

**DECLARATION  
OF  
CONDOMINIUM  
OF  
OUTDOOR RESORTS  
RV RESORT AND  
YACHT CLUB**

*COPY OF 1981 ORIGINAL*

**EXHIBIT "A"**

DECLARATION OF COVENANTS AND RESTRICTIONS  
FOR OUTDOOR RESORTS, R.V. RESORT  
AND YACHT CLUB

AND

PROVISIONS FOR THE R.V. RESORT AND YACHT CLUB,  
OWNERS' ASSOCIATION, INC.

THIS DECLARATION made by Outdoor Resorts, R. V. Resort and Yacht Club, a South Carolina General Partnership, hereinafter called the "Developer".

WITNESSETH:

WHEREAS, Developer has acquired certain property situate on Hilton Head Island, Beaufort County, South Carolina, more fully described in Deed Book 325 at Page 939 in the Office of the Clerk of Court for Beaufort County, South Carolina; and

WHEREAS, the Developer seeks to restrict said property to the use of a recreational vehicle resort and yacht club;

WHEREAS, the Developer desires to provide for the preservation of certain values and amenities for said property, and, to this end, desires to subject the real property described in Exhibit "A", together with all additions (hereinafter referred to as the "Property") as may be made to the covenants, restrictions, easements, affirmative obligations, charges and liens, hereinafter set forth and all of which is and hereby declared to be for the benefit of said property and each and every Owner of any and all parts thereof (a copy of Exhibit "A" is attached hereto and made a part hereof);

WHEREAS, the Developer deems it desirable, for the efficient preservation of the values and amenities in said property to create an Association to which should be delineated and assigned the power and authority of maintaining and administering the Common Properties and administering and enforcing the covenants and restrictions governing the same and collecting and disbursing all Assessments, and charges necessary for such maintenance, administration and enforcement, as hereinafter created;

Beaufort County Tax Map Reference  
Map 6 Parcel 1A Blk 500  
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WHEREAS, the Developer will cause to be incorporated under the laws of the State of South Carolina a non-profit corporation, R. V. Resort and Yacht Club, Owners' Association, Inc. for the purpose of exercising the functions aforesaid, and which are hereinafter more fully set forth; and

WHEREAS, it is the purpose and intention of the Developer to convey certain sections of the aforesaid property to individual purchasers subject to the terms and conditions of this Declaration.

NOW, THEREFORE, all provisions of this Declaration shall be construed as covenants running with the land and of every part thereof and interest therein, including but not limited to, every Lot and appurtenances thereto, and every Lot Owner and claimant of the property or any part thereof or any interest therein, and his heirs, executors, administrators, successors, and assigns, shall be bound by all of the provisions of said Declaration.

I Definitions. As used in this Declaration, the following definitions shall prevail:

1.1 Declaration shall mean these restrictive covenants relative to the property described in Exhibit "A" herein and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina.

1.2 Association shall mean R. V. Resort and Yacht Club, Owners' Association, Inc., a nonprofit corporation, and its successors, the entity responsible for the operation of the Property for the benefit of the members of the Association. The Association shall have all powers and duties granted to or imposed upon it by this Declaration and the By-Laws of the Association.

1.3 Common Property or Common Properties shall mean and refer to those areas of land which are deeded to and/or leased to the Association and designated in said Deed and/or lease as "Common Property". The term "Common Property" shall also include any personal property acquired by the Association. All "Common Property" is to be devoted to and intended for the common use and enjoyment of the Lot Owners, their families, guests, invitees, servants, lessees and persons over whom they exercise

control and supervision, subject to the fee schedules and operating rules adopted by the Association. The "Common Property" includes, but is not limited to, the following: the water distribution system, the sewage collection system, the electrical distribution system, the road within the Property, pathways, as shown on Exhibit "A", bathhouses, recreation facilities in the recreation area, parking areas, drainage facilities, swimming pool, tennis courts and any other areas which are for the common benefit and enjoyment of the owners of Lots and which are conveyed or leased as "Common Property".

1.4 Common Expenses shall mean the expenses for which the Lot Owners are liable to the Association.

1.5 Common Surplus shall mean the excess of all receipts of the Association, including, but not limited to assets, rents, profits, and revenues on account of the Common Properties, over the amount of Common Expenses.

1.6 Assessment shall mean a share of the funds required for the payment of the Common Expenses which from time to time is assessed by the Association against the Lot Owner.

1.7 Lot or Lots shall mean and refer to any plot of land as shown on Exhibit "A" with the exception of Common Property and Property Reserved by the Developer, and which is subject to individual ownership. All Lots are numbered on Exhibit "A" as Lots 1 through 200. Any plot of land shown on Exhibit "A" which does not have a number designation shall not be considered a Lot.

1.8 Lot Owner or Lot Owners shall mean and refer to the record Owner, whether one or more persons, firms, associations, partnerships, corporations, or other legal entities, in the fee simple title to any Lot as defined in Paragraph 1.7 above, but the term "Owner" shall not mean and refer to any lessee or tenant of the Owner.

1.9 Occupant shall mean the person or persons, other than the Lot Owner, in possession of the Lot.

1.10 Recreational Vehicle shall mean those vehicles including tent-type folding trailers, pick-up campers, modern travel trailers, motor homes and other similar types of camping trailers and equipment that are mobile. Not included in this definition of Recreational Vehicle are folding tents not mounted on wheels and park model travel trailers.

1.11 Service Vehicles shall mean those vehicles used in connection with the general maintenance of the properties, those vehicles used in transporting the owners of recreational vehicles, their families, guests, invitees, servants, lessees and persons over whom they exercise control and supervision, those vehicles used by employees, agents, staffs and officers of Outdoor Resorts, R. V. Resort and Yacht Club, a South Carolina General Partnership, Outdoor Resorts Realty Company, Inc. and Outdoor Resorts of America, Inc. for the general management and sales of the Lots and any contiguous property which may be owned by the Declarant.

1.12 Properties Retained by Developer shall mean properties shown and described as Retained Properties on Exhibit "A".

1.13 By-Laws shall mean the By-Laws of the R. V. Resort and Yacht Club, Owners' Association, Inc., a copy of which is attached to this Declaration as Exhibit "B" and thereby made a part hereof.

II Easement. The Developer reserves for itself, its successors, assigns, agents, employees, business and other invitees, guests or others under the supervision, direction and control of the Developer, its successors and assigns, for a term of ninety-nine (99) years, a non-exclusive easement over, through and across the Property, which easement may not be amended or revoked, which easement shall include the following easements:

(a) Utilities. Easements are reserved as may be required for the entrance upon, construction, maintenance and operation of utility services to adequately serve the Property, including, but not limited to, the installation of Cable Television System lines, mains (water and sewer systems), electrical power lines and such other equipment as may

be required throughout the Property, it being expressly agreed that Developer or the utility company making the entry shall restore the Property as nearly as practicable to the condition which existed prior to commencement of construction of such utility. In addition, easements are reserved for such further utility easements over and across the Property as may be required from time to time to service the Property.

(b) Encroachments. In the event that any Lot shall encroach upon any of the Common Property or upon any other Lot for any reason other than the intentional or negligent act of the Lot Owner, or in the event any Common Property shall encroach upon any Lot, then an easement shall exist to the extent of that encroachment for so long as the encroachment shall exist.

(c) Pedestrian and Vehicular Traffic. An easement shall exist for pedestrian traffic over, through and across sidewalks, paths, walks, lanes and other portions of the Common Property as may be from time to time intended and designated for such purpose and use; and for the vehicular traffic over, through and across such portions of the Common Property as may be from time to time paved and intended for such purposes and such easement shall be for the use and benefit of the Lot Owners and those claiming by, through or under the aforesaid; provided, however, nothing herein shall be construed to give or create in any person the right to park upon any portion of the Property except to the extent that space may be specifically designated and assigned for parking purposes.

(d) Drainage. Easements are reserved as may be required for the proper drainage as may be required throughout the Property.

III Interest in Common Properties. Each of the Lot Owners shall own an undivided interest in the Common Property. The fee title to each Lot shall include both the Lot and the undivided interest in the Common Property and Common Surplus.

A Lot Owner is entitled to the exclusive possession of his Lot subject to the provision of this Declaration. Such Lot Owner shall be entitled to use the Common Property in accordance with the purposes for

which they are intended, but such use may not hinder or encroach upon the lawful rights of other Lot Owners. Each Lot Owner shall also hold membership in the Association and an interest in the funds and assets held by the Association. Membership of each Lot Owner in the Association shall be acquired pursuant to the provision of the Articles of Incorporation of the Association and By-Laws of the Association.

IV Common Expenses and Common Surplus. The Common Expenses of the Association shall include the expenses of the operation, maintenance, repair or replacement of the Common Property, cost of carrying out the powers and duties of the Association and any other expense designated as Common Expense by the Association. Each Lot Owner shall be responsible and liable for an equal share of the Common Expenses regardless of the purchase price, size or location of the Lot. Developer will maintain, at its own expense, unsold Lots, which Lots will not be subject to maintenance fees, assessments and the like until sold. Each Lot Owner shall be liable for 1/200<sup>th</sup> share of the Common Expenses. Common Surplus is owned by the Lot Owners in the same shares as their ownership interest in the Common Property as set forth above. Provided, however, a share in the Common Surplus does not include the right to withdraw or require payment or distribution of the same except as otherwise set forth herein.

V Maintenance, Alteration and Improvement. Responsibility for the maintenance of the Property and restriction on the alteration and improvement thereof shall be as follows:

5.1 Common Property. The maintenance and operation of the Common Property shall be the responsibility of the Association and expense associated therewith shall be designated as Common Expense. After the completion of the improvements, including the Common Property contemplated by this Declaration, there shall be no alteration or further improvement of the real property constituting the Common Property without prior authorization by the Board of Directors of the Association, and ratified by the affirmative vote of Lot Owners casting not less than seventy-five percent (75%) of the total votes of the members of the Association present at any regular or special meeting of the Lot Owners

called for that purpose. The cost of the foregoing shall be assessed as Common Expenses. There shall be no change in the shares and rights of Lot Owners in the Common Property altered or further improved whether or not the Lot Owner contributes to the cost of such alteration or improvements.

5.2 Individual Lot or Lots. The responsibility of the Lot Owner shall include, but not be limited to, the maintenance and repair of such Owner's Lot in the condition when first platted and improved. Subject to the other provisions of this paragraph, which in all cases shall supersede and have priority over the provision of this subparagraph when in conflict therewith, a Lot Owner may make such alterations or improvements to his Lot at his sole and personal cost as may be advised provided all work shall be done without disturbing the rights of other Lot Owners and further provided that a Lot Owner shall make no changes or alterations to his Lot without first obtaining approval in writing of the Board of Directors of the Association.

5.3 Contracts. The Board of Directors of the Association may enter into a contract with any firm, person or corporation for the maintenance and repair of the Property. The Board may likewise enter into a contract with the owners of any public or private utility for the furnishing of such services as electricity or sewage disposal to the Property.

VI Assessments.

6.1 The Association, through its Board of Directors, shall have the power to fix and determine, from time to time, a sum or sums necessary and adequate to provide for the Common Expenses of the Property and such other assessments as are specifically provided for in this Declaration and the By-Laws attached. The procedure for determining such assessments shall be as set forth in the By-Laws of the Association.

6.2 Assessments shall commence on the Lots sold by the Developer when the purchaser takes possession of the Lot or upon the closing of the sale, whichever is first. The Common Expenses shall be assessed against each Lot Owner as provided for in Paragraph III of this Declaration.



6.3 Assessments and installments thereon that are unpaid for over ten (10) days after the due date shall bear interest on the unpaid balance and until paid at the highest rate provided by law.

6.4 The Association shall have a lien on each Lot for any unpaid assessments, together with interest thereon, against the Lot Owner of such Lot, provided, that said lien on a Lot shall be subordinate to the lien of any first mortgage. Reasonable attorneys' fees incurred by the Association incident to the collection of assessments or the enforcement of such liens, together with all sums advanced and paid by the Association for taxes and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien shall be payable by the Lot Owner and secured by such lien. The Association may take such action as they deem necessary to collect assessments by personal action, or by enforcing and foreclosing said liens, and may; settle and compromise the same, if in the best interest of the Association. In case of such foreclosure, Lot Owners shall be required to pay reasonable rental for the Lot and the Association shall be entitled to the appointment of a receiver to collect same from the Lot Owner.

VII Rental of Lots. The Developer shall have for a period of ninety-nine (99) years from the date of this Declaration the exclusive right, in the absence of use by the Owner or his registered and approved guest, to rent Lots which are a part of the Declaration at scheduled rates promulgated from time to time by the Developer. The Developer shall retain for its services Fifty Percent (50%) of the gross amount of rental collected on any Lot with the remaining Fifty Percent (50%) reserved for the benefit of the Lot Owner. As partial consideration for the aforesaid, the Developer shall undertake an advertising program to promote the rental of said Lots, both those Lots owned by the Developer and those Lots owned by other Lot Owners. A person cannot qualify as a guest of the Lot Owner if he pays any charge or fee to the Lot Owner, directly or indirectly, for the privilege of occupying the Lot. Any such charge or fee constitutes prohibited rental no matter if the same

should be called a "contribution", "voluntary gift", "reimbursement for lot expenses", or the like, and would be in violation of this paragraph. This exclusive right of the Developer to rent Lots which are a part of this Declaration shall be binding on each Lot Owner, his agents, representatives, successors, assigns, servants, and employees and any persons working in concert with him, directly and indirectly, and such exclusive right is a covenant running with the land of each Lot for the term of ninety-nine (99) years. The Association and Lot Owners recognize and hereby specifically agree to the rights granted to the Developer herein, which rights being exclusive in nature essential to the preservation of the integrity of the overall rental program administered by the Developer. The Association and Owners being cognizant of the need for consistent administration and uniform promotion and maintenance of the Developer's image as a leader in the recreation vehicle industry, hereby acknowledge that the right of the Developer set forth in this Paragraph constitutes the essence of the Developer's agreement with the Association as set forth in this Declaration. The Association and Owners further recognize that the intention of this Declaration is to create and maintain a luxury recreation vehicle resort in which there are not permanent or semipermanent structures on Lots and in which the Lots, in the absence of use by the Owner or his designated and approved guest, are to be made available for rental by the Developer as set forth above. This entire paragraph is not subject to amendment in any way whatsoever without the prior written consent of the Developer.

VIII Use and Occupancy.

8.1 It is the specific intent of this Declaration to create and maintain a luxury resort for recreation vehicles and to prohibit permanent or semi-permanent structures as well as any structure or vehicle which is used as, or designed for use as, permanent living quarters on any Lot. In that regard, all Lots which are designated on Exhibit "A" shall be reserved and restricted for recreation campsites and camping vehicles, including within such category, tent-type folding trailers, pick-up campers, modern travel trailers, motor homes and other

similar types of camping trailers and equipment that are mobile. Not included within such classification shall be folding tents not mounted on wheels, and park model travel trailers. Lot Owners, their guests, successors and assigns are prohibited from erecting or placing on any Lot any permanent or semi-permanent structure or any vehicle which is designed as permanent living quarters, which prohibited structures include, without limitation, the following: (a) screen rooms, carport, metal awnings or any type of permanent extended overhang; (b) travel trailers longer than thirty-five (35) feet or wider than eight (8) feet in their fully installed condition (which eight (8) feet includes tipouts or slideouts) or which are not self-contained (permissible structures must include own water supply, holding tank) notwithstanding that any county, state or federal government or agency identifies or licenses such trailers prohibited hereunder as "recreation vehicles"; (c) mobile homes; (d) any structure which cannot be transported within the pulling vehicle or the vehicle installed on the Lot itself; (e) any structure placed on the Lot on blocks, or other supports which are permanent or semi-permanent in nature or any structure with removed hitches; (f) any structure not intended to be temporary, that is, any structure intended not to be readily movable; and (g) any structure designed, intended or used as permanent living quarters. Provided, this paragraph is not intended to prohibit or limit the utilization of otherwise permissible recreation vehicles as described above which might also ancillary have to utilize sewer and water facilities provided at the Lots. It is the declared intent of the Developer to exclude mobile homes from being placed on any Lot, and to create and maintain an area designated for maximum beauty and benefit of campers. Provided, further, that tables, benches, fireplaces and grills may be erected, but no personal property except as provided immediately above shall be permitted to remain where it can be seen by other Lot Owners or visitors to the area, except when the Lot is actually in use; provided further, however, that the foregoing shall not apply to any permissible vehicle or trailer which may be allowed to remain on the Lot even though not in use. There

is prohibited the construction and maintenance of fences and radio and TV antennas on the Lots. Only one (1) permissible camping vehicle may be located or maintained on each Lot. Storage structures as approved by the Developer in writing may be placed on each Lot.

8.2 No animals or fowl shall be kept or maintained on the Lots or in the Property except customary household pets, and then, only on a leash. No signs of any kind shall be displayed on any Lot without the prior written consent of the Association and Developer or its successors or assigns.

8.3 An easement of ten (10) feet in width is reserved along each of the boundary lines of each Lot for installation and maintenance of utility services, and such easement may be used by the Developer or its successors and assigns for such installation and maintenance, as the case may be.

8.4 No outside toilet shall be installed or allowed on any Lot. Developer has or will install usable and adequate sanitary facilities as provided by the laws of the State of South Carolina.

8.5 No nuisance shall be allowed upon the Property nor any use or practice which is the source of annoyance to Lot Owners, guests, lessees or other users of the Property, or which interferes with the peaceful possession or proper use of the Property. All parts of the Property, including each Lot and trailers thereon, shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage shall be allowed to accumulate nor any fire hazard allowed to exist.

8.6 No commercial activity of any kind whatsoever shall be conducted on or from any Lot on the Property. However, the foregoing shall not prevent Developer from designing certain areas in the Property for commercial use, including use of a rental office operated by the Developer pursuant to Paragraph VII above. Lot Owners are prohibited from placing "for sale" signs anywhere on their Lot.

8.7 The Association shall levy and collect a reasonable monthly assessment from Lot Owners sufficient to cover each Lot Owner's proportionate share of the actual cost of operating and maintaining all common use property and facilities, providing water, electricity and

garbage disposal service, sewage service, general maintenance and carrying out of the duties of the Association. The Association shall also include in the assessment so made the sum adequate to pay all real property taxes on the Common Property. The collection of these sums shall be provided for in an adequate manner to assure the necessary maintenance.

8.8 The Lot Owner shall not permit or suffer anything to be done or kept on his Lot which will increase the rate of insurance on the Property or which will obstruct or interfere with the rights of other Lot Owners or annoy them by unreasonable noises, or otherwise; nor shall any Lot Owner commit or permit any nuisance, immoral or illegal act in or about the Property.

8.9 No person shall use the Common Elements or any part thereof in any manner contrary to or not in accordance with such rules and regulations pertaining thereto as from time to time may be promulgated by the Association, subject to the right of the Developer to approve such rules and regulations.

8.10 If any person violates or attempts to violate any of the covenants or restrictions of this Declaration, any Lot Owner, the Association or Developer may bring any proceeding at law or at equity against the person violating or attempting to violate any such covenant or restriction and either prevent such Lot Owner from so doing or to recover costs of the suit and reasonable attorneys' fees. Any invalidation of any of these covenants and restrictions shall in no way affect any other of the provisions hereof which shall remain in full force and effect.

8.11 Other reasonable rules and regulations governing use and occupancy and which do not alter or are not in contravention of any of the foregoing provisions may be made and amended from time to time by the Association, without the prior written consent of the Developer, in the manner provided by its Articles and By-Laws.

8.12 Neither the Lot Owners nor the Association nor their use of the Property shall interfere with the completion of the contemplated improvements or sale of said Lots by Developer. The Developer may make

such use of the unsold Lots and the Common Property as may facilitate such completion and sale including, but not limited to, maintenance of a sales office, display sale signs, showing the Lots for sale to prospective purchasers, and renting of uncommitted Lots to the camping public.

IX Insurance.

9.1 Liability Insurance. The Board of Directors of the Association shall obtain public liability and property damage insurance covering all of the Common Property and the Lots and insuring the Association and the Lot Owners as it and their interests appear, and in such amount as the Board of Directors of the Association may determine from time to time. Said insurance shall include, but not limit the same, to water damage, if available, legal liability, hired automobile, non-owned automobile and off the premises employee coverages. All liability insurance shall contain cross-liability endorsement to cover liabilities of the Lot Owners as a group to a Lot Owner. Premiums for the payment of such insurance shall be paid by the Association and charged as a Common Expense.

9.2 Casualty Insurance. The Association shall obtain fire and extended coverage insurance and vandalism and malicious mischief insurance insuring all of the insurable improvements within the Property, including personal property owned by the Association, in and for the interest of the Association, all Lot Owners and their mortgagees, as their interests may appear, in a company acceptable to the standards set by the Board of Directors of the Association and in an amount equal to the maximum insurable replacement value as determined annually by the Board of Directors of the Association. The premium for such coverage and any other expenses in connection therewith shall be paid by the Association and charged as a Common Expense. The company or companies with whom the Association shall place insurance coverage as provided in this Declaration shall be good and responsible companies authorized to do business in the State of South Carolina.

9.3 All policies purchased by the Association shall be for the benefit of the Association, all Lot Owners and their mortgagees, if any, as their interest may appear. It shall be presumed that the first monies disbursed in payment of cost of repair and restoration shall be made from the insurance proceeds and if there is a balance in the funds after payment of all costs of the repair and restoration, such a balance shall be distributed to the Association's general fund. Any repair and restoration must be substantially and in accordance with the plans and specifications for the original improvements or according to the plans approved by the Board of Directors of the Association, which approval shall not be unreasonably withheld. Such other insurance shall be carried as the Board of Directors of the Association shall determine from time to time to be desirable. Each individual Lot Owner shall be responsible for purchasing at his own expense any additional liability insurance as he may deem necessary to cover accidents occurring upon his own Lot and for the purchasing of insurance upon his own personal property.

9.4 Reconstruction or Repair after Casualty. If any part of the Property shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined in the following manner:

(a) If the damaged improvement is a Common Element, the same shall be reconstructed or repaired by the Association subject to the following provisions.

(b) When the Association shall have the responsibility of reconstruction or repair, prior to the commencement of reconstruction and repair, the Association shall obtain at least three (3) reliable and detailed estimates of the cost to repair or rebuild.

(c) If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction and repairs by the Association or at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for

payment of the cost of reconstruction and repair are in sufficient, assessment shall be made against the Lot Owners in sufficient amounts to provide funds for the payment of such cost. Such assessments on account of damage to Common Property shall be in proportion to the Owner's share in the Common Property.

X Compliance and Default. Each Lot Owner shall be governed by and shall comply with the terms of this Declaration, the By-Laws and the Rules and Regulations adopted pursuant thereto. Failure of the Lot Owner to comply therewith shall entitle the Association, other Lot Owners, or the Developer, as the case may be, to the following relief in addition to other remedies provided in this Declaration, the By-Laws and the laws of the State of South Carolina.

(a) The Association, Developer and appropriate employees, pursuant to authorization from the Board of Directors, are hereby empowered to enforce this Declaration, By-Laws, rules and regulations of the Association.

(b) A Lot Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his acts, negligence or carelessness or by that of any member of his family, his lessees, or his or their guests, invitees, employees, or agents, but only to the extent that such expense are not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of a Lot or its appurtenants, or of the Common Property.

(c) In any proceeding arising because of an alleged failure of a Lot Owner to comply with the terms of this Declaration, By-Laws, rules and regulations adopted pursuant thereto, and said documents as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding, including reasonable attorneys' fees, as they may be awarded by the court, including in actions brought by the Developer to enforce such documents.



(d) The failure of the Developer, the Association, or any Lot Owner to enforce any covenant, restriction of this Declaration, te By-Laws or the rules and regulations adopted pursuant thereto shall not constitute a waiver of the right to do so thereafter.

XI Developer's Retention of Interest. The Developer may retain ownership of certain land within the Property. If such land is retained, the Developer intends to erect thereon certain buildings for use as office, laundry, marina or other commercial uses as in its opinion Developer deems supportive for the operation of the camping resort. It is agreed that such ownership and individual operation is separate and apart from the Property and the Developer agrees to pay reasonable charges for the Developer's use of water, electricity, sewage use and other facilities. Without further charge, Developer has the right of use of the Common Property for access over and above the Owners' Developer also has the responsibility of placing its own insurance, both as to liability, property damage and all other kinds of insurance that it so desires. However, the said office, laundry, marina or other commercial facilities shall not be a part of the Property, but remains the property of the Developer or its successors and assigns. This Paragraph may not be amended without the prior written consent of the Developer.

XII Miscellaneous.

12.1 The Lot Owners agree that if any portion of a Lot or Common Property encroaches upon another, a valid easement for the encroachment and maintenance of same shall and does exist, so long as it stands.

12.2 No Lot Owner may exempt himself from liability for his contribution toward the Common Expenses by waiver of the use and enjoyment of any of the Common Property, or by the abandonment of his Lot.

12.3 All provisions of this Declaration and Exhibits attached hereto and amendments thereof shall be covenants running with the land and of every part thereof and interest therein including, but not limited to, every Lot and appurtenants thereto and every Lot Owner and claimant

of the Property or any part thereof or of any interest therein and his heirs, executors, administrators, successors and assigns, shall be bound by all the provisions of said Declaration and Exhibits annexed thereto and amendments thereof.

12.4 If any provisions of this Declaration or the Exhibits hereto is held invalid, the validity of the remainder of this Declaration and the Exhibits attached and the application and such provision, section, sentence, clause, phrase or work in other circumstances shall not be affected thereby but shall remain in full force and effect.

12.5 The Association, as lessor, has entered into a long-term recreation lease for ninety-nine (99) years with an adjacent but totally separate developemnt, which lease is described in Exhibit C attached hereto and made a part hereof. The Developer has constructed or has agreed to construct recreation facilities within the Property, including a swimming pool and recreational lodge, marina building and bath house which, along with two (2) tennis courts which are constructed, will be subject to the terms of said long-term lease. Such recreation facilities are for the use and benefit of Lot Owners, but not exclusively, as the Association has entered into the above-referenced lease with the separate development. Said leased premises are hereby declared to be part of the Common Property appurtenant to the Property and all monies due and to become due under the provisions of said lease are and shall continue to be for the full term thereof Common Expenses of the Property. The long-term lease is being incorporated herein and made a part hereof by reference, just as though said lease were fully set out herein. The terms of said lease shall not be amended in any way whatsoever without the consent of the Developer.

12.6 Whenever the context so requires, the use of any gender shall be deemed to include all genders, and the use of the singular shall include the plural, and plural shall include the singular. The provisions of this Declaration and attached Exhibits shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of the Property according to the intent of the Developer.

12.7 The captions used in this Declaration and Exhibits attached are inserted solely as a matter of convenience and shall not be relied upon or used in construing the effect or meaning of any of the text of this Declaration or Exhibits;

12.8 In the event that any utility service is separately charged by the utility company to a Lot Owner by individual matters or otherwise, the Lot Owner shall not be assessed by the Association for this service.

12.9 In the event the Unit Owner desires to sell his Lot, then said Lot shall be offered for sale to the Developer at the same price at which the property is about to be sold, and the said Developer shall have thirty (30) days within which to exercise its option to purchase said property; and should the Developer fail or refuse (within thirty (30) days after receipt of notice of the price and terms) to exercise its option to purchase said property at the price at which it is about to be sold, then the Owner of said property shall have the right to sell said property subject to all covenants and limitations herein contained.

XIII Amendment to Declaration.

13.1 This Declaration may be amended at any regular or special meeting of the Lot Owners of the Property called and convened in accordance with the By-Laws by the affirmative vote of voting members casting not less than three-fourths (3/4) of the Lot Owners. No amendment may change the configuration or size of any Lot in any material fashion, materially alter or modify the appurtenants to the Lot, or change any proportion or percentage by which the Owner shares the Common Expenses and owns the Common Surplus unless the record Owner and all record Owners of liens on it join in the execution of the amendment unless all record Owners of all other Lots approve the amendment. Any amendment to this Declaration must be with the expressed written consent of the Developer prior to said amendment becoming effective.

13.2 The Articles of Incorporation and By-Laws of the Association shall be amended as provided for in those respective documents.

XIV The Association, Lot Owners and Developer specifically acknowledge hereby the intent of this Declaration to include the creation and maintenance of a luxury resort for the camping public, pursuant to the provisions of this Declaration. Accordingly, the Association hereby acknowledges and agrees to assume and carry out its affirmative duty, both now and after control of the Association has been turned over from the Developer to the Lot Owners, to maintain the integrity of the Property including enforcement of the Developer's rental rights and the occupancy restrictions including the prohibition against the erection or placing on any Lot of any structure or vehicle designed or used as permanent living quarters.

SIGNED, SEALED AND DELIVERED  
IN THE PRESENCE OF:

OUTDOOR RESORTS, R. V. RESORT  
AND YACHT CLUB, a South Carolina  
General Partnership

G. Richardson Wieters  
Edward M. Hughes

By: E. Randall Henderson, Jr.  
General Partner  
Managing

STATE OF SOUTH CAROLINA }  
COUNTY OF BEAUFORT }

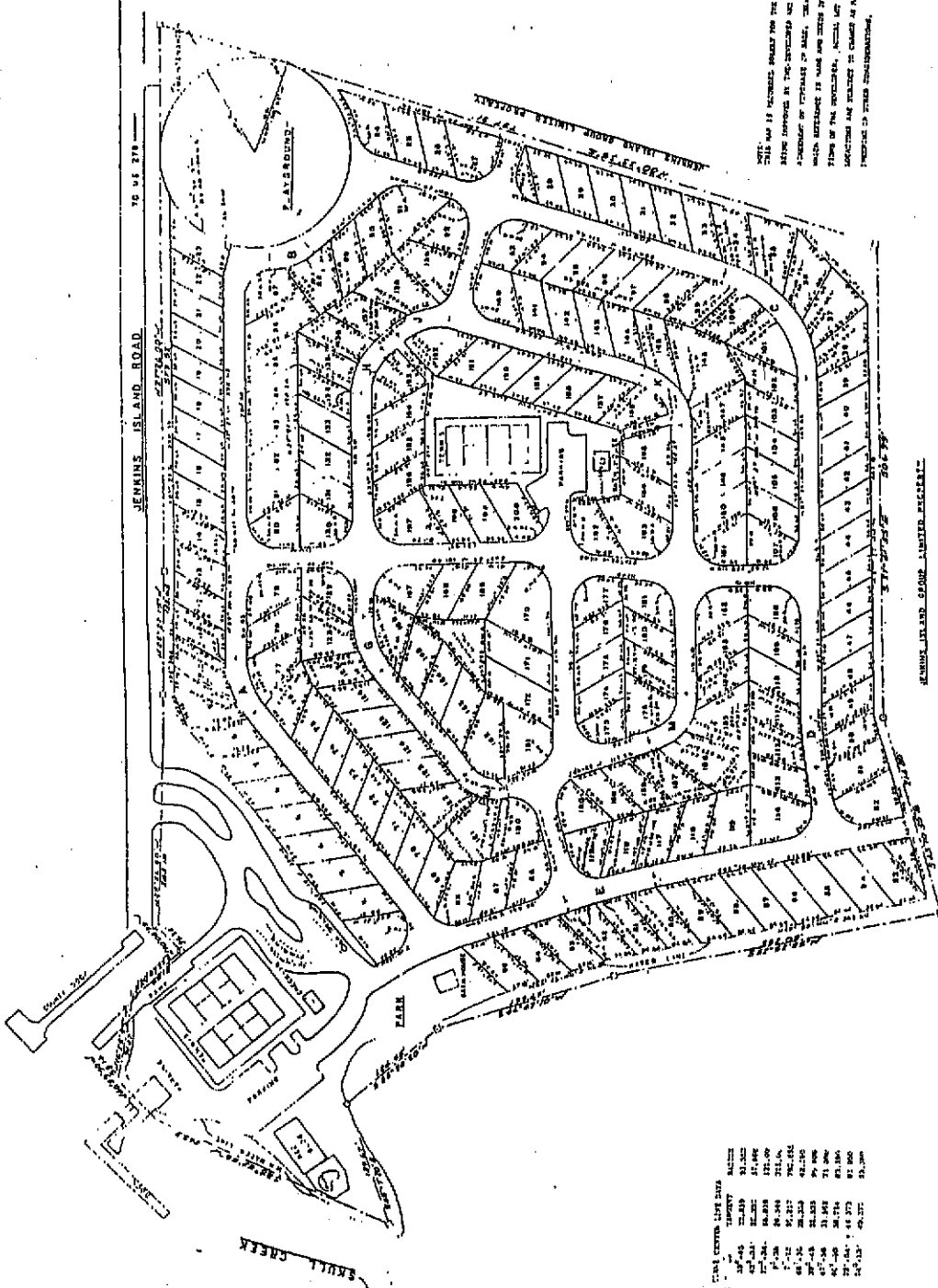
PROBATE

PERSONALLY appeared before me G. RICHARDSON WIETERS  
and made oath that HE saw the within-named OUTDOOR RESORTS, R. V.  
RESORT AND YACHT CLUB, a South Carolina General Partnership by E. RANDALL  
HENDERSON, JR. a <sup>managing</sup> ~~general~~ partner of said Partnership sign the  
within Instrument, and the said Partnership, by said general partner,  
seal said Instrument, and as its act and deed, deliver the same, and  
that HE with EDWARD M. HUGHES witnessed the execution  
thereof.

G. Richardson Wieters

SWORN to before me, this 12 day  
of June, 1981.

Edward M. Hughes (SEAL)  
Notary Public for South Carolina  
My Commission Expires: 11/1/84



THIS MAP IS HEREBY MADE FOR THE PURPOSE OF IDENTIFYING LANDS AND INTERESTS IN THE DEVELOPMENT AND IS NOT AN EVIDENCE OF THE ACCURACY OF THE INFORMATION CONTAINED THEREIN. THE DEVELOPER SHALL BE RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION CONTAINED THEREIN. THE DEVELOPER SHALL BE RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION CONTAINED THEREIN. THE DEVELOPER SHALL BE RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION CONTAINED THEREIN.

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 1000 W. 10th Street  
 Oklahoma City, Oklahoma 73106  
 (405) 521-1111  
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ROTHBECK ENGINEERING  
 OUTDOOR RESORT DEVELOPMENT ON HEAD  
 RV RESORT & YACHT CLUB  
 PLOT PLAN  
 Outdoor Resorts of America  
 11,540

NO.	ACRES	TEMPERATURE	AREA	PERCENT
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2	1.00	100.00	100.00	100.00
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EXHIBIT "A"

BY-LAWS  
OF  
R.V. RESORT AND YACHT CLUB  
OWNERS' ASSOCIATION, INC.

ARTICLE I. IDENTITY

The following By-Laws shall govern the operation of R.V. Resort and Yacht Club Owners' Association, Inc., described and named in the Declaration of Covenants and Restrictions to which these By-Laws are attached; R.V. Resort and Yacht Club Owners' Association, Inc., being a South Carolina corporation organized and existing under the laws of the State of South Carolina.

Section 1. The office of the Association shall be at the Property, or at such other place as may be subsequently designated by the Board of Directors.

Section 2. The Seal of the Association shall bear the name of the Corporation, the word "South Carolina", the words "Non-profit Corporation", and the year of incorporation.

ARTICLE II. MEMBERSHIP AND VOTING PROVISIONS

Section 1. The Association shall not issue stock or certificates.

Section 2. Membership in the Association shall be limited to Owners of Lots as identified in the preceding Declaration. Transfer of Lot ownership, either voluntary or by operation of law, shall terminate membership in the Association, said membership is to become vested in the transferee. If Lot ownership is vested in more than one person, then all of the persons so owning said Lot shall be members eligible to hold office, attend meetings, etc., but as hereinafter indicated, the vote of Lot ownership shall be cast by the "Voting Member". If Lot ownership is vested in a corporation, said corporation may designate an individual officer or employee of the corporation as its "Voting Member".

Section 3. Voting.

(a) The Owner(s) of each Lot shall be entitled to one (1) vote for each Lot owned. If a Lot Owner owns more than one (1) Lot, he shall be entitled to one vote for each Lot owned. The vote of a Lot shall not be divisible.

(b) A majority of the Lot Owners' total votes shall decide any question unless the By-Laws or the Declaration provides otherwise, in which event the voting percentage required in the By-Laws or the Declaration shall control.

Section 4. Quorum. Unless otherwise provided in these By-Laws, the presence in person or by proxy of a

majority of the Lot Owners' total votes shall constitute a quorum. The term "majority" of the Lot Owners' total votes shall mean Lot Owners holding 51% of the votes.

Section 5. Proxies. Votes may be cast in person or by proxy. All proxies shall be in writing and signed by the person entitled to vote (as set forth below in Section 6), and shall be filed with the Secretary of the Association prior to the meeting in which they are to be used, and shall be valid only for the particular meeting designated therein. In no event shall any proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the Lot Owner executing the same.

Section 6. Designation of Voting Member. If a Lot is owned by one person, his right to vote shall be established by the recorded title to the Lot. If a Lot is owned by more than one person, the person entitled to cast the vote for the Lot shall be designated in a Certificate signed by all of the recorded Owners of the Lot and filed with the Secretary of the Association. If a Lot is owned by a corporation, the officer or employee thereof entitled to cast the vote of the Lot for the corporation shall be designated in a Certificate for this purpose, signed by the president or vice president and attested to by the secretary or assistant secretary of the corporation, and filed with the Secretary of the Association. The person designated in these Certificates who is entitled to cast the vote for a Lot shall be known as the "Voting Member". If such a Certificate is not on file with the Secretary of the Association for a Lot owned by more than one person or by a corporation, the vote of the Lot concerned shall not be considered in determining the requirement for a quorum, or for any purpose requiring the approval of a person entitled to cast the vote for the Lot. Such Certificates shall be valid until revoked, or until superseded by a subsequent Certificate, or until a change in the ownership of the Lot concerned.

### ARTICLE III. MEETINGS OF THE MEMBERSHIP

Section 1. Place. All meetings of the Association membership shall be held at the Property, or at such other place and time as shall be designated by the Board of Directors of the Association and stated in the Notice of Meeting.

Section 2. Notices. It shall be the duty of the Secretary of the Association to mail a Notice of each annual or special meeting, stating the time and place thereof to each Lot Owner of record at least five (5) days, but not more than thirty (30) days, prior to such meeting. Notice of any special meeting shall state the purpose thereof. All notices shall be mailed to or served at the address of the Lot Owner as it appears on the books of the Association.

Section 3. Order of Business. The order of business at annual members' meetings and, as far as practical, at all other members' meetings, shall be as set by the President.

Section 4. Annual Meetings. The annual meeting shall be held on the Property in June or July of each year,

as determined by the Board of Directors, for the electing of directors and transacting other business authorized to be transacted by the members. At the annual meeting, the members shall elect by a plurality vote (cumulative voting prohibited), a Board of Directors and transact such other business as may properly be brought before the meeting.

Section 5. Special Meeting. Special meetings of the members for any purpose or purposes, unless otherwise proscribed by statute or by the Articles of Incorporation, may be called by the President or Secretary at the request, in writing, of a majority of the Board of Directors, or at the request, in writing, of Voting Members representing a majority of the Lot Owners' total votes, which request shall state the purpose or purposes of the proposed meeting. Business transacted at all special meetings shall be confined to objects stated in the notice thereof.

Section 6. Waiver and Consent. Whenever the vote of members at a meeting is required or permitted by any provision of the Articles of Incorporation or of these By-Laws to be taken in connection with any action of the Association, the meeting and vote of members may be dispensed with if all of the members who would have been entitled to vote upon the action if such meeting were held shall consent in writing to such action being taken.

Section 7. Adjourned Meeting. If any meeting of members cannot be organized because a quorum of Voting Members is not present, either in person or by proxy, the meeting may be adjourned from time to time until a quorum is present.

Section 8. Proviso. Provided, however, that until the Developer of the Property has completed and sold all of the Lots in the Property, or until a majority of the members pursuant to Section 5 hereof request the same, or until the Developer elects to terminate its control of the Property, whichever shall first occur, there shall be no meeting of members of the Association unless there is a meeting called by the Board of Directors of the Association.

#### ARTICLE IV. DIRECTORS

Section 1. The Board of Directors shall consist of three (3) members during the first corporate year and nine (9) members thereafter. At the first corporate meeting all nine (9) Directors shall be elected, three (3) for terms of one (1) year; three (3) for two (2) year terms; and three (3) for three (3) year terms. Thereafter, at each annual meeting the directorships of those whose terms have expired shall be elected from the Voting Members for a period of three (3) years; it being the intent that there shall be three (3) Directors elected at each annual membership meeting for a period of three (3) years. Each member of the Board of Directors, other than the initial Board, shall be either the Owner of a Lot or an Owner of an interest therein.

#### Section 2. First Board of Directors.

(a) The first Board of Directors, who shall serve until the first annual meeting of members and until their successors have been elected and qualified, shall consist



(b) The organizational meeting of a newly elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the Directors at the meeting at which they were elected and no further notice of the organizational meeting shall be necessary providing a quorum shall be present.

Section 3. Removal of Directors. At any time after the first annual meeting of the membership, and any duly convened regular or special meeting, any one or more of the Directors may be removed with or without cause by the affirmative vote of the Voting Members casting not less than two-thirds (2/3) of the total votes present at said meeting, and a successor may then and there be elected to fill the vacancy thus created. Should the membership fail to elect said successor, the Board of Directors may fill the vacancy in the manner provided in Section 4 below.

Section 4. Vacancies on Directorate. If the office of any Director or Directors becomes vacant by reason of death, resignation, retirement, disqualification, removal from office, or otherwise, a majority of the remaining Directors, though less than a quorum, shall choose a successor or successors, who shall hold office until the next annual or special meeting of Lot Owners. The election held for the purpose of filling said vacancy may be held at any regular or special meeting of the Board of Directors.

Section 5. Disqualification and Resignation of Directors. Any Director may resign at any time by sending a written notice of such resignation to the office of the Association delivered to the Secretary. Unless otherwise specified therein, such resignation shall take effect upon receipt thereof by the Secretary. More than three (3) consecutive absences from regular meetings of the Board of Directors, unless excused by resolution of the Board of Directors, shall automatically constitute a resignation effective when such resignation is accepted by the Board of Directors. In the event a Director ceases to be an Owner of a Lot or having an interest therein, or in the event a corporate ownership ceases to be an officer of said corporation, then the directorship shall immediately and automatically terminate. No member shall continue to serve on the Board of Directors should he be more than sixty (60) days delinquent in the payment of assessments and said delinquency shall automatically constitute a resignation effective when such resignation is accepted by the Board of Directors.

Section 6. Regular Meetings. The Board of Directors may establish a schedule of regular meetings to be held at such time and place as the Board of Directors may designate. Notice of such regular meetings shall nevertheless be given to each Director personally or by mail, telephone or telegraph at least five (5) days prior to the day named

for such meeting.

Section 7. Special Meetings. Special meetings of the Directors may be called by the President and must be called by the Secretary at the written request of one-third (1/3) of the votes of the Board. Not less than five (5) days' notice of the meeting shall be given personally by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

Section 8. Directors' Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may waive notice of such meeting and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 9. Quorum. At all meetings of the Board of Directors a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at such meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At each such adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for the purpose of determining a quorum.

Section 10. Compensation. The Directors' fees, if any, shall be determined by the "Voting Members".

Section 11. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by the Declaration or by these By-Laws directed to be exercised and done by the Lot Owners. These powers shall specifically include, but shall not be limited to, the following:

- (a) To exercise all powers specifically set forth in the Declaration, in these By-Laws, the Articles of Incorporation of this Association and all powers incidental thereto;
- (b) To make assessment, collect said assessments, and use and expend the assessments to carry out the purposes and powers of the Association;
- (c) To employ, dismiss and control the personnel necessary for the maintenance and operation of the Property and of the Common Properties and facilities, including the right and power to employ attorneys, accountants, contractors and other professionals as the need arises;
- (d) Except as specifically provided otherwise herein where the consent of the Developer is mandatory, to make and amend regulations respecting the operation and use

of the Properties and the use and maintenance of the Lots therein;

(e) To contract for the management of the Association and to designate to such contractor all of the powers and duties of the Association except those which may be required by the Declaration to have approval of the Board of Directors, the membership of the Association or the Developer;

(f) To designate one or more committees which, to the extent provided in the resolution designating such committee, shall have the powers of the Board of Directors in the management of the business and affairs of the Association. Such committee shall consist of at least three (3) members of the Association, one of whom shall be a Director. The committee or committees shall have such name or names as may be determined from time to time by the Board of Directors and said committee shall keep regular minutes of their proceedings and report the same to the Board of Directors as required;

(g) To use and disburse the proceeds of assessments in the exercise of its powers and duties;

(h) The maintenance, repair, replacement and operation of the Property;

(i) The reconstruction of improvements after casualty and the further improvement of the Property;

(j) To enforce by legal means the provisions of the Declaration, the Articles of Incorporation, the By-Laws of the Association, and the rules and regulations for the use of the Property;

(k) To pay taxes and assessments which are liens against any part of the Property other than individual Lots and the appurtenances thereto, and to assess the same against the Lots subject to such lien;

(l) To pay all the cost of all power, water, sewer and other utility services rendered to the Property and not billed to Owners of individual Lots.

The foregoing powers shall be exercised by the Board of Directors or its contractor or employees subject only to the approval by Lot Owners or the Developer when such is specifically required.

#### ARTICLE V. OFFICERS

Section 1. Elective Officers. The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. One person may not hold more than one (1) of the aforesaid offices, except one person may be both Secretary and Treasurer. The President and Vice President shall be members of the Board of Directors.

Section 2. Election. The officers of the Association designated in Section 1 above shall be elected annually by the Board of Directors at the organizational meeting of each new Board following the meeting of the members.

Section 3. Appointive Officers. The Board may appoint an Assistant Secretary and an Assistant Treasurer and such other officers as the Board deems necessary, and to grant them the duties it deems appropriate.

Section 4. Term. The officers of the Association shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed at any time, with or without cause, by the Board of Directors; provided, however, that no officer shall be removed except by the affirmative vote for removal of a majority of the whole Board of Directors [e.g., if the Board of Directors is composed of nine (9) persons, then five (5) of said Directors must vote for removal]. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors. Unless otherwise provided in these By-Laws, the officers shall serve without compensation.

Section 5. The President. He shall be the chief executive officer of the Association; he shall preside at all meetings of the Lot Owners and of the Board of Directors. He shall have executive powers and general supervision over the affairs of the Association and other officers. He shall sign all written contracts to perform all of the duties incident to his office and which may be delegated to him from time to time by the Board of Directors.

Section 6. The Vice President. He shall perform all of the duties of the President in his absence or disability and such other duties as may be required of him from time to time by the Board of Directors.

Section 7. The Secretary. He shall issue notices of all Board of Directors meetings and meetings of the Lot Owners; he shall attend and keep the minutes of the same; he shall have charge of all of the Association's books, records and papers except those kept by the Treasurer. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent or incapacitated.

Section 8. The Treasurer.

(a) He shall have custody of the Association funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association and shall deposit all monies and other valuable effects in the name of and to the credit of the Association in such depositories as may be designated from time to time by the Board of Directors.

(b) He shall disburse the funds of the Association as may be ordered by the Board in accordance with these By-Laws, making proper vouchers for such disbursements, and shall render to the President and Board of Directors at the regular meeting of the Board of Directors, or whenever they may require it, an account of all of his transactions as Treasurer and of the financial condition of the Association.

(c) He shall collect the assessments and shall promptly report the status of collections and of all delinquencies

to the Board of Directors.

(d) He shall give status reports to potential transferees, on which reports the transferees may rely.

(e) The Assistant Treasurer shall perform the duties of the Treasurer when the Treasurer is absent or incapacitated.

#### ARTICLE VI. FISCAL MANAGEMENT

Section 1. Depositories. The funds of the Association shall be deposited in such banks and depositories as may be determined by the Board of Directors from time to time, upon resolutions approved by the Board of Directors, and shall be withdrawn only upon checks and demands for money signed by such officer or officers of the Association as may be designated by the Board of Directors. Obligations of the Association shall be signed by at least two (2) officers of the Association.

Section 2. Fiscal Year. The fiscal year of the Association shall begin on the first day of January of each year; provided, however, that the Board of Directors is expressly authorized to change to a different fiscal year in accordance with the provisions and regulations from time to time prescribed by the Internal Revenue Code of the United States of America, at such time as the Board of Directors deems it advisable.

#### Section 3. Determination of Assessments.

(a) The Board of Directors of the Association shall fix and determine from time to time the sum or sums necessary and adequate for the common expenses of the Property. Common expenses shall include expenses for the operation, maintenance, repair or replacement of the Common Properties, costs of carrying out the power and duties of the Association, all insurance premiums and expenses relating thereto, including fire insurance and extended coverage, and any other expenses designated as common expenses from time to time by the Board of Directors of the Association. The Board of Directors is specifically empowered, on behalf of the Association, to make and collect assessments, and to maintain, repair and replace Common Properties. Funds for the payment of common expenses shall be assessed against the Lot Owners in the proportions of percentages of sharing common expenses as provided in the Declaration. Said assessment shall be payable as ordered by the Board of Directors. Special assessments, should such be required by the Board of Directors, shall be levied in the same manner as hereinbefore provided for regular assessments, and shall be payable in the manner determined by the Board of Directors.

(b) When the Board of Directors has determined the amount of any assessment, the Treasurer of the Association shall mail or present to each Lot Owner a statement of said Lot Owner's assessment. All assessments shall be payable to the Treasurer of the Association and, upon request, the Treasurer shall give a receipt for each payment made to him.

Section 4. Application of Payments and Commingling of Funds. All sums collected by the Association from assessments may be commingled in a single fund, or divided into

more than one funds, as determined by the Board of Directors. All assessment payments by a Lot Owner shall be applied as to interest, delinquencies, costs and attorneys' fees, other charges, expenses or advances, as provided herein and in the Declaration, and general or special assessments in such manner as the Board of Directors determines in its sole discretion.

Section 5. Annual Audit. An audit of accounts of the Association shall be made annually by a Certified Public Accountant, and a copy of the report shall be available for inspection by the members at the office of the Association not later than three (3) months after the end of the year for which the report is made.

Section 6. The Developer will maintain at its own expense unsold Lots which Lots will not be subject to maintenance fees, assessments, common expenses and the like until sold.

#### ARTICLE VII. SUBSTANTIAL ADDITIONS OR ALTERATIONS

Subject to the rights of Developer provided in the Declaration, there shall be no substantial additions or alterations to the Common Properties unless the same are authorized by the Board of Directors and ratified by the affirmative vote of the Voting Members casting not less than seventy-five (75%) percent of the total votes of the Lot Owners present at any regular or special meeting of the Lot Owners called for that purpose.

#### ARTICLE VIII. COMPLIANCE AND DEFAULT

Section 1. Violations. In the event of a violation (other than the nonpayment of an assessment) by the Lot Owner of any of the provisions of the Declaration or of these By-Laws, the Association, by direction of its Board of Directors, may notify the Lot Owner by written notice of said breach, transmitted by mail, and if such violation shall continue for a period of thirty (30) days from the date of the notice, the Association, through its Board of Directors, shall have the right to treat such violation as an intentional and inexcusable and material breach of the Declaration or of these By-Laws, and the Association may then, at its option, have the following elections: (1) An action at law to recover for its damage on behalf of the Association or on behalf of the other Lot Owners; (2) an action in equity to enforce performance on the part of the Lot Owner; or (3) an action in equity for such equitable relief as may be necessary under the circumstances, including injunctive relief. Upon a finding by the court that the violation complained of has occurred, the Lot Owner so violating shall reimburse the Association for reasonable attorney's fees incurred by it in bringing such action. Failure on the part of the Association to maintain such an action at law or in equity within thirty (30) days from the date of a written request, signed by a Lot Owner, sent to the Board of Directors, shall authorize any Lot Owner to bring an action in equity or suit at law on account of the violation. Any violations which are deemed by the Board of Directors to be a hazard to public health may be corrected immediately as an emergency matter by the Association, and the cost thereof shall be charged to the Lot Owner as a specific item which shall be a lien against

said Lot with the same force and effect as if the charge were a part of the common expense.

Section 2. Negligence or Carelessness of Lot Owner, Etc. All Lot Owners shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any member of his family, or his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association, if any. Such liability shall include any increase in insurance rates occasioned by use, misuse, occupancy or abandonment of any lot or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies or rights of subrogation. The expense for any maintenance, repair or replacement required, as provided in this Section, shall be charged to said Lot Owner as a specific item which shall be lien against said Lot with the same force and effect as if the charge were a part of the common expense. Said lien shall be subordinate to the lien of any first mortgage on a given Lot.

Section 3. Costs and Attorneys' Fees. In any proceeding brought by the Association, Developer or another Lot Owner to enforce the provisions of the Declaration, the By-Laws or any rules and regulations promulgated thereunder arising because of an alleged default by a Lot Owner, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be determined by the court. This provision may not be amended without written consent of the Developer.

Section 4. No Waiver of Rights. The failure of the Association, the Developer or of a Lot Owner to enforce any right, provision, covenant or condition which may be granted by the Declaration and these By-Laws shall not constitute a waiver of the right of the Association or Lot Owner or Developer to enforce such right, provision, covenant or condition of the future.

Section 5. No Election of Remedies. All rights, remedies and privileges granted to the Association, Developer or Lot Owner pursuant to any terms, provisions, covenants or conditions of the Declaration and By-Laws shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be granted to such other party, by the Declaration, the By-Laws, or at law or in equity.

#### ARTICLE IX. ACQUISITION OF UNITS

At any foreclosure sale of a Lot the Board of Directors may, with the authorization and approval by the affirmative vote of Voting Members casting not less than two-thirds (2/3) of the total votes of the Lot Owners, wherein said matter is voted upon, acquire in the name of the Association or its designee, the Lot being foreclosed. The term "foreclosure" as used in this Article shall mean and include any foreclosure of any lien, including a lien for assessments. The power of the Board of Directors to acquire a Lot at any foreclosure sale shall never be interpreted as any

requirement or obligation on the part of the Board of Directors, or of the Association, to do so at any foreclosure sale, the provisions hereof being permissive in nature and for the purpose of setting forth the power in the Board of Directors to do so should the requisite approval of the Voting Members be obtained.

ARTICLE X. AMENDMENT TO THE BY-LAWS

These By-Laws may be altered, amended or added to at any duly called meeting of the Lot Owners, provided:

(a) Notice of the meeting shall contain a statement of the proposed amendment.

(b) If the amendment has received the unanimous approval of the full Board of Directors, then it shall be approved upon the affirmative vote of the Voting Members casting a majority of the total votes of the Lot Owners.

(c) If the amendment has not been approved by the unanimous vote of the Board of Directors, then the amendment shall be approved by the affirmative vote of the Voting Members casting not less than three-fourths (3/4) of the total votes of the Lot Owners.

(d) If the Developer or its assigns expressly agrees and consents to the amendment,

ARTICLE XI. INDEMNIFICATION

The Association shall indemnify every Director and every officer, his heirs, executors and administrators against all loss, cost and expenses reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Director or officer of the Association, except as to matters wherein he shall be finally adjudged in such action, suit or proceeding to be liable for or guilty of gross negligence or willful misconduct. The foregoing rights shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled.

ARTICLE XII. LIABILITY SURVIVES  
TERMINATION OF MEMBERSHIP

The termination of membership in the Association shall not relieve or release any such former Owner from any liability for obligations incurred under or in any way connected with the Property during the period of such ownership or impair any rights or remedies which the Association may have against such former Owner arising out of or in any way connected with such ownership and the covenants and obligations incident thereto.

ARTICLE XIII. LIMITATION OF LIABILITY

Notwithstanding the duty of the Association to maintain and repair parts of the Property, the Association shall not be liable for injury or damage caused by a latent condition in the Property, nor for injury or damage caused by the elements or by other Owners or persons.



ARTICLE XIV. PARLIAMENTARY RULES

Robert's Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration or these By-Laws.

ARTICLE XV. LIENS

Section 1. Protection of Property. All liens against a Lot, other than for permitted mortgages, taxes or special assessments, or as provided for in Article VIII, Section 2 hereof, shall be satisfied or otherwise removed within thirty (30) days of the date the lien attaches. All taxes and special assessments upon a Lot shall be paid before becoming delinquent, as provided in the Declaration and these By-Laws, or by law, whichever is sooner.

Section 2. Notice of Lien. A Lot Owner shall give notice to the Association of every lien upon his Lot, other than for permitted mortgages, taxes and special assessments, or said Article VIII, Section 2 liens, within five (5) days after the attaching of the lien.

Section 3. Notice of Suit. Lot Owners shall give notice to the Association of every suit or other proceeding which will or may affect title to his Lot or any other part of the Property, such notice to be given within five (5) days after the Lot Owner received notice thereof.

Section 4. Failure to comply with this Article concerning liens will not affect the validity of any judicial sale.

Section 5. Permitted Mortgage Register. The Association shall maintain a register of all mortgages and at the request of a mortgagee, the Association shall forward copies of all notices for unpaid assessments or violations served upon a Lot Owner to said mortgagee.

ARTICLE XVI. RULES AND REGULATIONS

Section 1. As to Common Elements. Subject to the Developer's right to approve or disapprove any rule or regulation described herein, prior to that rule or regulation becoming effective, the Board of Directors may from time to time adopt or amend previously adopted administrative rules and regulations governing the details of the operation, use, maintenance, management and control of the Common Properties and any facilities or services made available to the Lot Owners. The Board of Directors shall from time to time post in a conspicuous place on the Property a copy of the rules and regulations adopted from time to time by the Board of Directors.

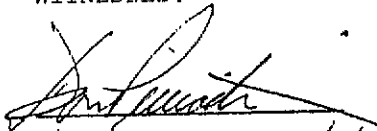
Section 2. As to Lots. Subject to the Developer's right to approve or disapprove any rule or regulation described herein, prior to that rule or regulation becoming effective, the Board of Directors may from time to time adopt or amend previously adopted rules and regulations governing and restricting the use and maintenance of the Lots; provided, however, that copies of such rules and regulations are furnished to each Lot Owner prior to the time the same become effective and, where applicable or desirable, copies thereof shall be posted in a conspicuous place on the Property.

Section 3. Building Rules and Regulations. The building rules and regulations hereinafter enumerated shall be deemed in effect until amended by the Board of Directors, subject to the Developer's rights with respect to amendments wherever contained in these By-Laws and shall apply to and be binding upon all Lot Owners. The Lot Owners shall at all times obey said rules and regulations and shall use their best efforts to see that they are faithfully observed by their families, guests, invitees, servants, lessees and persons over whom they exercise control and supervision. Said building rules and regulations are set forth in Article VII of the Declaration.

Section 4. Conflict. In the event of any conflict between the By-Laws and the Declaration, the latter shall prevail, subject to the Developer's rights contained in the By-Laws and the Declaration.

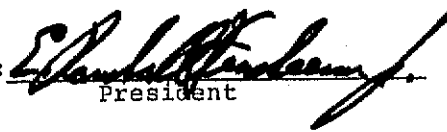
APPROVED AND DECLARED AS THE BY-LAWS OF R.V. RESORT AND YACHT CLUB OWNERS' ASSOCIATION, INC., a non-profit corporation.

WITNESSES:

  
Edward M. H. H.

R.V. RESORT AND YACHT CLUB  
OWNERS' ASSOCIATION, INC.

By:

  
 President

(CORPORATE SEAL)

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF BEAUFORT )

LEASE

THIS LEASE is made this 12 of JUNE, 1981,  
by and between R.V. RESORT AND YACHT CLUB OWNERS' ASSOCIATION,  
INC., a South Carolina non-profit corporation (hereinafter  
referred to as "Lessor"), and OUTDOOR RESORT, R.V. RESORT  
AND YACHT CLUB, a South Carolina general partnership (herein-  
after referred to as "Lessee").

WHEREAS, Lessor is a non-profit corporation organized  
and existing under the laws of the State of South Carolina  
for the purpose of administering and maintaining certain  
real property known as OUTDOOR RESORT, R.V. RESORT AND YACHT  
CLUB; and

WHEREAS, Lessee is the developer of said property and  
also the owner and developer of a marina adjacent and contig-  
uous to the property; and

WHEREAS, Lessor and Lessee desire that certain common  
properties of OUTDOOR RESORT, R.V. RESORT AND CAMPGROUND,  
owned by the Lessor, shall be entitled to be used by OUTDOOR  
RESORTS, R.V. RESORT AND YACHT CLUB, a South Carolina partner-  
ship, its successors, assigns, guests and invitees.

NOW, THEREFORE, in consideration of the agreements  
to be performed by each other, Lessor and Lessee agree as  
follows:

1. Upon the terms and conditions herein set forth  
and in consideration of the prompt and continuous performance  
by the Lessee of each and every of its covenants and promises  
herein made, Lessor does hereby let, lease and demise unto  
the Lessee and Lessee does hereby lease of and from the Lessor  
property situate in Beaufort County, South Carolina, and  
described on EXHIBIT "A" which is attached hereto and thereby  
made a part hereof.

The premises described in the above legal description are hereinafter referred to as the Recreational Facilities which include, among other things, a swimming pool, two tennis courts, decking, bathhouse, and certain portions of the Clubhouse complex. The lease of the above described Recreational Facilities shall be together with its appurtenances, tenements and hereditaments, and together with all improvements, buildings and structures now or hereafter placed thereon, and all furniture, furnishings, fixtures, machinery and equipment now thereon and hereafter brought or placed thereon or intended for the use thereon and all additions thereto.

2. The term of this Lease shall commence on the date first above mentioned and shall end on JUNE 12, 2080. This is an exclusive Lease to the Lessee, under circumstances where the Lessor shall not be entitled to enter into any other leases with any other lessees while this Lease is in effect without the prior written consent of the Lessee. Lessee, however, may at any time assign any and all of its interest in this Lease and upon such assignment taking place, the Lessee shall be relieved of any and all liability under this Lease subject to the Lessee's complying with all terms and conditions of the Lease at the time of said assignment.

3. In consideration of this Lease of the Recreational Facilities to the Lessee, Lessee agrees to pay Lessor the sum of FIVE (\$5.00) DOLLARS per month per boat slip at the marina which is shown and designated on EXHIBIT "B" which is attached hereto and thereby made a part hereof. The payment of said rent, however, shall not begin until the improvements described as the Recreational Facilities in Paragraph 1 have been completed. Such rent shall be payable at such places as Lessor shall direct in writing. The amount of rent shall not in any way be increased through the term of this Lease without the prior written consent of Lessee.

4. Use of the Recreational Facilities shall be subject to all laws, statutes, ordinances, rules and regulations of all appropriate governmental authorities and agencies, covenants and restrictions of record, as well as all rules and regulations adopted by the Association from time to time pursuant to the Declaration of Covenants and Restrictions; however, which rules and regulations shall not discriminate in any manner whatsoever against the Lessee or the invitees of the Lessee.

The persons who may use and enjoy the Recreation Facilities through and under the Lessee shall be limited to agents, officers, employees and guests of the Lessee or its assigns.

5. If any part of the Recreational Facilities is taken pursuant to the law of eminent domain of the State of South Carolina during the term of this Lease, the rent herein provided for shall continue unaffected as to amount unless such taking materially destroys the usefulness of the Recreational Facilities for all purposes leased. In such event, the Lessee shall have the right to terminate this Lease by written notice to the Lessor within thirty (30) days after such taking or to continue in possession of an undivided interest in the remainder of the leased premises under all the terms and conditions hereof. All damages awarded such taking shall belong to and be the property of Lessor whether such damages shall be awarded as compensation for the diminution of the value to the Lease or to the fee of the Recreational Facilities.

6. Lessor shall, throughout the term of this Lease, keep enforced insurance policies as follows: (a) insurance against loss or damage to the buildings and improvements now of hereafter located upon the Recreational Facilities and all of the personal property, including pictures, furniture, machinery, equipment and furnishings located upon the Recreational Facilities. All insurance shall provide against any

and all loss or damage to the Recreational Facilities by fire, windstorm or causes insured by extended coverage; (b) comprehensive general public liability insurance in which the Lessor and Lessee shall be named, insureds against claims of bodily injury, sickness or disease, including death, at any time resulting therefrom and for injury to or destruction of property, including the loss or use thereof arising out of ownership, maintenance, use or operation of the Recreational Facilities or any building or improvement or personalty located thereon with a minimum limitation of \$200,000/\$500,000/\$10,000; and (c) in the event that Lessor shall undertake any construction upon the premises, Lessor shall maintain and pay for a builders risk insurance policy in such amounts and with such companies as Lessor determines proper.

The Lessor shall also pay for and maintain such further and additional insurance policies, including but not limited to workmen's compensation insurance. The amount of the required insurance shall be equal to the maximum insurable replacement value as determined annually by Lessor. The Lessee may require the Lessor to provide proof of existence of insurance coverage required herein as Lessee may reasonably request from time to time. All insurance required to be carried shall be under policies written in such form and issued by such companies as shall be approved by the Lessee, said Lessee, said approval, shall not be unreasonably withheld.

7. In the event of damage or destruction of the Recreational Facilities or the buildings and improvements located thereon by any casualty for which insurance is payable, the Lessor shall promptly make application for the benefits under the insurance policy, which benefits shall be deposited in a bank account and be available to the Lessor for the reconstruction or repair of the Recreational Facilities or that portion thereof which was damaged. Such insurance money shall

be paid from the account in amounts based upon the estimate of a licensed architect in the State of South Carolina having supervision of such construction work or repair. Said architect shall certify that the amount of such estimate is being applied to the payment for reconstruction or repair and at a reasonable cost. It is the intent hereunder that reconstruction or repair shall take place if covered by insurance, but it is the further intent that Lessor shall not assume the burden of reconstruction or repair if not covered by insurance, unless Lessor chooses to do so. In the event the cost of repair or reconstruction exceeds the insurance benefits, Lessor shall reconstruct or repair those items for which insurance is available; but only at its option must Lessor do any further reconstruction or repair for which there is not adequate insurance proceeds. If Lessor chooses not to reconstruct or repair due to inadequate insurance proceeds, then Lessee, at its option, may either continue this Lease in full force and effect or cancel this Lease upon fifteen (15) days' notice in writing to Lessor, at which time Lessee shall be obligated to perform its covenants and promises hereunder up to the date of notification. For reconstruction or repair for which there are adequate insurance proceeds, or with which Lessor desires to proceed despite the lack of insurance proceeds, it shall be the obligation and duty of Lessor to cause such showing to be made and such to be accomplished as often as said Recreational Facilities, including buildings, improvements or personal property may be destroyed, damaged or lost; and all of such work shall be completed and paid for as promptly as the exercise by the Lessor of due diligence makes possible. The work when completed shall restore the Recreational Facilities substantially to the condition in which it existed before such destruction, damage or loss took place, and in

any event, the premises as restored shall have a value which is not less than the value which the Recreational Facilities had or possessed prior to the loss or damage which made such reconstruction or repair necessary. Lessee shall have the right to require Lessor to obtain a completion, performance and payment bond in amount and in form and with a company licensed to do business in the State of South Carolina, approved by Lessee. When after the payment of repair or replacement of damage there shall remain any surplus of insurance proceeds, said surplus shall belong to the Lessor.

8. Any demolition or new construction on the Recreational Facilities or major alteration in the buildings located in the Recreational Facilities shall be at the sole expense of the Lessor; nothing in this Paragraph 8 shall ever be construed to relieve Lessor of its obligation to maintain and repair the improvements located upon the Recreational Facilities. The Lessor shall, during the term of this Lease, keep the Recreational Facilities in a good state of repair and shall maintain all of the buildings and other improvements located thereon for the normal and customary use thereof. Lessor shall not suffer or permit any waste, neglect or deterioration of any of the premises, buildings or improvements of the Recreational Facilities and shall replace, renovate and repair the Recreational Facilities and improvements thereon as often as may be necessary in order to keep the Recreational Facilities and such buildings and improvements in a good state of repair and for the use and enjoyment of the Lessor and Lessee.

9. Lessor covenants and agrees with Lessee that so long as the Lessee keeps and performs all of its covenants herein made the Lessee shall have quiet and undisturbed and continued possession of the premises subject only to the rights of Lot Owners to use, occupy and enjoy the same along with



such other persons as provided in the Declaration of Covenants and Restrictions.

10. Subject to Paragraph 7 hereinabove, no damage or destruction to buildings, structures, improvements or furniture, furnishings, fixtures, machinery or equipment now or hereafter located upon the Recreational Facilities by fire, windstorm, or any other casualty, shall entitle the Lessee to surrender possession or to terminate this Lease or to violate any of its provisions or cause any rebate, abatement or adjustment in the rent then due or that thereafter becoming due under the terms hereof.

11. The Lessor and its agents shall have the right of entry upon the Recreational Facilities at all reasonable times to examine the condition and use thereof; provided that only such rights shall be exercised in such a manner as to not interfere with the conduct of the operation of said Recreational Facilities; and if said premises are damaged by any casualty which causes the premises to be exposed to the elements, then the Lessor may enter upon the premises to make emergency repairs.

12. Where not otherwise provided in this Lease, all sums of money coming due from the Lessee to the Lessor shall bear interest at the rate of one and one-half (1 1/2%) percent per month, commencing fifteen (15) days from the date the same shall become due until the date the same shall be paid.

13. Lessee shall not do or suffer any waste or damage, disfigurement or injury to the Recreational Facilities or any property now or hereafter placed or brought thereon.

14. Except for non-payment of rent which is discussed below, if default shall be made by the Lessee in the performance of any covenants herein set forth, which default is not cured by Lessee within thirty (30) days after receiving written

notice of such default by Lessor, then in addition to any other rights or remedies which Lessor may have, the Lessor shall have the right to declare this Lease cancelled and terminated and re-enter upon the Recreational Facilities, in which case the Lessee shall peacefully surrender and deliver the Recreational Facilities to Lessor. However, nothing in this Lease shall be construed as authorizing the Lessor to declare this Lease in default where the default consists solely of non-payment of rent, until such non-payment is in violation of Paragraphs 4 or 5 hereinabove.

In the event that Lessor defaults in the terms of this Lease, Lessee shall have all rights or remedies provided by law which shall include but not be limited to specific performance of this Lease by Lessor, and/or recovery of damages due to the default of Lessor.

Any and each remedy available to the Lessor or Lessee for the enforcement of any term or provision hereof shall be construed as cumulative and no single such remedy shall be construed as being exclusive or as preventing the parties from electing such other or additional remedies. In addition to all the remedies set forth above, the Lessee, at its option, may request of a court of competent jurisdiction and receive therefrom the appointment of a receiver to stand in the place and stead of the Lessor and to operate the Recreational Facilities. Said receiver shall fully perform and keep all of the covenants, terms and conditions of this Lease. In connection with any litigation arising from this Lease, the prevailing party shall be entitled to recover all costs incurred including a reasonable attorney's fee.

15. The Recreational Facilities are subject to such easements for public utilities as now appear in public records and Lessor shall have, at all times, the right to create upon

or over such of the Recreational Facilities for any and all public utilities, easements from time to time as the Lessor, in its discretion, shall deem appropriate, free and clear of this Lease.

16. At the termination of this Lease by lapse of time or otherwise, the Lessee will peacefully and quietly deliver possession of the Recreational Facilities and all improvements situated thereon, including all personal property therein and thereon, to the Lessor and all buildings, improvements and personal property then situated upon the premises shall become and remain the property of the Lessor.

17. Time is of the essence in every particular and especially where the obligation to pay money is involved.

18. No waiver, extension or indulgence granted by either party to the other on any one occasion as to any breach shall be construed as a waiver, extension or indulgence of any succeeding breach of the same covenant.

19. This is the entire Lease and there shall be no modification, release or discharge or waiver of any provision hereof unless in writing signed by both parties.

20. Whenever a provision is made for notice of any kind under this Lease, it shall be deemed sufficient notice and service thereof if such notice to either party is in writing, addressed to such party at its last known address and sent by certified mail with postage prepaid.

21. This Lease is to be construed in accordance with the laws of the State of South Carolina. The invalidity in whole or in part of any covenant, promise or undertaking or any section, subsection, sentence, clause, phrase or word or any of the provisions of this Lease shall not affect the validity of the remaining portions thereof. Whenever the context so permits, the use of the plural shall include the

singular, and the singular the plural, and the use of any gender shall be deemed to include all genders.

22. It is specifically recognized and understood that some or all of the persons comprising the original Board of Directors and the officers of the Lessor, and the partners of the Lessee, are also officers, directors, employees and/or partners of the Lessor and Lessee under this Lease, and that such circumstances of interlocking Boards of Directors, officers, employees, stockholders and/or partners shall not and cannot be considered as a breach of their duties nor as a conflict of interest between the Lessor and Lessee, nor as possible grounds to invalidate this Lease in whole or in part. Each and every person, whether real or corporate, who shall take any interest whatsoever in or to the Lot or any of the Property, or in or to any Lot in the Property, after the recording of this Lease, by acceptance, delivery or the recording of the deed, contract, grant, assignment or such other instrument granting, conveying or providing for such interests; or by the exercise of the rights or uses granted herein, shall be deemed to specifically consent to and ratify without further act being required, the provisions of this Lease to the same effect and extent as if such person or persons had executed this Lease with the formalities required in deeds, for the purpose of subordinating and/or subjecting such person's or persons' interest, in full, to the terms of this Lease and granting the rights to the parties provided for herein, absolutely without exception.

WITNESSES:

*[Signature]*  
Edward M. Hyde

LESSOR:  
 R.V. RESORT AND YACHT CLUB  
 OWNERS' ASSOCIATION

By *[Signature]*

By: \_\_\_\_\_

WITNESSES:

*A. Sullivan*  
*Edward M. [Signature]*

LESSEE:

OUTDOOR RESORT, R.V. RESORT  
AND YACHT CLUB

By: *[Signature]*

By: \_\_\_\_\_

RECORDED THIS 23rd DAY  
OF June 1981  
IN BOOK MD PAGE 717  
FILED BY Mary Ann Grayba

FILED AT	BEAUFORT COUNTY S. C.	RECORDED IN BOOK
<u>2:00</u>	JUN 18 1981	<u>325</u>
<u>P. M.</u>		<u>920</u>
CLERK OF COURT OF COMMON PLEAS		

*Hughes*

AUDITOR, BEAUFORT COUNTY, S. C.

STATE OF SOUTH CAROLINA  
COUNTY OF BEAUFORT

MODIFICATION OF LEASE AGREEMENT

WHEREAS, on June 17, 1981 a Lease Agreement was entered into by and between R.V. Resort and Yacht Club Owners' Association, Inc., a South Carolina non-profit corporation (herein and hereinafter referred to as "Lessor"), and Outdoor Resorts, R.V. Resort and Yacht Club, a South Carolina general partnership (herein and hereinafter referred to as "Lessee"), a copy of which is attached hereto as Exhibit "A" for reference; and

WHEREAS, the aforesaid Lease was recorded with the Declaration of Covenants and Restrictions for Outdoor Resorts, R.V. Resort and Yacht Club in Deed Book 125 at Page 920 in the Office of the Clerk of Court, Beaufort County, South Carolina; and

WHEREAS, the provisions of Paragraph 19 of the aforesaid Lease require that any modifications to the Lease Agreement be in writing and signed by both parties; and

WHEREAS, the Lessor and Lessee have agreed that the following modification to Paragraph 3 be made.

IN CONSIDERATION of the sum of Five and 00/100 (\$5.00) Dollars and other valuable consideration, Paragraph 3 of the aforesaid Lease is modified to read as follows:

In consideration of this Lease of the Recreational Facilities to the Lessor, Lessee agrees to pay Lessor the sum of Five (\$5.00) Dollars per month per boat slip at the marina which is shown and designated on Exhibit "B" which is attached hereto and thereby made a part hereof. The payment of said rent, however, shall not begin until the improvements described as the Recreational Facilities in Paragraph 1 have been completed. Such rent shall be payable at such places as Lessor shall direct in writing. The amount of rent shall be automatically increased proportionately with any increase of assessments as determined by the Board of Directors of the Association pursuant to Article VI, Section 3 of the By-Laws of the R.V. Resort and Yacht Club Owners' Association, Inc.

WITNESSED our hand and seal this 8<sup>th</sup> day of October, 1981.

WITNESSES:

LESSOR:

R.V. Resort and Yacht Club  
Owners' Association, Inc.,  
a South Carolina non-profit  
corporation

*Edward M. S. Jr.*  
Edward M. S. Jr.

By *[Signature]*  
By: \_\_\_\_\_