, Educational, Social, Fraternal, Charitable or other eleemosynary purpose.

Now, therefore, I Jim Miles, Secretary of State, by virtue of the authority in me vested, by Chapter 31, Title 33, Code of 1976 and Acts amendatory thereto, do hereby declare the organization to be a body politic and corporate, with all the rights, powers, privileges and immunities, and subject to all the limitations and liabilities, conferred by Chapter 31, Title 33, Code of 1976 and Acts amendatory thereto.

Given under my Hand and the Great Seal of the State of South Carolina this 12th day of April, 1994.

A handwritten signature in cursive script, appearing to read "Jim Miles", written over a horizontal line.

Jim Miles, Secretary of State

STATE OF SOUTH CAROLINA

COUNTY OF CHARLESTON

)
)
)

AMENDMENT TO THE BYLAWS OF
THE HOMES OF HIDDEN OAKS
PROPERTY OWNERS ASSOCIATION,
INC.

WHEREAS, the Bylaws of the Homes of The Hidden Oaks Property Owners Association, Inc., ("Bylaws") dated November 3, 1993, were recorded in the RMC Office for Charleston County, on ~~November 17,~~ ^{April 13} 1994, in Book 0-241 at Page 267.

WHEREAS, pursuant to ARTICLE XIV, AMENDMENTS, the Board of Directors of The Homes of the Hidden Oaks Property Owners Association, Inc., have determined that certain Amendments should be made to the Bylaws.

WHEREAS, at a duly called meeting of the Board of Directors with such Notice of such pending action having been provided in advance, the Board of Directors, by a vote of 6 of 7 members determined that it was in the best interests of the Association to make and to adopt the following Amendments to the Bylaws.

NOW, THEREFORE, by and through the authority vested in the Board of Directors, pursuant to the Bylaws, and with the consent of the Declarant and the previous Board of Directors, the Bylaws are amended in the following particulars:

- 1) ARTICLE III, Section 3, Voting Rights is amended to read

as follows:

Every owner shall be entitled to one vote for each Lot owned. When more than one person holds title to any Lot, all such persons shall be members and the one vote for such Lot shall be exercised as they determine, but in no event, should more than one vote be cast with respect to any Lot.

2) ARTICLE VII, Section 2, Additions to Property and Membership, is amended to read as follows:

Additions to the property described in Exhibit A, attached to the Declaration may be made as approved by 2/3 of the voting Members. Such additions, when properly made under the Declaration, shall extend the jurisdiction, functions, duties and membership of this Association to such additional property.

3) ARTICLE VIII, Section 2, Number and Tenure, is amended to read as follows:

The Board of Directors, shall consist of seven (7) Members initially appointed by the Declarant at the organizational meeting of the Association. Beginning with the first annual meeting or special meeting of the association, and continuing at such at each subsequent annual meeting, the Members shall elect the Directors for

a term which expires at the next annual meeting following their election. No cumulative voting is allowed.

4) ARTICLE VIII, 3, Vacancies is amended to read as follows:
Vacant seats on the Board of Directors shall be filled by the majority vote of the remaining Directors, and any such appointed Director shall hold office until a successor is elected as provided herein.

5) ARTICLE VIII, Section 11, Removal of Directors, is hereby amended to read as follows:

Any Director may be removed with or without cause by a majority vote of the Membership. A successor may then and there be elected to fill the vacancy thus created or the vacancy may be filled by the majority vote of the remaining Directors. The term of a director elected to fill a vacancy expires at the next meeting at which Directors are elected.

6) ARTICLE IX, Section 2, (a) Duties, is amended to read as follows:

cause to be kept a complete record of all its acts and Association affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in

writing by a one-fourth (1/4) vote of the Members who are entitled to vote;

7) ARTICLE IX, Section 2, (c),(4) is amended to read as follows:

to provide for a Board of Architectural Review.

8) ARTICLE IX, Section 2, (n) is deleted in its entirety.

9) ARTICLE X, AUTHORITY TO MORTGAGE is deleted in its entirety.

10) ARTICLE XI, Officers, is amended to read as follows:

The officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer. Any two or more offices may be held by the same person. Such officers are to have the authority and perform the duties prescribed from time to time by the Board of Directors. The officers are to be chosen from amongst the members of the Board of Directors.

11) ARTICLE XI, Section 3, Removal, is amended to read as follows:

any officer may be removed with or without cause by a vote of 2/3 of the voting Membership.

12) ARTICLE XI, Section 9, Treasurer, the last sentence is amended to read as follows:

The Treasurer shall delegate the responsibility for mailing all assessments, meeting and proxy notices while also keeping the list of current Owners.

13) ARTICLE XIV, Amendments, is hereby amended to read as follows:

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the vote of 2/3 of the voting Members at a regular or special meeting of the Association provided notice of such pending action with a copy or summary of the proposal is given in the call for said meeting.

14) ARTICLE XVI, Dissolution, is hereby amended to read as follows:

If the Members determine that it is in the best interests of the Association and/or its Members to completely dissolve the Association, such action may be taken by an affirmative vote of three-fourth (3/4) of the total votes of those present at a meeting duly called and held for such purpose.

Except as amended, or modified herein, all of the terms and conditions contained in the Bylaws recorded in Deed Book 0-241 at Page 267 in the RMC Office for Charleston County are hereby ratified and confirmed.

This Amendment to the Bylaws of The Homes of Hidden Oaks Homeowners Association Inc., is hereby executed by, consented to and accepted by the Declarant, by the initial Board of Directors, and by the present Board of Directors.

IN WITNESS WHEREOF, the above has caused this instrument to be executed the day and year first above written.

SIGNATURE PAGES AND PROBATES TO FOLLOW

their name, to hold such office until their term expires, until their earlier resignation or removal, or until their successors shall be chosen and shall qualify.

BANKING RELATIONSHIPS

RESOLVED, that the Corporation shall establish banking relationships with such institutions as specified by the Directors of the Corporation from time to time.

COMPLETION OF INCORPORATION PROCESS

RESOLVED, that the Officers of the Corporation are authorized and directed to take all appropriate action to complete all steps necessary to have the Corporation be incorporated and in good standing, to be qualified to conduct its intended business operations, and to be in compliance with all applicable governmental regulations.

This Consent Certificate is executed to be effective this 7th day of April, 199~~3~~⁴.

[Signature]
Incorporator
[Signature]
Incorporator

WITNESSES:

DECLARANT:

HIDDEN OAKS DEVELOPMENT CORP.
a South Carolina corporation

Mary C. Hackworth
Joseph K. Purdy

By: Harold W. Noland
Harold W. Noland
Its: President

STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON

PROBATE

PERSONALLY appeared before me the undersigned witness who made oath that (s)he saw the within named Hidden Oaks Development Corp., a South Carolina corporation by Harold W. Noland, its President, sign, seal and as his Act and Deed, deliver the within written instrument, and that (s)he with the other witness witnessed the execution thereof.

Mary C. Hackworth
WITNESS

SWORN to before me this
13th day of July, 1995.

Joseph K. Purdy
NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires: 4-22-96

WITNESSES:

Mary C. Hackworth
Joseph K. Priddy

DECLARANT:

HIDDEN OAKS DEVELOPMENT CORP. II,
a South Carolina corporation

By: Harold W. Noland
Harold W. Noland
Its: President

STATE OF SOUTH CAROLINA

COUNTY OF CHARLESTON

PROBATE

PERSONALLY appeared before me the undersigned witness who made oath that (s)he saw the within named Hidden Oaks Development Corp., II, a South Carolina corporation by Harold W. Noland, its President, sign, seal and as his Act and Deed, deliver the within written instrument, and that (s)he with the other witness witnessed the execution thereof.

Mary C. Hackworth
WITNESS

SWORN to before me this

13th day of July, 1995.

Joseph K. Priddy
NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires: 4-22-96

WITNESSES:

Kathy R Beaulne
Robert W. Dufford

Roy E Calcagno
As Member of The Board of
Directors of The Homes of
Hidden Oaks Property Owners
Association, Inc.

STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON

PROBATE

PERSONALLY appeared before me the undersigned witness who made oath that (s)he saw the within named Roy E Calcagno as a Member of the Board of Directors of The Homes of Hidden Oaks Property Owners Association, Inc., sign, seal and as his Act and Deed, deliver the within written instrument, and that (s)he with the other witness witnessed the execution thereof.

Kathy R Beaulne
WITNESS

SWORN to before me this

1st day of June, 1995.

Andrew J. King
NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires: 8-8-99

WITNESSES:

Linda A. Perko
Ann L. Pugh

Robert J. King
As Member of The Board of
Directors of The Homes of
Hidden Oaks Property Owners
Association, Inc.

STATE OF SOUTH CAROLINA

COUNTY OF CHARLESTON

PROBATE

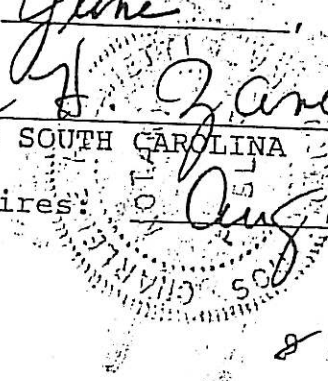
PERSONALLY appeared before me the undersigned witness who made oath that (s)he saw the within named ROBERT J. KING, as a Member of the Board of Directors of The Homes of Hidden Oaks Property Owners Association, Inc., sign, seal and as his Act and Deed, deliver the within written instrument, and that (s)he with the other witness witnessed the execution thereof.

Ann L. Pugh
WITNESS

SWORN to before me this
19th day of June, 1995.

Charlene H. Zaretsky
NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires: August 1, 2001



WITNESSES:

Roy F. Colcaquero
 Roy F. Colcaquero

James R. Morris
 James R. Morris

Alice S. Davies
 As Member of The Board of
 Directors of The Homes of
 Hidden Oaks Property Owners
 Association, Inc.

STATE OF SOUTH CAROLINA
 COUNTY OF CHARLESTON

PROBATE

PERSONALLY appeared before me the undersigned witness who made oath that (s)he saw the within named ALICE S. DAVIES, as a Member of the Board of Directors of The Homes of Hidden Oaks Property Owners Association, Inc., sign, seal and as his Act and Deed, deliver the within written instrument, and that (s)he with the other witness witnessed the execution thereof.

Roy F. Colcaquero
 WITNESS *Roy F. Colcaquero*

SWORN to before me this
31st day of May, 1995.

Kan L. Lewis
 NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires: Jan. 10, 2000

WITNESSES:

Joe L. Pugh

Charlene H. Zanetti

James R. Morris
As Member of The Board of
Directors of The Homes of
Hidden Oaks Property Owners
Association, Inc.

STATE OF SOUTH CAROLINA

COUNTY OF CHARLESTON

PROBATE

PERSONALLY appeared before me the undersigned witness who made oath that (s)he saw the within named James R. Morris, as a Member of the Board of Directors of The Homes of Hidden Oaks Property Owners Association, Inc., sign, seal and as his Act and Deed, deliver the within written instrument, and that (s)he with the other witness witnessed the execution thereof.

Joe L. Pugh
WITNESS

SWORN to before me this

11th day of may, 1995.

Charlene H. Zanetti
NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires: August 1, 2001

WITNESSES:

Arnold H. Bruns
Charles H. Zane

Robert O. Zimmerman

As Member of The Board of
Directors of The Homes of
Hidden Oaks Property Owners
Association, Inc.

STATE OF SOUTH CAROLINA

PROBATE

COUNTY OF CHARLESTON

PERSONALLY appeared before me the undersigned witness who made oath that (s)he saw the within named ROBERT ZIMMERMANN as a Member of the Board of Directors of The Homes of Hidden Oaks Property Owners Association, Inc., sign, seal and as his Act and Deed, deliver the within written instrument, and that (s)he with the other witness witnessed the execution thereof.

Arnold H. Bruns
WITNESS

SWORN to before me this

15th day of May, 1995.

Charles H. Zane
NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires: August 1, 2001

WITNESSES:

Carolene Hill-Land

Charlene H. Zaney

Conrad A. Brunns

As Member of The Board of Directors of The Homes of Hidden Oaks Property Owners Association, Inc.

STATE OF SOUTH CAROLINA

COUNTY OF CHARLESTON

PROBATE

PERSONALLY appeared before me the undersigned witness who made oath that (s)he saw the within named CONRAD A. BRUNNS as a Member of the Board of Directors of The Homes of Hidden Oaks Property Owners Association, Inc., sign, seal and as his Act and Deed, deliver the within written instrument, and that (s)he with the other witness witnessed the execution thereof.

Carolene Hill-Land
WITNESS

SWORN to before me this 11th day of May, 1995.

Charlene H. Zaney
NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires: August 1, 2001

WITNESSES:

Barbara B. Starks

Lisa P. Jones

Douglas L. Michlink
DOUGLAS L. Michlink

As Member of The Initial
Board of Directors of The
Homes of Hidden Oaks
Property Owners
Association, Inc.

STATE OF SOUTH CAROLINA

PROBATE

COUNTY OF CHARLESTON

PERSONALLY appeared before me the undersigned witness who made oath that (s)he saw the within named Douglas L. Michlink as a Member of the Initial Board of Directors of The Homes of Hidden Oaks Property Owners Association, Inc., sign, seal and as his Act and Deed, deliver the within written instrument, and that (s)he with the other witness witnessed the execution thereof.

Barbara B. Starks

WITNESS

SWORN to before me this

11th day of May, 1995.

Lisa P. Jones

NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires:

My Commission Expires February 15, 2005

WITNESSES:

Jan L. Pugh

Charlene H. Gantt

James P. Morris
As Member of The Initial
Board of Directors of The
Homes of Hidden Oaks
Property Owners
Association, Inc.

STATE OF SOUTH CAROLINA

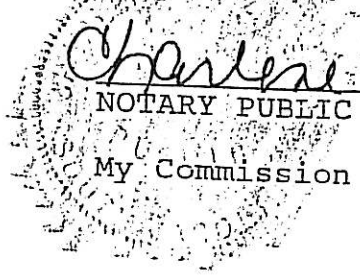
PROBATE

COUNTY OF CHARLESTON

PERSONALLY appeared before me the undersigned witness who made oath that (s)he saw the within named James P. Morris, as a Member of the Initial Board of Directors of The Homes of Hidden Oaks Property Owners Association, Inc., sign, seal and as his Act and Deed, deliver the within written instrument, and that (s)he with the other witness witnessed the execution thereof.

Jan L. Pugh
WITNESS

SWORN to before me this
11th day of May, 1995.



Charlene H. Gantt
NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires: August 1, 2001

WITNESSES:

Mary C. Hackworth

Joseph K. Gunning

Harold W. Noland
As Member of The Initial
Board of Directors of The
Homes of Hidden Oaks
Property Owners
Association, Inc.

STATE OF SOUTH CAROLINA

PROBATE

COUNTY OF CHARLESTON

PERSONALLY appeared before me the undersigned witness who made oath that (s)he saw the within named Harold W Noland, as a Member of the Initial Board of Directors of The Homes of Hidden Oaks Property Owners Association, Inc., sign, seal and as his Act and Deed, deliver the within written instrument, and that (s)he with the other witness witnessed the execution thereof.

Mary C. Hackworth
WITNESS

SWORN to before me this

13 day of July, 1995.

Joseph K Gunning
NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires: 4-22-96

INCORPORATION OF
THE HOMES OF HIDDEN OAKS
PROPERTY OWNERS ASSOCIATION, INC.

- I. DECLARATION AND PETITION FOR INCORPORATION

- II. CONSENT CERTIFICATE
RE: ORGANIZATION OF CORPORATION
 - Schedule A - Bylaws
 - Schedule B - Directors
 - Schedule C - Officers

- III. WRITTEN CONSENT IN LIEU OF AN ORGANIZATIONAL MEETING OF
THE INCORPORATORS OF THE HOMES OF HIDDEN OAKS PROPERTY
OWNERS ASSOCIATION, INC.

- IV. INITIAL ANNUAL REPORT OF CORPORATIONS

- V. AFFIDAVIT OF PUBLICATION

- VI. CERTIFICATE OF INCORPORATION, NONPROFIT CORPORATION

- 2. The real property described in Exhibit 1 attached hereto and incorporated herein by reference is and shall be held, transferred, sold, conveyed, given, donated, leased and occupied subject to said Declaration of Covenants, Conditions and Restrictions for The Homes of Hidden Oaks, dated July 15, 1992 in Book E-216, at Page 454, as amended by this Supplemental Declaration, and shall be held, transferred, sold, conveyed, given, donated, leased and occupied subject to the covenants, restrictions, conditions, easements and affirmative obligations set forth therein.

THIS supplement to the Declaration shall be binding upon the undersigned and their respective heirs, successors and assigns.

IN WITNESS WHEREOF, the Declarant and HODC-II have caused this instrument to be executed the day and year first above written.

WITNESSES:

HIDDEN OAKS DEVELOPMENT CORP.

M. Jeffrey Vignani
Stanley Bejtal

By: Harold W. Noland
 Harold W. Noland, President

HIDDEN OAKS DEVELOPMENT CORP. II

M. Jeffrey Vignani
Stanley Bejtal

By: Harold W. Noland
 Harold W. Noland, President

STATE OF SOUTH CAROLINA)

COUNTY OF CHARLESTON)

PROBATE)

PERSONALLY appeared before me the undersigned witness who made oath that (s)he saw the within HIDDEN OAKS DEVELOPMENT CORP., by Harold W. Noland, its President, sign, seal and as its act and deed, deliver the within written instrument and that (s)he with the other witness witnessed the execution thereof.

M. Jeffrey Vinyan

SWORN TO before me this 4th day of August, 1993.

James Bevilacqua (SEAL)
Notary Public for the State of South Carolina
My Commission Expires: 9/5/2000

STATE OF SOUTH CAROLINA)

COUNTY OF CHARLESTON)

PROBATE)

PERSONALLY appeared before me the undersigned witness who made oath that (s)he saw the within HIDDEN OAKS DEVELOPMENT CORP. II, by Harold W. Noland, its President, sign, seal and as its act and deed, deliver the within written instrument and that (s)he with the other witness witnessed the execution thereof.

M. Jeffrey Vinyan

SWORN TO before me this 4th day of August, 1993.

James Bevilacqua (SEAL)
Notary Public for the State of South Carolina
My Commission Expires: 9/5/2000

PROPERTY DESCRIPTION

ALL those certain lots, pieces or parcels of land, situate, lying and being in the Town of Seabrook Island, County of Charleston, State of South Carolina, known and designated as Lots 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32 and Right-of-Way "C", Right-of-Way "D" and Right-of-Way "E", more particularly shown on that certain plat prepared by Southeastern Surveying, Inc. entitled, "A Conditional Plat of Lots 15 Thru 32, Hidden Oaks Subdivision, Owned by Hidden Oaks Development Corp. II, Located in the Town of Seabrook Island, Charleston County, South Carolina", dated July 6, 1993, revised July 13, 1993, recorded July 21, 1993, in Plat Book CN, at Pages 29 and 30 in the R.M.C. Office for Charleston County, South Carolina.

BEING a portion of the property conveyed to Hidden Oaks Development Corp. II by deed of Yaschik Development Company, Inc., et al., dated July 8, 1993, recorded July 8, 1993 in Book F-229, at Page 665 in the R.M.C. Office for Charleston County, South Carolina.

Portion of TMS #147-09-00-300

DECLARATION AND PETITION FOR INCORPORATION
APPLICATION MUST BE TYPEWRITTEN
DO NOT FILE IN DUPLICATE

The undersigned declarants and petitioners.

NAME	STREET ADDRESS AND CITY
Harold W. Noland	1002-A Landfall Way Seabrook Island, SC 29455
Douglas L. Michlink	1002-A Landfall Way Seabrook Island, SC 29455

being two or more of the officers or agents appointed to supervise or manage the affairs of The Homes of Hidden Oaks Property Owners Association, Inc.

an association which has been duly and regularly organized for the purposes hereinafter to be set forth, do affirm and declare:

That at a meeting of the aforesaid organization, held pursuant to the by-laws or regulations of the said organization, they were authorized and directed to apply for incorporation.

That the said organization holds, or desires to hold, property in common for a Religious, Educational, Social, Fraternal, Charitable or other eleemosynary purpose, or any two or more of said purposes, and is not organized for the purpose of profit or gain to the members, otherwise than as above stated, or for the insurance of life, health, accident or property; and that the three days' notice in the POST AND COURIER

Charleston a newspaper published in the County of Charleston has been given that the aforesaid Declaration would be filed.

(a) Additions By Declarant. During the period of development, which shall by definition extend from the date of this Declaration being filed in the R.M.C. for Charleston County to December 31, 1999, the Declarant shall have the right, without further consent of the Association or any Owner(s) to bring within the plan and operation of this Declaration any property which is contiguous, nearly contiguous or in close proximity to the Property and is owned or acquired by the Declarant or any entity of which Harold W. Noland is a shareholder or partner during the period of development ("**Additional Property**"). Such property may be subjected to this Declaration as one parcel or as several smaller parcels or lots at different times. The additions authorized under this subsection shall be made by filing of record in the R.M.C. Office for Charleston County Supplemental Covenants with respect to the Additional Property which shall extend the operation and effect of the Declaration to such Additional Property, and which, upon filing of record in the R.M.C. Office for Charleston County Supplemental Covenants, shall constitute a part of the Property.

(i) The Supplemental Covenants may contain such complementary additions and/or modifications of the covenants and restrictions contained in this Declaration as may be necessary or convenient, in the sole judgment of the Declarant to reflect the different character, if any, of the Additional Property subjected to, and as are not materially inconsistent with, this Declaration, but such modifications shall have no effect on the Property described in Exhibit A hereto.

(ii) The option reserved under this Section 8.04 may be exercised by Declarant only by the execution of Supplemental Covenants filed of record in the R.M.C. Office for Charleston County, together with a legal description of the Additional Property or such portion or portions thereof as are being added to the Property by such amendment. Any such Supplemental Covenants shall expressly submit the Additional Property or such portion thereof to all or a portion of the provisions of this Declaration, as may be provided therein, and such other covenants, restrictions, conditions and easements as Declarant, in its sole discretion, shall determine.

(b) Other Additions. Upon approval in writing of the Association pursuant to simple majority of the vote of those members present, in person or by proxy, at a duly called meeting, the owner of any property who desires to add it to the plan of this Declaration and to subject it to the jurisdiction of the Association, may file of record in the R.M.C. Office for Charleston County Supplemental Covenants with respect to the property to be added, which shall extend the operation and effect of the covenants and restrictions of the Declaration to such property, thereafter constituting a part of the Property.