

in Exhibit "B" attached hereto and incorporated herein by reference; now therefore

KNOW ALL MEN BY THESE PRESENTS THAT the Declarant hereby declares that the property described in Exhibit "A" and any Additional Property described in Exhibit "B" or so much of it as Declarant may, in its sole discretion, see fit to develop or dedicate, as by subsequent amendment hereto may be subjected to this Declaration, shall be held, mortgaged, transferred, sold, conveyed, leased, occupied and used subordinate and subject to the following easements, restrictions, covenants, charges, liens and conditions which are hereby imposed for the purpose of protecting the value and desirability of the Subdivision and which restrictions, easements, charges, liens, conditions, and covenants shall touch and concern and run with title to the real property subjected to this Declaration and which shall be binding on all parties having any right, title or interest in said properties or any portion of them. This Declaration also binds the respective heirs, devisees, fiduciary representatives, successors, successors in title and/or assigns, and shall inure to the benefit of anyone or anything who/which purchases or takes any interest in real property within the lands subject to this Declaration.

ARTICLE I DEFINITIONS

When used in this Declaration, unless the context shall prohibit or require otherwise, the following words shall have the following meanings, and all definitions shall be applicable to the singular or plural forms of any such term(s):

Section 1. "Additional Property" shall mean and refer to the real property described in Exhibit "B" and all improvements thereon.

Section 2. "Assessment" shall mean and refer to any Owner's share of the Common Expenses or any other charges from time to time assessed against an Owner by the Association in the manner herein provided.

Section 3. "Association" shall mean and refer to Seaside Property Owners Association, Inc., its successors and assigns.

Section 4. "Board of Directors" shall mean and refer to the Board of Directors of the Association, which is the governing body of the Association.

Section 5: "By-Laws of the Association" shall mean and refer to those By-Laws of the Association which govern the

administration and operation of the Association attached hereto as Exhibit "C" and made a part hereof by reference, as may be amended from time to time.

Section 6. "Common Areas" shall mean and refer to all real and personal property, if any, now or hereafter owned by the Association for the common use and enjoyment of the Owners or designated by the Declarant as Common Area. It is intended that the area designated at "Amenities Area" more particularly shown on the plat described in Exhibit "A", together with any improvements now or subsequently constructed thereon, shall be designated Common Area and conveyed to the Association by the Declarant or by Wild Dunes Associates. Such Common Areas are intended to be devoted to the common use and enjoyment of the members of the Association as herein defined, and are not dedicated for use by the general public and the general public shall thereby have no easement of use and enjoyment therein. It is anticipated that the roads within the Subdivision shall be conveyed by Wild Dunes Associates to the Wild Dunes Community Association, Inc. or to such other association as Declarant shall determine for ownership and maintenance, but the Declarant, in Declarant's sole discretion, shall have the right and option of conveying or causing to be conveyed and/or designating said roads as Common Areas for maintenance by the Association, in which event the Association agrees to accept ownership and maintenance of said roads and rights-of-way. In the event Declarant conveys, or causes to be conveyed, the roads within the Subdivision to an association other than the Wild Dunes Community Association, Inc. or the Seaside Property Owners Association, Inc., the Seaside Property Owners Association, Inc. shall be obligated to pay its prorata share of the maintenance expenses of such roads to such other association charged with such maintenance.

Section 7. "Common Expenses" shall mean and refer to all expenditures lawfully made or incurred by or on behalf of the Association, together with all funds lawfully assessed for the creation or maintenance of financial, equipment or material reserves, consistent with the provisions and intent of this Declaration.

Section 8. "Declaration" shall mean this Declaration and all supplements and amendments to this Declaration as filed in the Office of the Charleston County Register of Mesne Conveyances.

Section 9. "Declarant" shall mean and refer to Seaside Associates, a South Carolina General Partnership, its successors and assigns. The Declarant shall have the right to assign any and all rights which it may possess, as Declarant, to Wild Dunes Associates, a South Carolina General Partnership, or any person or entity provided, however, that

particularly described in Exhibit "A" attached hereto and by reference incorporated herein.

Section 2. Additional Properties. Additional Properties may become subject to this Declaration in the following manner:

(a) Additions. The Declarant, its successors and assigns, shall have the right, without further consent of the Association at any time prior to January 1, 1998 to bring within the plan and operation of this Declaration Additional Properties, whether or not owned by the Declarant, its successors or assigns, in future stages of the development, whether or not immediately contiguous and adjacent, provided, however, such Additional Properties are inside the Wild Dunes Community of the Isle of Palms, in the same general vicinity of the instant property and are of the same general character, regardless of whether the Lots within such Additional Properties are of a size greater or smaller than the Lots presently subject to this Declaration. The additions authorized under this and the succeeding subsection shall be made by filing of record a Supplementary Declaration of Covenants and Restrictions with respect to the Additional Properties which shall extend the operation and effect of the Covenants and Restrictions of this Declaration to such Additional Properties.

The Supplementary Declaration may contain such complementary additions and modifications of the Covenants and Restrictions contained in this Declaration as may be necessary or convenient, in the judgment of the Declarant, to reflect the different character, if any, of the Additional Properties as are not inconsistent with the plan of this Declaration. It is anticipated that the Declarant will develop and later bring within the plan and operation of this Declaration those Lots shown on the Subdivision Plat not presently subject to this Declaration. The Declarant reserves the right to bring other Property within the plan and operation of this Declaration. The Declarant expressly reserves, however, the right and option to develop or not develop such properties in any manner it so desires and to submit or not submit such property to the plan and operation of this Declaration. The Declarant shall not be obligated to impose this Declaration on any properties not presently subject to said Declaration and expressly reserves the right to convey such property or properties free of this Declaration unless otherwise affirmatively imposed.

(b) Merger or Consolidation. Upon a merger or consolidation of the Association with another association as provided for in the By-Laws of the Association, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated

association or, in the alternative, the properties, rights and obligations of another association may, by operation of law, be added to the properties of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the Covenants and Restrictions established by this Declaration within the Properties as herein provided.

ARTICLE III

THE ASSOCIATION; MEMBERSHIP AND VOTING RIGHTS

Section 1. The Association. The Declarant has established or will establish the Association for the purpose of exercising powers of maintaining, improving and administering the Common Areas and providing common services, administering and enforcing covenants, conditions and restrictions contained herein, and levying, collecting and disbursing Assessments and charges herein created. Further, the Declarant reserves the right to convey to the Association and the Association agrees to accept any and all of its rights and obligations set forth herein.

Section 2. Rules and Regulations. The Association, by and through its Board of Directors, may adopt from time to time additional reasonable rules and regulations governing the use of Common Areas and Lots within the Subdivision.

Section 3. Membership. Every Owner of a Lot which is subject to this Declaration shall be a member ("Member") of the Association. Membership shall be appurtenant to and not be separated from ownership of any Lot which is subject to assessments.

Section 4. Voting Rights. Each Member shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be Members. The one (1) vote for such Lot shall be exercised as they, among themselves, shall determine, but in no event shall more or less than one (1) vote be cast with respect to any such Lot. The Declarant, in addition to having one (1) vote for each Lot owned by said Declarant, shall be entitled to one (1) vote for each vote held by the other Members of the Association. This additional voting right of the Declarant shall cease when the Declarant has conveyed to others all of the Lots in the Subdivision, including those Lots contained in or situate on any Additional Property which Declarant may hereafter bring under the terms of this Declaration, or on December 31, 1998, whichever shall first occur. The Members of the Association shall have the right to vote for the election and removal of Directors and upon such other matters with respect to which a vote of the Members is required under the Declaration or the By-Laws. Members shall

cast their votes as set forth in the Declaration and the By-Laws.

Section 5. Board of Directors. The Association shall be governed and the business and affairs of the Association shall be managed by a Board of Directors as more particularly set forth in the By-Laws of the Association.

Section 6. Referendum. Any action which may be taken at a duly called meeting of the Association may also be taken by referendum of the Members of the Association. In the event fifty-one (51%) percent, or more, of the votes actually returned to the Association within the specified time shall be in favor of such action, the referendum shall be deemed to "pass" and the action voted upon will be deemed to have been authorized by the Members; provided, however, that if a higher percentage vote required to "pass" shall be specifically expressed herein, that higher percentage shall control in that instance.

ARTICLE IV PROPERTY RIGHTS IN THE COMMON AREAS

Section 1. Members Easements of Enjoyment. Subject to the provisions of these Covenants and the rules and regulations of the Association, every Owner shall have a right and nonexclusive easement of enjoyment in and to the dedicated Common Areas, and such easement shall be appurtenant to and shall pass with the title to every Lot.

Section 2. Title to Common Areas. The Declarant covenants for itself, its successors and assigns, that it shall convey to the Association or cause to be conveyed to the Association, as Common Area, the lot shown on the Subdivision Plat designated as "Amenities Lot" on or before December 31, 1998, subject, however, to all liens and encumbrances of record. The Declarant reserves the right to impose additional covenants on such Common Areas at the time of such conveyance. The Declarant also reserves the right, but not the obligation, to convey other Common Areas to the Association and the Association hereby agrees to accept such Common Areas, including, but not limited to, the streets, roads and rights-of-way within the Subdivision. Any Common Areas so conveyed to the Association shall be maintained and repaired by the Association. It is anticipated that the roads within the Subdivision shall be conveyed by Wild Dunes Associates to the Wild Dunes Community Association, Inc. or to such other association as Declarant shall determine for ownership and maintenance, but the Declarant, in Declarant's sole discretion, shall have the right and option of conveying or causing to be conveyed and/or designating said roads as Common Areas for maintenance by the Association, in which event the

Association agrees to accept ownership and maintenance of said roads and rights-of-way. In the event Declarant conveys, or causes to be conveyed, the roads within the Subdivision to an association other than the Wild Dunes Community Association, Inc. or the Seaside Property Owners Association, Inc., the Seaside Property Owners Association, Inc. shall be obligated to pay its prorata share of the maintenance expenses of such roads to such other association charged with such maintenance.

Section 3. Extent of Members' Easement. The rights and easements created hereby shall be subject to the following:

(a) The right of the Declarant, and of the Association, to dedicate, transfer or convey all or any part of the Common Areas, with or without consideration, to any successor association, governmental body, district, agency or authority, or to any utility company, provided that no such dedication, transfer or conveyance shall adversely affect the use of the Common Areas by the Owners;

(b) The right of the Declarant, and of the Association, to grant, reserve and accept easements and rights-of-way through, under, over and across the Common Areas, for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, electric, fuel oil and other utilities and services, including a cable or community antenna television system and irrigation or lawn sprinkler systems, and the right of the Declarant to grant and reserve easements and rights-of-way through, over and upon and across the Common Areas for the completion of the Subdivision, and for the operation and maintenance of the Common Areas;

(c) The right of visitors, invitees, etc., to ingress and egress in and over those portions of the Common Areas that lie within the private roadways, parking lots and/or driveways (and over any other necessary portion of the Common Areas in the case of landlocked adjacent Owners) to the nearest public road;

(d) The right of the Association, as provided in its By-Laws, to suspend the enjoyment rights of any Owner for any period during which any Assessment remains unpaid, and for a period not to exceed thirty (30) days for any infraction of its published rules and regulations;

(e) The rights of the Declarant and the Association, as the case may be, to establish rules and regulations for the Subdivision and to prescribe fees and charges from time to time for use of any amenities which may now or hereafter be constructed on the Common Areas.

Section 4. Easements for Declarant. During the period that Declarant owns any Common Area, or owns any Lot primarily for the purpose of sale or has the option to add the Additional Property or any portion thereof to the Subdivision, Declarant shall have an alienable and transferable right and easement on, over, through, under and across the Common Areas for the purpose of constructing or improving Lots, any improvements to the Common Areas, and the Additional Property and for installing, maintaining, repairing and replacing such other improvements to the Subdivision (including portions of the Common Areas) as are contemplated by this Declaration or as Declarant desires, in its sole discretion, including without limitation any improvements or changes permitted and described in this Declaration, and for the purpose of doing all things reasonably necessary and proper in connection therewith, provided that in no event shall Declarant have the obligation to do any of the foregoing.

Section 5. Changes in Boundaries; Additions to Common Areas. Declarant expressly reserves for itself and its successors and assigns the right to change and realign the boundaries of the Common Areas and any Lots owned by Declarant, including the realignment of boundaries between adjacent Lots and Common Areas. In addition, Declarant reserves the right, but shall not have the obligation, to convey to the Association at any time, and from time to time, any portion of the Additional Property, such real property to be conveyed to the Association as an addition to Common Areas and subject to the other provisions set forth in this Declaration.

Section 6. Easements for Utilities. There is hereby reserved for the benefit of Declarant, the Association and their respective successors and assigns the alienable, transferable and perpetual right and easement, as well as the power to grant and accept easements to and from any private or public authority, agency, public service, district, public or private utility or other person upon, over, under and across: (i) -all of the Common Areas; (ii) an easement area across every Lot as shown on the Subdivision Plat for the purpose of installing, replacing, repairing, maintaining and using master television antenna and/or cable systems, security and similar systems, and all utilities, including but not limited to storm sewers and drainage systems and electrical, gas, telephone, water and sewer lines. Such easements may be granted or accepted by Declarant, its successors and assigns or by the Board of Directors; provided, however, that for so long as Declarant owns any portion of the Common Areas, owns any Lot primarily for the purpose of sale or has the option to add the Additional Property or any portion thereof to the Subdivision, the Board of Directors must obtain the written consent of

Declarant prior to granting or accepting any such easements. To the extent possible, all utility lines and facilities serving the Subdivision and located therein shall be located underground. By virtue of any such easement and facilities, it shall be expressly permissible for the providing utility company or other supplier or servicer, with respect to the portions of the Subdivision so encumbered: (i) to erect and maintain pipes, lines, manholes, pumps, and other necessary equipment and facilities; (ii) to cut and remove any trees, bushes or shrubbery; (iii) to grade, excavate or fill; or (iv) to take any other similar action reasonably necessary to provide economical and safe installation, maintenance, repair, replacement and use of such utilities and systems.

Section 7. Easements for Association. There is hereby reserved a general right and easement for the benefit of the Association, its Directors, officers, agents and employees, including but not limited to any property manager employed by the Association and any employees of such manger, to enter upon any Lot or any portion thereof in the performance of their respective duties. Except in the event of emergencies, this easement is to be exercised only during normal business hours and then, whenever practicable, only upon advance notice to and with permission of the Owner or occupant affected.

Section 8. Sales Offices, Rental Offices, Property Management Offices and Construction Offices. Notwithstanding any provisions or restrictions herein to the contrary, there is hereby reserved for the benefit of Declarant, its successors and assigns, the perpetual, alienable and transferable right and easement in and to the Property for the maintenance of signs, sales offices, rental offices, property management offices, construction offices, and model or sample Lots, together with such other facilities as in the sole opinion of Declarant reasonably may be required, convenient or incidental to the completion, management, rental, improvement and/or sale of Lots, Common Areas or the Additional Property. The Declarant also reserves the right to grant to any builder or builders the right to operate and maintain builder sales offices at any location within the subdivision upon such terms and conditions as the Declarant in the Declarant's sole discretion may establish.

Section 9. Easements for Additional Property. There is hereby reserved in the Declarant, its successors, assigns and successors in title to the Additional Property, for the benefit of and as an appurtenance to the Additional Property, and as a burden upon the Subdivision, perpetual, non-exclusive rights and easements for: (i) pedestrian and vehicular access, ingress, egress and parking facilities from time to time located on or within the Common Areas or within easements serving the Common Areas or within the streets

within the Subdivision, whether or not such streets have been designated as Common Areas; (ii) the installation, maintenance, repair, replacement and use of security systems and utility facilities and distribution lines, including without limitation drainage systems, storm sewers and electrical, gas, telephone, water, sewer and master television antenna and/or cable system lines; and (iii) drainage and discharge of surface water onto and across the Subdivision, provided that such drainage and discharge shall not materially damage or affect the Subdivision or any improvements from time to time located thereon.

Section 10. Maintenance Easement. Subject to the other terms of this Declaration, there is hereby reserved for the benefit of the Declarant, the Association and their respective agents, employees, successors and assigns an alienable, transferable and perpetual right and easement to enter upon any unimproved portions of any Lot for the purpose of landscaping, mowing, removing, clearing, cutting or pruning underbrush, weeds, stumps or other unsightly growth and removing trash, so as to maintain reasonable standards of health, fire safety and appearance within the Subdivision; provided that such easements shall not impose any duty or obligation upon the Declarant or the Association to perform any such actions. Furthermore, there is hereby reserved for the benefit of the Declarant, the Association and their respective agents, employees, successors and assigns an alienable, transferable and perpetual right and easement, but not the obligation, to enter upon any unimproved portions of Lots which are located within ten (10') feet from the water's edge of any lagoon, pond or other body of water within the Subdivision for the purpose of mowing such area and keeping same clear and free from unsightly growth and trash, as well as for the purpose of maintaining such body of water, such maintenance to include, without limitation, dredging and the maintenance of reasonable water quality standards.

Section 11. Environmental Easement. There is hereby reserved for the benefit of the Declarant, the Association and their respective agents, employees, successors and assigns an alienable, transferable and perpetual right and easement on, over and across all unimproved portions of the Common Areas and Lots for the purpose of taking any action necessary to effect compliance with environmental rules, regulations and procedures from time to time promulgated or instituted by the Board of Directors or by any governmental entity, such easement to include without limitation the right to implement erosion control procedures and practices, the right to drain standing water and the right to dispense pesticides.

Section 12. South Carolina Coastal Council Jurisdiction. Notice is hereby given of the restriction that as to any

