

COVENANTS FOR PROPERTIES  
IN THE ISLE OF PALMS BEACH AND RACQUET CLUB

WHEREAS, Isle of Palms Beach and Racquet Club Company, Inc., a corporation organized and existing under the laws of the State of South Carolina, is the owner of certain lands located within Isle of Palms in Charleston County, South Carolina; and

WHEREAS, Isle of Palms Beach and Racquet Club Company, Inc., in accordance with a resolution of its Board of Directors adopted at a duly held meeting, wherein the Officers of the Isle of Palms Beach and Racquet Club Company, Inc., were authorized to make this Declaration and to execute the same on behalf of said Company, now wishes to declare certain restrictive covenants affecting certain lands on Isle of Palms and nearby areas now owned or subsequently acquired by the Company.

NOW THEREFORE, Isle of Palms Beach and Racquet Club Company, Inc., does hereby declare that the covenants contained herein shall be covenants running with the land and shall apply to lands conveyed on Isle of Palms Beach and Racquet Club and nearby areas by deeds hereafter made which make reference to this Declaration of Covenants. The Company reserves in each instance the right to add additional restrictive covenants in respect to said properties to be conveyed, or to limit therein the application of the consolidated uniform covenants contained herein.

ARTICLE I  
DEFINITIONS

The following words are terms when used in this Declaration or any supplemental declaration (unless the context shall clearly indicate otherwise) shall have the following meanings:

(a) "Company" shall mean Isle of Palms Beach and Racquet Club Company, Inc. and its successors and assigns.

(b) "Association" shall mean and refer to Isle of Palms Beach and Racquet Club Community Association, Inc., a South Carolina non-profit corporation, its successors and assigns.

(c) "Club" (Isle of Palms Beach and Racquet Club) shall refer to the lands on the Isle of Palms, South Carolina, which are shown as a part of the Isle of Palms on the Company's Master Development Plan as revised from time to time.

(d) "The Property" shall mean and refer to any lot or tract of land in the Isle of Palms Beach and Racquet Club which have been subjected to these Covenants.

(e) "Lot" shall mean a tract or parcel of subdivided and platted land in Isle of Palms Beach and Racquet Club intended for residential use and which has been subjected to the provisions of these restrictions and covenants by reference in deeds to property issued by the Company.

(f) "Owner" shall mean the original Owner, builder or developer of the Lot, as well as any subsequent Owner of such Lot or a portion thereof, and the Owner of any dwelling unit constructed on said Lot.

(g) "Dwelling Unit" shall mean and refer to any improved property intended for use as a single family dwelling, including without limitation any single family detached dwelling, garden home, (Patio or Zero Lot Line), condominium unit, townhouse unit, cooperative apartment unit, or apartment unit located within the Property.

(h) "Of Record" shall mean recorded in the Register of Mesne Conveyance of Charleston County, South Carolina.

The Covenants and Restrictions below will be referred to as Covenants for Property for Isle of Palms Beach and Racquet Club and will be recorded in the Office of Register of Mesne Conveyance of Charleston County, South Carolina, and may be incorporated by reference in deeds to residential property issued by the Company by reference to the Book and Page of recording.

ARTICLE II  
COVENANTS, RESTRICTIONS AND AFFIRMATIVE  
OBLIGATIONS APPLICABLE TO PROPERTIES IN  
ISLE OF PALMS BEACH AND RACQUET CLUB

The primary purpose of these covenants and restrictions and the foremost consideration in the origin of same has been the creation of a residential and resort community which is aesthetically pleasing and functionally convenient. The establishment of objective standards relating to design, size and location of dwellings and other structures makes it impossible to take full advantage of the individual characteristics of each lot. For this reason such standards are not established hereby.

1. No building, fence or other structure shall be erected, placed or altered nor shall a building permit for such improvement be applied for on any property in Isle of Palms Beach and Racquet Club until the proposed building plans, specifications, exterior color or finish, plot plan (showing the proposed location of such building or structure, drives and parking areas), landscape plan, and construction schedule shall have been approved in writing by the Company, its successors or assigns. Refusal of approval of plans, location or specification may be based by the Company upon any ground, including purely aesthetic conditions, which in the sole and uncontrolled discretion of the Company shall seem sufficient. No alteration in the exterior appearance of any building or structure shall be made without like approval by the Company. Two (2) copies of all plans and related data shall be furnished the Company for its records. In the event approval of such plans is neither granted nor denied within thirty (30) days following receipt by the Company of written demand for approval, the provisions of this paragraph shall be thereby waived.

2. No plans will be approved for a proposed dwelling unit unless it has the minimum required square footage of enclosed dwelling area. Such minimum requirements of each Lot will normally be specified in each sales contract, and expressly stipulated in each deed. The term "Enclosed dwelling area" as used in these minimum size requirements shall mean that total enclosed area within a dwelling unit; provided, however, that such term does not include garages, terraces, decks, open porches, and the like; provided further, that shed-type porches, even though attached to the dwelling structure, are specifically excluded from the definition of the aforesaid term "enclosed dwelling area".

3. In order to protect the natural beauty of the vegetation and topography of the shoreline, marsh edges located throughout the Property, written approval of the Company is hereby required for the removal, reduction, cutting down, excavation or alteration of topographic and vegetation characteristics. Written approval will be granted for the minimum amount of each movement required in plans and specifications approved pursuant to the provisions of paragraph 1 of this Article II.

4. Since the establishment of standard inflexible building setback lines for the location of structures on lots tend to force construction of such building both directly behind and directly to the side of each other with detrimental effects on privacy, views, preservation of important trees, etc., no specific setback lines are established by these covenants with the exception of Patio Home Sites (zero lot line provisions). In order to assure, however, that



location of structures will be staggered where practical and appropriate so that the maximum amount of view and breeze will be available to each Dwelling Unit, that the structures will be located with regard to the ecological constraints and topography of each individual Lot, taking into consideration the elevations of each Lot, the location of large trees and similar considerations, the Company reserves unto itself, its successors and assigns, the right to control absolutely and solely to decide the precise site and location of any building or other structure upon all Lots and every Lot within the Property. Provided, however, that such location shall be determined only after reasonable opportunity is afforded the Owner to recommend a specific site, and provided further, that in the event an agreed location is stipulated in writing in the contract of purchase, the Company shall approve automatically such location for a residence.

5. The exterior of all buildings and other structures must be completed within one (1) year after the construction of same shall have commenced, except where such completion is impossible or would result in great hardship to the Owner or builder due to strikes, fires, national emergency or natural calamities. No structure may be temporarily or permanently occupied until the exterior thereof has been completed.

6. All Lots in Residential Areas shall be used for residential purposes exclusively; provided, however, that use of Multi-Family Dwelling Units for meetings, seminars, or conferences of less than fifty (50) persons shall not be considered a non-residential purpose. No structure or structures shall be erected, altered, placed or permitted to remain on any Lot or subdivision of Lots except as provided for in these covenants and restrictions, or except as provided for in each deed of conveyance, and the said deed shall, in the discretion of the Company, expressly determine and limit the number of condominiums, villas, townhouses, cooperatives, apartments or other residence units or group of such units to a given tract, area or Lot of land, to include height of any and all such structures, and maximum occupancy of both individual units as well as total maximum occupancy or density of all units combined within a given Lot subdivision or complex.

7. On a Single-Family Residential Lot no structure other than one (1) detached Single-Family Dwelling and one (1) small one-story accessory building which may include a detached private garage and/or servant's quarter, provided the use of such dwelling or accessory building does not overcrowd the site and provided further, that such building is not used for any activity normally conducted as a business. Such accessory buildings may not be constructed prior to the construction of the main building. A guest suite or like facility without a kitchen may be included as part of the main dwelling or accessory building, but said suite may not be rented or leased except as part of the entire premises including the main dwelling.

8. It shall be the responsibility of each Owner to prevent the development of any unclean, unsightly or unkept conditions of buildings or ground on such Lot which shall tend to substantially decrease the beauty of the neighborhood as a whole of the specific area.

9. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance, or nuisance to the neighborhood. There shall not be maintained any plants or animals, or device or thing of any sort whose normal activities or existence is in any way noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of other property in the neighborhood by the Owners thereof.

10. In order to implement effective insect, reptile and woods fire control, the Company and its agents have the right to enter upon any property which a building or structure had not been constructed and upon which no landscaping plan has been implemented

(with prior written approval of the Company for such plan), such entry to be made by personnel with tractors or other suitable devices for the purpose of mowing, removing, clearing, cutting or pruning underbrush, weeds, or other unsightly growth, which in the opinion of the Company detracts from the overall beauty, setting and safety for the Property. The cost of this vegetation control shall be paid by the Owner of the Lot. Such entrance for the purpose of mowing, cutting, clearing or pruning shall not be deemed a trespass. The Company and its agents may likewise enter upon such land to remove any trash which has collected on such Lot without such entrance and removal being deemed a trespass. The provisions in this paragraph shall not be construed as an obligation on the part of the Company or the Association, to mow, clear, cut or prune any Lot nor to provide garbage or trash removal services.

11. Owners notify of pending sale and upon sale notify Company of the name and address of the new Owner.

12. No commercial sign, including "For Rent" or "For Sale", and other similar signs, shall be erected or maintained on any Lot by anyone including but not limited to the Owner, a realtor, a contractor or subcontractor, except with the written permission of the Company or except as may be required by legal proceedings, it being understood that the Company will not grant permission for said signs unless their erection is reasonably necessary to avert serious hardship to the property Owner. If such permission is granted, the Company reserves the right to restrict size, color and content of such signs. Property identification and like signs exceeding a combined total of more than two (2) square feet may not be erected without the written permission of the Company.

13. Each Owner shall provide adequate off the street automobile parking for each Dwelling Unit constructed on the Lot prior to the occupancy of any dwelling constructed on said Lot in accordance with reasonable standards established by the Company. No on-the-street parking will be permitted unless authorized by the Company.

14. Prior to the occupancy of a Dwelling Unit, proper and suitable provisions shall be made for the disposal of sewage by connection with the sewer mains of the Company, its licensee, successor or assigns, or if no such main has been constructed in the vicinity of such Lot, then such disposal shall be made by means of a septic tank or tanks constructed on such Lot for the disposal of all sewage and all sewage shall be emptied or discharged into such main or tanks. No sewage or other waste material shall be emptied or discharged into the ocean, any creek, marsh, river, sound, any waterway or beach or shorelines thereof. No sewage disposal system shall be permitted on any Lot nor may any sewage disposal system be used unless such system is designed, located, constructed and maintained in accordance with the requirements, standards and recommendations of the appropriate public health authority. Approval of such system shall be obtained from such authority prior to the use of the system.

15. The Company reserves unto itself, its successors and assigns, a perpetual, alienable and releaseable easement and right on, over and under each Lot to erect, maintain and use poles, wires, cables, conduits, sewers, water mains, and other suitable equipment for the conveyance and use of electricity, telephone equipment, community antenna television service, gas, sewer, water or other public conveniences or utilities on, in or over those portions of each Lot, parcel or tract of land as may be reasonably required for utility line purposes, provided however, that no such utility easement shall be applicable to any portion of such Lot, parcel or tract as may (a) have been used prior to the installation of such utilities for construction of a building whose plans were approved pursuant to these covenants by the Company, or (b) such portion of the Lot, parcel or tract as may be designated as the site for a building on a plot plan for erection of a building which has been filed with the Company and which has been approved in writing by the Company. These easements and rights expressly include the right to cut any trees, bushes or

shrubbery, make any gradings of the soil, or to take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety and appearance. Such rights may be exercised by any licensee of the Company, but this reservation shall not be considered an obligation of the Company to provide or maintain any such utility or service.

16. In addition, the Company reserves unto itself, its successors and assigns a perpetual, alienable and releaseable easement and right on and over and under any property to dispense pesticides and take other action which in the opinion of the Company is necessary or desirable to control insects and vermine, to cut fire breaks and other activities which in the opinion of the Company are necessary or desirable to control fires on any property, or any improvements thereon. Entrance upon property pursuant to the provisions of this paragraph shall not be deemed a trespass.

17. The Company further reserves the right to locate wells, pumping stations and tanks within any portion of the Property provided, however, that should the Owner of any portion of the Property upon which such pumping station, well or tank shall be located be one other than the Company, or the Association, and the applicable plat of Record of such Lot does not designate such property for use as aforesaid, then such pumping station, tank or well shall not be located upon such lot without the permission of such Owner. Such rights may be exercised by any licensee of the Company, but this reservation shall not be considered an obligation of the Company to provide or maintain any such utility or service.

18. No television antenna, radio receiver or sender or other similar device shall be attached to or installed on the exterior portion of any Dwelling Unit or on any Property within the Isle of Palms Beach and Racquet Club without the prior permission of the Company in writing. The provisions of this paragraph shall not apply to Company and/or the Association for the installation of equipment necessary for a master antenna system, CATV and mobile radio systems or other similar systems within the Property.

19. No structure of a temporary character shall be placed upon any Residential Lot at any time, provided, however, that this prohibition shall not apply to shelters or temporary structures used by the contractor during the construction of permanent structures, it being clearly understood that these latter temporary shelters may not, at any time, be used as residences or permitted to remain on the Lot after completion of construction. The design and color of structures temporarily placed on a Lot by contractor shall be subject to reasonable aesthetic control by the Company.

20. No trailer, recreational vehicle, utility trailer, tent, barn, treehouse or other similar outbuilding or structure shall be placed on any Lot at any time, either temporarily or permanently; storage of Boat trailers and Campers are permitted if adequately screened from view.

21. Each Owner shall provide a screened area not generally visible from the road to serve as a service yard and an area for the storage of garbage receptacles and fuel tanks or similar storage receptacles. Plans for such fence delineating the size, design, texture, appearance and location must be approved by the Company prior to construction. Garbage receptacles and fuel tanks may be located outside of such screened area only if located underground.

22. No private water wells may be drilled or maintained on any Lot so long as the Company, its licensee, agents, successors or assigns, plans a water distribution line within one hundred (100) feet of such Lot with an average daily water pressure in such line adequate for normal household use in dwellings served by such distribution line; provided further that such water distribution line must

be completed within the time specified in the Contract of Sale on the Lot. Shallow well pumps may be authorized by the Company for lawn and garden use if tests indicate water is satisfactory.

23. No trees measuring six (6) inches or more in diameter at a point two (2) feet above ground level may be removed without the written approval of the Company.

24. No Lot shall be subdivided, or its boundary lines changed, except with the written consent of the Company. However, the Company hereby expressly reserves to itself, its successors, or assigns, the right to replat any Lot or Lots shown on the plat of any said subdivision in order to create a modified building Lot or Lots; and to take such other steps as are reasonably necessary to make such replatted Lot suitable and fit as a building site to include, but not be limited to, the relocation of easements, walkways, rights of way, roads, bridges, parks, recreational facilities and other amenities to conform to the new boundaries of said replatted Lots, provided that no Lot originally shown on a recorded plat is reduced to a size more than ten (10) percent smaller than the smallest Lot shown on the first plat of the subdivision section of Record.

25. The Company expressly reserves to itself, its agents or assigns, any other provisions in this Declaration notwithstanding the right to build bridges, walkways or fixed spans across any or all natural or man-made canals, creeks or lagoons in the property. Nothing in this paragraph shall be construed as placing an affirmative obligation on the Company to provide or construct any bridge, walkway or fixed span unless such bridge, walkway or fixed span shall be shown and specifically designated on the plat of Record of the subdivision or section of Lots referred to and incorporated in the deed of conveyance to the grantee Owner asserting such affirmative obligation to the grantor Company.

26. Whenever the Company is permitted by these covenants to correct, repair, clean, preserve, clear out or do any action on the property of any Owner or on the easement areas adjacent thereto, entering the property and taking such action shall not be deemed a trespass.

ARTICLE III  
ADDITIONS, LIMITATION, DURATION AND  
VIOLATIONS, OF COVENANTS TOGETHER WITH AFTERWORD

1. All covegants, restrictions, and affirmative obligations set forth in this Declaration shall run with the land and shall be binding on all parties and persons claiming under them to specifically, include, but not be limited to the successors and assigns, if any, of the Company for a period of twenty-five (25) years from the execution date of this Declaration, after which time all said covenants shall be automatically extended for an unlimited number of successive periods of ten (10) years unless an instrument signed by a majority of the then Owners of Lot substantially affected by such change in covenants, has been recorded, agreeing to change said covenants in whole or in part. Unless the contrary shall be determined by a court of equity jurisdiction, "substantially affected" shall mean those Lots shown on (a) the plat showing the Lots to be modified in permitted use by the change, and (b) the plats which subdivided the property immediately abutting the plat described in (a).

2. In the event of a violation or breach of any of the restrictions contained herein by any Owner, or agent of such Owner, the Owners of lots in the neighborhood or subdivision, or any of them, jointly or severally, shall have the right to proceed at law or in equity to compel a compliance to the terms hereof or to prevent the

violation or breach in any event. In addition to the foregoing, the Company and/or the Association shall have the right to proceed at law or in equity to compel a compliance to the terms hereof or to prevent the violation or breach in any event. In addition to the foregoing the Company and/or the Association shall have the right, whenever there shall have been built on any Lot in the subdivision any structure which is in violation of these restrictions, to enter upon such property where such violation exists and summarily abate or remove the same at the expense of the Owner, if after thirty (30) days written notice of such violation it shall not have been corrected by the Owner. Any person entitled to file a legal action for the violation of these covenants shall be entitled to recover reasonable attorney's fees as a part of such action. Any such entry and abatement or removal shall not be deemed a trespass. The failure to enforce any rights, reservations, restrictions, or condition contained in this Declaration, however long continued, shall not be deemed a waiver of this right to do so hereafter as to the same breach, or as to a breach occurring prior to or subsequent thereto and shall not bar or affect its enforcement. The invalidation by any court of any restrictions of these covenants shall in no way affect any of the other restrictions, but they shall remain in full force and effect.

3. The Company reserves in each instance the right to add additional restrictive covenants in respect to lands conveyed in the future in the Property, or to limit therein the application of these covenants, provided that no limitations shall be made applicable to a portion of the Lots in a platted subdivision, with any limitations to this Declaration of Covenants to be applicable only as to subdivisions in which no parcels have been previously conveyed subject to this prior Declaration of Covenants.

4. The Company reserves the right to assign to the Association its right reserved in these covenants to approve (or disapprove) improvements proposed in the Property and nearby areas, including but not limited to the right to approve (or disapprove) plans, specifications, color, finish, plot plan and construction schedules.

5. The Association has established and published certain covenants and land use restrictions affecting properties on Isle of Palms Beach and Racquet Club. Said covenants have been made of record. These Covenants of the Property shall also be subject to the provisions of the said covenants established by the Association.

WITNESS the execution of this instrument this 5th day of April, 1977.

WITNESS

ISLE OF PALMS BEACH AND RACQUET  
CLUB COMPANY, INC.

Ann Tomberlin  
MB

BY Henry T. Finch Pres.

BY Frances R. Finch Assistant  
Sec.

STATE OF SOUTH CAROLINA )

COUNTY OF CHARLESTON )

PERSONALLY appeared before me Ann Tomberlin and made oath that (s)he saw the within ISLE OF PALMS BEACH AND RACQUET CLUB COMPANY, INC. by Henry T. Finch, President and by Frances R. Finch, Assistant Secretary, sign, seal and as the act and deed of the Corporation, deliver



the within written instrument and that (s)he with Michael J. Burkett  
witnessed the execution thereof.

Ann Tomberlin

SWORN to before me this

5th day of April, 1977



(SEAL)

Notary Public for South Carolina  
My Commission Expires: 12/1/79

Filed and recorded April 7, 1977, book B112, page 257, Charleston  
County, S.C.

COVENANTS AFFECTING  
ALL LAKE FRONT LOTS IN  
ISLE OF PALMS BEACH AND RACQUET CLUB

In addition to the Property Covenants, as are evidenced by instrument dated April 5, 1977 and recorded in the R.M.C. Office for Charleston County in Book B-112, Page 257, and instrument dated April 5, 1977 and recorded in said R.M.C. Office in Book B-112, Page 258, the following restrictions and covenants shall be applied to those areas shown as Lake Front Lots on plats within the Isle of Palms Beach and Racquet Club recorded in the Charleston County R.M.C. Office.

1. In order to preserve the natural appearance and scenic beauty of the property along Lake Shores, there is hereby established a construction and clearing restricted zone on all lots fronting on lakes. That portion of any lot located within thirty (30') feet of the natural lake shoreline shall be preserved substantially in its present natural state except for moderate clearing for view and breeze. Construction or improvements and major clearing of trees and underbrush are hereby restricted. Notwithstanding the foregoing, the Company hereby reserves the right to exempt lots or portions of lots from said construction and clearing restrictions in those cases where it, in its sole discretion, determines that such exemption will not materially lessen the natural appearance and scenic beauty of the property or is necessary to protect the shoreline.

2. Owners of lots that border on a lake shoreline may not erect docks or other structures within thirty (30') feet of the shoreline or over the water unless approval is given by the Company. To request Company approval, the lot owner must comply with the following terms and conditions:

(a) Complete plans and specifications including site, color, or finish must be submitted to the Company in writing.

(b) Written approval by the Company of such plans and specifications must be received before any construction can be undertaken. The Company reserves the right in its sole discretion to disapprove such plans and specifications on any grounds, including purely aesthetic reasons.

(c) Written approval of any local, state or federal governmental departments or agencies which have jurisdiction over such construction must be secured by the lot owner.

Any alterations of the plans and specifications of the completed structure must be submitted to the Company in writing and the Company's approval in writing must be similarly secured prior to construction, the Company reserving the same rights to disapprove alterations as it retains for disapproving the original structures.

3. All lot owners who construct docks or other structures near or over the water in accordance with Section 2 above must maintain such structures in good repair and keep them safe, clean, and in orderly appearance at all times. Such owners shall paint or otherwise treat with preservatives all wood or metal located above the natural lake level, and shall maintain such paint and preservatives in an attractive manner. The Company shall be the sole judge as to whether the docks or other structures are safe, clean, and orderly in appearance and properly painted or preserved in accordance with reasonable standards. When the Company notifies the lot owner in

writing that docks or other structures fail to meet acceptable standards, the owner shall remedy such conditions within thirty (30) days to the satisfaction of the Company. In the event the lot owner fails to remedy such conditions, the Company may make the necessary repairs or take such actions as will bring the dock or other structures up to acceptable standards, all such repairs and actions to be at the sole expense of the lot owner.

4. Any boat to be used on lakes in the Beach and Racquet Club must first be approved and registered by the Company and the owner of said boat agrees to abide by rules and regulations relative to boat size, power, operation, docking, etc., as may be established and revised from time to time by the Company.

5. There shall be reserved for the use and benefit of adjacent and second row owners, if any, an easement of view running along the side boundary lines of all lots located on and facing toward a lake shoreline. This easement of view shall extend five (5') feet on either side of the lot boundary line. The purpose of this easement is to enable second row owners to have permanently an open area sufficiently unobstructed to afford a view and direct circulation of breezes. Owners may not erect any fence, wall or other structure that would interfere with this view easement. Agents of the Company, acting at the request of a second row lot owner, may enter onto lakeshore lots and cut or trim trees, limbs, bushes, shrubs, or other obstructions located within such easement area and interfering with the view of a second row owner. This action can only be taken after the expiration of thirty (30) days from the date written notification has been mailed to the lakeshore lot owner. Such clearing maintenance shall be at the expense of the lakeshore lot owner. The Company hereby reserves the right to exempt lots or portions of lots from said easement of view in those cases where it, in its sole discretion, determines such exemption would be in the best interest of the lot owners and/or the Company.

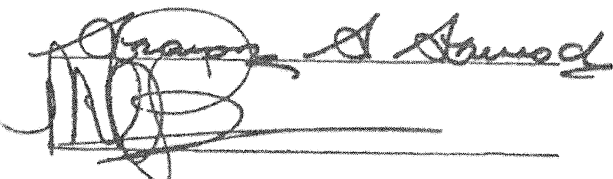
6. Whenever the Company is permitted by these covenants to correct, repair, clean, preserve, clear out or do any action on the property of any owner, or on the easement areas adjacent thereto, entering the property and taking such action shall not be deemed a trespass.



These covenants, when specified in the sales contract and/or deed, become a part and parcel of the Property Covenants of the Isle of Palms Beach and Racquet Club, recorded in the R.M.C. Office for Charleston County, South Carolina in Book B-112, Page 257.

WITNESS the execution hereof, under seal, this  
5th day of September, 1978.

IN THE PRESENCE OF:

ISLE OF PALMS BEACH AND RACQUET  
 CLUB COMPANY, INC.

  
 \_\_\_\_\_

By:  (L.S.)  
 Henry T. Finch, President  
 By:  (L.S.)  
 Frances R. Finch, Asst. Secretary

STATE OF SOUTH CAROLINA       )  
  )  
COUNTY OF CHARLESTON        )

PERSONALLY appeared before me Sharon S. Sherrod  
\_\_\_\_\_ and made oath that (s)he saw the within named ISLE  
OF PALMS BEACH AND RACQUET CLUB COMPANY, INC., by Henry T. Finch,  
its President, and by Frances R. Finch, its Assistant Secretary,  
sign, seal and, as its act and deed, deliver the within written  
instrument, and that (s)he with Michael J. Burkett  
witnessed the execution thereof.

Sharon S. Sherrod

SWORN to before me this  
5th day of September, 1978.

[Signature]  
Notary Public for South Carolina (SEAL)

My Commission Expires: 12/1/79

COVENANTS AFFECTING  
BEACH RESIDENTIAL AREAS IN  
ISLE OF PALMS BEACH AND RACQUET CLUB

In addition to the Property Covenants, the following restrictions and covenants shall be applied to the areas known as Beach Residential Areas.

1. Owners of oceanfront Lots may not remove, reduce, cut down or otherwise lower the elevation of sand dunes and ridges located on the oceanside half of any oceanfront Lot except with the written permission of the Company.

2. There shall be reserved for the use and benefit of adjacent second-row Owners an easement of view running along the side boundary lines of oceanfront Lots for a width of five (5) feet on each side of each oceanfront Lot. It is herein specified that the purpose of this easement is to enable second-row Owners to maintain permanently an open area sufficiently unobstructed to afford a direct view of the ocean and direct circulation of ocean breezes. Owners of oceanfront Lots may not erect any fence, wall or other structure interfering with such easements. Agents of the Company, acting at the request of the Owners of second-row Lots, may enter onto front row Lots and cut or trim any trees, limbs, bushes or shrubs or other obstructions located within such easement areas and interfering with the view of second-row Owners. Such clearing maintenance shall be at the expense of the second-row Owners, except when the easement of view was willfully obstructed by the Owner of an oceanfront Lot or his agent, in which event removal of such obstruction shall be at the expense of the oceanfront Owner who obstructed or authorized the obstruction of the easement of view. Such side boundary line easements of view shall not be applicable, however, to the center dividing line between two Lots combined to form one building site.

3. Whenever the Company is permitted by these covenants to correct, repair, clean, preserve, clear out, or do any action on the property of any Owner, entering the property and taking such action shall not be deemed a trespass.

These covenants, when specified in the sales contract and/or deed, become a part and parcel of the Property Covenants of the Isle of Palms Beach and Racquet Club recorded in the Office of the Register of Mesne Conveyance of Charleston County, South Carolina in Book \_\_\_\_\_, page \_\_\_\_\_.

WITNESS:

ISLE OF PALMS BEACH AND RACQUET  
CLUB COMPANY, INC.

Ann Tomberlin  
MOB

BY Henry T. Finch PRES.

BY Frances R. Finch Assistant Sec.

STATE OF SOUTH CAROLINA )

COUNTY OF CHARLESTON )

PERSONALLY appeared before me Ann Tomberlin and made oath that (s)he saw the within named ISLE OF PALMS BEACH AND RACQUET CLUB COMPANY, INC. by Henry T. Finch, President and by Frances R. Finch,

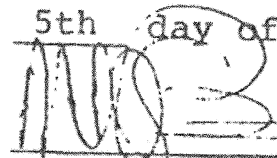


Assistant Secretary, sign, seal and as the act and deed of the Corporation, deliver the within written instrument and that (s)he with Michael J. Burkett witnessed the execution thereof.

Ann J. Burkett

SWORN to before me this

5th day of April, 1977.



\_\_\_\_\_  
Notary Public for South Carolina (SEAL)

My Commission Expires: 12/1/79

Filed and recorded April 7, 1977, book B112, page 259, Charleston County, S.C.

100-4117-227

STATE OF SOUTH CAROLINA )

COUNTY OF CHARLESTON )

AMENDMENT TO RESTRICTIVE COVENANTS

WHEREAS, the ISLE OF PALMS BEACH AND RACQUET CLUB COMPANY, INC., as the owner of approximately 1500 acres of land on the Isle of Palms, placed of record certain Restrictive Covenants affecting portions of that property. Said Restrictive Covenants being evidenced by instrument dated April 5, 1977 and duly recorded in the R.M.C. Office for Charleston County, South Carolina in Book B-112, Page 257; and

WHEREAS, R-S-R CORPORATION is the owner of certain properties to which the Restrictive Covenants apply; and

WHEREAS, ATLANTIC DEVELOPMENT CORP. is the owner of certain properties to which the Restrictive Covenants apply; and

WHEREAS, the SOUTH CAROLINA NATIONAL BANK holds a mortgage over the properties to which said Restrictive Covenants apply; and

WHEREAS, it is the desire of the ISLE OF PALMS BEACH AND RACQUET CLUB COMPANY, INC., R-S-R CORPORATION, and ATLANTIC DEVELOPMENT CORP., with the permission of the SOUTH CAROLINA NATIONAL BANK, to amend the Restrictive Covenants in the following particulars;

NOW, THEREFORE, for and in consideration of the mutual benefits to be derived herefrom, each of the subscribers herein acknowledging receipt and sufficiency of said consideration, the Restrictive Covenants executed by the ISLE OF PALMS BEACH AND RACQUET CLUB COMPANY, INC., dated April 5, 1977 and duly recorded in the R.M.C. Office for Charleston County in Book B-112 Page 257, entitled "Covenants for Properties in the Isle of Palms Beach and Racquet Club", have been and the same hereby are amended in the following particulars:

Paragraph 16 thereof is hereby deleted and inserted in lieu thereof is the following paragraph:

" 16. In addition, the Company reserves unto itself, its successors and assigns a perpetual, alienable and release-able easement and right to dispense pesticides and take other action which in the opinion of the Company is necessary to control insects and vermine, to cut fire breaks and other activities which in the opinion of the Company are necessary to control fires on any property. Entrance upon property pursuant to the provisions of this paragraph shall not be deemed a trespass. "

EXCEPT AS HEREIN EXPRESSLY MODIFIED, said Restrictive Covenants shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed this document under seal this 22 day of Dec, 1977

SIGNED, SEALED AND DELIVERED  
IN THE PRESENCE OF:

ISLE OF PALMS BEACH AND RACQUET  
CLUB COMPANY, INC.

BY: 

BY: 

1117-227

IN THE PRESENCE OF:

R-S-R CORPORATION

L. C. Clark  
M. B.

By: David R. [Signature]

By: [Signature]

ATLANTIC DEVELOPMENT CORP.

[Signature]  
M. B.

By: [Signature]

By: [Signature]

THE SOUTH CAROLINA NATIONAL  
BANK

[Signature]  
[Signature]

By: [Signature]

By: [Signature]

STATE OF SOUTH CAROLINA )

COUNTY OF CHARLESTON )

PERSONALLY appeared before me [Signature] and made oath that (s)he is the owner of the property named ISLE OF PALMS BEACH AND RACQUET CLUB COMPANY, INC., by the above named officer(s), sign, seal and, as its act and deed, deliver the within written Amendment to Restrictive Covenants, and that (s)he with Michael D. [Signature] witnessed the execution thereof.

[Signature]

SWORN to before me this

30 day of Dec., 1978.

M. B. (SEAL)  
Notary Public for South Carolina  
My Commission Expires: 12/1/79

STATE OF SOUTH CAROLINA )

COUNTY OF CHARLESTON )

PERSONALLY appeared before me Michael D. [Signature] and made oath that (s)he is the owner of the property named R-S-R CORPORATION, by the above named officer(s), sign, seal and, as its act and deed, deliver the within written Amendment to Restrictive Covenants, and that (s)he with Foster C. Clark witnessed the execution thereof.

[Signature]

SWORN to before me this

30 day of Dec., 1978.

[Signature] (SEAL)  
Notary Public for South Carolina  
My Commission Expires: 8-31-83

STATE OF SOUTH CAROLINA )  
COUNTY OF CHARLESTON )

W445.227

PERSONALLY appeared before me MICHAEL J. RUKETT  
and made oath that ~~he~~ she saw the within  
named ATLANTIC DEVELOPMENT CORP., by the above named officer and,  
sign, seal and, as its act and deed, deliver the within written  
Amendment to Restrictive Covenants, and that ~~she~~ she with  
Margaret B. Freeman witnessed the execution thereof.

SWORN to before me this

22 day of Dec., 1978.

Abel J. Worley (SEAL)  
Notary Public for South Carolina  
My Commission Expires: 8-31-83

STATE OF SOUTH CAROLINA )  
COUNTY OF CHARLESTON )

PERSONALLY appeared before me Patricia E. Smith  
and made oath that ~~(s)~~ she saw the within named THE SOUTH CAROLINA  
NATIONAL BANK, by the above named officer (s) sign, seal and,  
as its act and deed, deliver the within written Amendment to  
Restrictive Covenants, and that ~~(s)~~ she with Donald B. Berry  
witnessed the execution thereof.

SWORN to before me this

22 day of December, 1978.

Thomas H. Gaillard (SEAL)  
Notary Public for South Carolina

My Commission Expires: OCT. 11 1983  
NOTARY PUBLIC FOR SOUTH CAROLINA  
THOMAS H. GAILLARD

BURKE & RICHARDS  
ATTORNEYS AT LAW  
POST OFFICE BOX 10  
CHARLESTON, S. C. 29402

W117-227

Filed, Indexed and Recorded

Dec 22 1928 - 11:00

Book W117 Page 227

HAZEL B. CROSBY  
ACTING

Register Marine Conveyance  
Charleston County, S. C.



BK U200PG960

STATE OF SOUTH CAROLINA )  
COUNTY OF CHARLESTON )

## ASSIGNMENT

WHEREAS, the Wild Dunes Covenants dated April 5, 1977 and recorded in Book B-112, Page 257, Charleston County RMC Office, as amended, (the "Property Covenants") provide in Article II, Section 1 that no building, fence or other structure shall be erected, placed or altered, nor shall a building permit for such improvements be applied for on any property in Wild Dunes until the proposed building plans, specifications, exterior color or finish, plot plan (showing the proposed location of such building or structure, drives and parking areas), landscape plan, and construction schedule shall have been approved in writing by Wild Dunes Associates, its successors or assigns ("WDA"); and that no alteration in the exterior appearance of any building or structure shall be made without like approval of WDA; and

WHEREAS, Article III, Section 4 of the Property Covenants provides that WDA reserves the right to assign to Wild Dunes Community Association, Inc., (the "Community Association"), its right reserved in the covenants to approve or disapprove improvements proposed in Wild Dunes and nearby areas, including but not limited to the right to approve or disapprove plans, specifications, color, finish, plot plan and construction schedules; and

WHEREAS, subject to the exclusion hereinafter mentioned, WDA wishes to designate as agent and assign to the Community Association its architectural review authority in Wild Dunes and nearby areas under Article II, Section 1 and Article III, Section 4 of the Property Covenants; and

WHEREAS, the covenants and restrictions of Wild Dunes Community Association dated April 5, 1977 and recorded in the Charleston County RMC Office in Book B-112, Page 259, as amended, (the "Community Association Covenants") provide in Article VI, Section 3(j) that the Community Association is authorized to set up and operate an architectural review board in the event that the Community Association is designated by WDA as the agent for such purpose; and

WHEREAS, Article VII, Section 2 of the Community Association Covenants provides that no building, wall, fence, swimming pool, or other structure shall be commenced, erected, or maintained upon the Common Properties, Restricted Common Properties, or Purchased Common Properties nor shall any landscaping be done, nor shall any exterior addition to any existing structure or change or alteration therein, be made until the plans and specifications therefore showing the nature, kind, shape, height, materials and location of the same shall have been approved as to the harmony and compatibility of its external design and location, with the



BK U200P6961

surrounding structures and topography by the Architectural Review Board; and

WHEREAS, the Community Association by and through its duly elected Board of Directors has agreed to accept, effective on and after January 1, 1991, the Assignment of the architectural review authority at Wild Dunes and has created an architectural review board to be known as the Architectural Review Committee having jurisdiction to decide architectural review questions;

NOW, THEREFORE, IN CONSIDERATION of the recitals, and the benefits to be derived, the receipt and sufficiency of which are acknowledged, WDA does hereby set over, transfer and assign unto the Community Association, its successors and assigns the architectural review authority at Wild Dunes and nearby areas as set forth in Article II, Section 1, and Article III, Section 4, of the Property Covenants and Article VII, Section 2 of the Community Association Covenants, effective on and after January 1, 1991, and designates the Community Association as agent for such purpose, subject to the exclusion that WDA shall retain jurisdiction under Article II, Section 1 and Article III, Section 4 of the Property Covenants to approve or disapprove improvements proposed for amenities and operating facilities of WDA, now existing or hereafter constructed, repaired or replaced, including, but not limited to, the Harbor Golf Course and the Links Golf Course facilities, the tennis complex, the Island House (and no-name road adjacent thereto), the Grand Pavilion Board Walk and facilities, the Reception Center, the commercially zoned one-acre parcel south of the main gate, the 41st Avenue commercial tract, the docks, and the parking and landscape areas thereof or adjacent thereto. Further excluded from this Assignment shall be the initial construction and improvement to the residential areas of Morgan's Cove at the Marina and the residential areas of Grand Pavilion, as well as any other area developed by WDA, its successors and assigns, as an architecturally planned community with a common architectural theme. Upon completion of such initial construction of an architecturally planned community, however, architectural review jurisdiction shall vest in the Community Association, its successors and assigns without any further action being required, the same as if such jurisdiction were initially assigned hereunder.

Without limiting the foregoing, the assignment herein shall be applicable to all residential property sold by WDA and its predecessors within the Wild Dunes PRD as well as Waterway Island, Waterway Boulevard, 41st Avenue (5 lots), 44th Avenue (4 lots), 45th Avenue (2 lots) and all lots on 54th through 57th Avenue in and outside of the Wild Dunes entrance gates.



BK 11200PG942

IN WITNESS WHEREOF, Wild Dunes Associates has executed this written instrument this 1st day of January, 1991.

WITNESSES:

Wm. B. Sells  
Darryl M. Myrick

WILD DUNES ASSOCIATES

By: Wm. B. Sells  
 Its: President

STATE OF SOUTH CAROLINA }

COUNTY OF CHARLESTON }

PERSONALLY appeared before me, the undersigned witness, and made oath that (s)he saw the within named Wild Dunes Associates, by its above named officer, sign, seal and as its act and deed deliver the within written instrument, and that (s)he, with the other witness subscribed above, witnessed the execution thereof.

Wm. B. Sells

SWORN to before me this 1st  
 day of February, 1991.

Darryl M. Myrick  
 NOTARY PUBLIC FOR SOUTH CAROLINA  
 MY COMMISSION EXPIRES: 3/13/92

Directions to RMC:

(Trace)  
 Please record this instrument and cross-index with Wild Dunes property covenants recorded in Book 5112, Page 252, and Community Association covenants recorded in Book 5112, Page 259.



RETURN TO:  
KRAWCHAK, WILSON  
287  
CHICK 1.5 1. 20461

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FILED

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91 MAR -4 AM 11:59

ROBERT H. KING  
REGISTER  
CHARLESTON COUNTY SC



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

BK N 315PG670

1000  
B

FILED

N315-666

98 NOV 30 PM 3:13

CHARLIE LYBRAND  
REGISTER  
CHARLESTON COUNTY SC



EX H 315PG666

State of South Carolina )  
 )  
County Of Charleston )

Conditional Assignment of Declarant Rights

WHEREAS, the Covenants for Properties in the Isle of Palms Beach and Racquet Club dated April 5, 1977 and recorded in Book B-112, Page 257, Charleston County R. M. C. Office (the "Initial Property Covenants"), as amended, including that certain amendment entitled "Covenants Affecting All Lake Front Lots in Isle of Palms Beach and Racquet Club" dated September 5, 1978 and recorded in Book X-116, Page 151, Charleston County R.M.C. Office (the "Lake Front Covenants"), and that certain amendment entitled, "Covenants Affecting Beach Residential Areas in Isle of Palms Beach and Racquet Club, recorded April 17, 1977 in Book B-112, Page 259, Charleston County R.M.C. Office (the "Beach Front Covenants"), provide for certain approvals and permissions by the "Company," and its successors and assigns, as the declarant of said instruments (collectively, the "Property Covenants"); and

WHEREAS, the undersigned Lowe Wild Dunes Investors, L.P. ("Lowe") is the successor to the rights of the Company under the Property Covenants pursuant to that certain "Bill of Sale, Assignment of Contract and Lease Rights, and General Closing Agreement" by and between Lowe and Wild Dunes Associates dated March 31, 1992; and

WHEREAS, Lowe is mindful to conditionally assign to the Wild Dunes Community Association, Inc. (the "Community Association") certain of the rights reserved to it as successor to the Company, subject to the exclusions with respect thereto as are hereinafter provided, and the Community Association is agreeable to the said assignment upon the terms and conditions herein provided.

NOW, THEREFORE, IN CONSIDERATION of the recitals and the benefits to be derived, the receipt and sufficiency of which are hereby acknowledged, Lowe does hereby set over, transfer and assign onto the Community Association, its successors and assigns the rights of approval, permission, authorization, decision, control, and entry set forth in the provisions of the Property Covenants hereinafter listed (the "Assigned Declarant Rights"), subject, nevertheless, to the reservation of its said rights under the terms and conditions hereinafter provided (the "Reserved Rights").

1. Assigned Declarant Rights. The Assigned Declarant Rights, subject to the Reserved Rights of Lowe hereinafter provided, are set forth in the following Property Covenants:

- (a) Initial Property Covenants: Article II, Sections 3, 4, 10, 11, 12, 13, 19, 21, 23, 24, 25, and 26.
- (b) Lake Front Covenants: Paragraphs 1, 2, 3, 4, 5 and 6.
- (c) Beach Front Covenants. Paragraphs 1, 2 and 3.

2. Lowe's Reserved Rights. Lowe, for itself, its successors and assigns, hereby reserves the Assigned Declarant Rights under the following circumstances and conditions:



(a) Lowe Amenities, Operating Facilities and Residential Development. The said Assigned Declarant Rights, exercisable exclusively by it, in approving, granting permission or authorization, deciding, controlling, and having such entry under the Assigned Declarant Rights with respect to improvements proposed for amenities and operating facilities of Lowe and its successors and assigns, now existing or hereafter constructed, repaired or replaced, including, but not limited to, the Harbor Golf Course and the Links Golf Course facilities, the tennis complex, the Island House (and the no-name road adjacent thereto), the Grand Pavilion Boardwalk and facilities, the Grand Pavilion Inn, the Reception Center, the commercially zoned one-acre parcel south of the main gate, and the parking and landscape areas thereof or adjacent thereto; and with respect to the initial construction and improvement to residential areas developed by Lowe, its successors and assigns.

(b) Properties Adjacent to Lowe Amenities and Operating Facilities. The right to, concurrently with the Community Association, exercise the Assigned Declarant Rights to approve, grant permission or authorization, decide, control, and have such entry with respect to any third party property located adjacent to or within the direct line of sight of and clearly visible from any amenities or operating facilities of Lowe and its successors and assigns, now existing or hereafter constructed, repaired or replaced, including, but not limited to, the Harbor Golf Course and the Links Golf Course facilities, the tennis complex, the Island House (and the no-name road adjacent thereto), the Grand Pavilion Boardwalk and facilities, the Grand Pavilion Inn, the Reception Center, the commercially zoned one-acre parcel south of the main gate, and the parking and landscape areas thereof or adjacent thereto. In the event the Community Association is requested, or on its own determines, to exercise one or more of the Assigned Declarant Rights with respect to such a third party property, it shall first give written notice thereof to Lowe, together with copies of pertinent requests and information with respect thereto as will afford Lowe a reasonable opportunity to investigate the matter and arrive at a decision as to whether it wishes to first exercise the applicable Assigned Declarant Right. Upon the failure of Lowe to respond in writing to the Community Association within ten (10) business days following the Community Association's said notice, Lowe shall be deemed to have waived the right to exercise the applicable Assigned Declarant Right as to the matter set forth in the Community Association's notice and reflected in its delivered document copies. If the matter involves an event or circumstance, Lowe's waiver with respect thereto shall not be deemed a waiver of any subsequent occurrence of the same or similar event or circumstance. In the event any approval, permission or authorization, decision, control or entry under the Assigned Declarant Rights by Lowe is in conflict with that of the Community Association in exercising said Assigned Declarant Rights, as limited hereby, the approval, permission or authorization, decision, control and entry by Lowe shall control and take precedence over the Community Association.



GX N 315PG668

IN WITNESS WHEREOF, this Limited Assignment of Declarant Rights is executed by Lowe and the Community Association the day and year next following their respective signatures.

WITNESSES:

[Signature]  
[Signature]

LOWE:

LOWE WILD DUNES INVESTORS, L.P.

BY: Destination Wild Dunes, Inc.  
Its: General Partner

By: [Signature]  
Its: Vice President

11/19/98  
Date of Execution by  
Lowe Wild Dunes Investors, L.P.

WITNESSES:

[Signature]  
[Signature]

COMMUNITY ASSOCIATION

WILD DUNES COMMUNITY ASSOCIATION, INC.

BY: [Signature]  
Title: PRESIDENT

11/19/98  
Date of Execution by  
Wild Dunes Community Association, Inc.

STATE OF SOUTH CAROLINA )

COUNTY OF CHARLESTON )

ACKNOWLEDGMENT

I, [Signature], a notary public for South Carolina, do hereby  
certify that Bob Van Buren as Vice President  
of Destination Wild Dunes, Inc., General partner of Lowe Wild Dunes Investors, L.P., personally  
appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and seal this 11<sup>th</sup> day of November, 1998.

[Signature] (SEAL)  
Signature of Notary Public

My commission expires: 7/11/99

BK N 315PG669

STATE OF SOUTH CAROLINA )  
COUNTY OF CHARLESTON )

ACKNOWLEDGMENT

I, James H. Hatcher, a notary public for South Carolina, do hereby  
certify that BRADLEY JOHNSON as PRESIDENT  
of Wild Dunes Community Association, Inc. personally appeared before me this day, and  
acknowledged the due execution of the foregoing instrument.

Witness my hand and seal this 11<sup>th</sup> day of November, 1998.

James H. Hatcher (SEAL)  
Signature of Notary Public

My commission expires: 7/11/99



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

BK N 315PG670

1000  
B

FILED

N315-666

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CHARLIE LYBRAND  
REGISTER  
CHARLESTON COUNTY SC