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STATE OF SOUTH CAROLINA) THIRD AMENDMENT TO DECLARATION
) OF COVENANTS, CONDITIONS AND
COUNTY OF BEAUFORT) RESTRICTIONS FOR HAMPTON HALL CLUB

THIS THIRD AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR HAMPTON HALL CLUB ("Third Amendment") made this 7th day of April, 2004, by Hampton Hall, LLC, formerly known as Buckwalter JV, LLC ("Declarant"), a Delaware limited liability company.

WITNESSETH:

WHEREAS, the Declarant subjected certain property located in the Town of Bluffton, Beaufort County, South Carolina, known as Hampton Hall Club (the "Club"), to a Declaration of Covenants, Conditions And Restrictions For Hampton Hall Club dated March 17, 2003 and recorded in the Office of the Register of Deeds for Beaufort County, South Carolina in Book 1729 at Page 1965 (the "Covenants"); and

WHEREAS, Declarant filed a First Amendment dated February 25, 2004 and recorded in the Office of the Register of Deeds for Beaufort County, South Carolina in Book 1914 at Page 1465 and a Second Amendment dated March 10, 2004 and recorded in the Office of the Register of Deeds for Beaufort County, South Carolina in Book 1922 at Page 1377 to subject additional property to the Covenants; and

WHEREAS, Article IV, Section 4.03 of the Covenants provides that only Golf Members and the Class B Member are allowed to vote on matters relating to Golf Memberships and Golf Facilities; and

WHEREAS, Declarant is the Class B Member of the Club; and

WHEREAS, Declarant owns one hundred (100%) percent of the Golf Memberships at the Club and there are no existing Golf Members; and

WHEREAS, in Article X, Section 10.02 of the Covenants, Declarant reserved the right to unilaterally amend the Declaration as deemed necessary or desirable by Declarant as long as Declarant was not materially adversely affecting any existing member's rights and reserved the right to amend the Membership Plan from time to time in its discretion so long as such amendments are not materially adverse to the rights of existing members; and

WHEREAS, the Declarant as owner of 100% of all Golf Memberships now wishes to amend the Covenants as such Covenants relate to Golf Memberships;

NOW, THEREFORE, the Declarant hereby amends the Covenants as follows:

1. Article V, Section 5.08 entitled "Annual Golf Budget; Golf Member Assessment; Golf Specific Assessment; Golf Special Assessments" is hereby deleted in its entirety and replaced by the following:

5.08. Annual Golf Budget; Golf Member Assessment; Golf Specific Assessment; Golf Special Assessments.

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(a) The annual budget of estimated expenses for the Golf Facilities (the "Golf Budget") for each fiscal year until the Golf Facilities are completed shall be established for the Club by Declarant. Thereafter, at least sixty (60) days before the beginning of each fiscal year of the Club, the Golf Board shall prepare a Golf Budget of estimated expenses for the coming year in connection with Golf Members and the Golf Facilities. Each Golf Member's pro-rata share of the Golf Budget (excluding Declarant) as hereinafter set out for each fiscal year shall be the golf member assessment (the "Golf Member Assessment") for such Golf Member; provided, however, as long as Declarant is the Class B Member, the Declarant in its discretion shall set the assessments for any golf membership issued by the Club which are not a full dues paying golf membership and are subject to recall by the Declarant. The Golf Member Assessment will constitute dues of the Member (excluding Declarant) to the Club. The Golf Budget shall address all anticipated expenses including, but not limited to, the cost of nonrecurring maintenance, or the reconstruction, repair or replacement of a capital improvement in connection with or upon the Golf Facilities. The Golf Budget shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Golf Board shall include in the Golf Budget of expenses adopted an amount as a capital contribution to fund reserves in an amount sufficient to meet the projected needs with respect to both amount and timing for the expected repair and/or replacement costs of Golf Facilities. The Golf Budget shall also reflect the sources and estimated amounts of funds to cover such expenses, which may include any surplus to be applied from prior years and the amounts to be generated through the levy of Golf Member Assessments and Golf Special Assessments. Founder Members shall not be subject to any golf membership fee or to the Golf Member Assessment or to Special Golf Assessments but shall be subject to Golf Member Specific Assessments to cover all charges incurred by a Founder Member for food, beverages, merchandise, and other like charges incurred with respect to Golf Facilities.

Notwithstanding any other provision of this Declaration, Declarant shall not at any time be subject to any type of assessments on Golf Memberships owned or controlled by Declarant, including but not limited to any Golf Member Assessment or any Special Golf Assessment; provided, however, after the Turnover Date, Declarant will be responsible for paying all charges incurred by Declarant for food, beverages, merchandise, and similar services offered by the Club. However, during the period that Declarant is the Class B Member, Declarant will be responsible each fiscal year for paying the difference, if any, between the amount of assessments levied on all Golf Members subject to assessment (excluding golf memberships owned by Declarant) plus fees from outside play (as hereinafter defined) and revenues from other sources and the amount of actual expenditures incurred by the Club with respect to Golf Members and Golf Facilities during the applicable fiscal year. Until the Turnover Date, the Declarant is also authorized to allow any Club Member access to the dining facilities of the Golf Facilities to help offset costs. Declarant's obligations hereunder may be satisfied in the form of cash or by "in kind" contributions of services or materials, or by a combination of these. After termination of the Class B Membership, no Golf Membership owned or controlled by Declarant will be subject to any assessments of any type, including but not limited to any Golf Member Assessment or any Special Golf Assessment, until such time as a Golf Membership has been transferred and issued by Declarant to a third party purchaser. During such period in connection with the promotion of the sale of such memberships, Declarant, its assigns, and Declarant's prospective purchasers shall have full and unrestricted access to the Golf Facilities. Notwithstanding the foregoing, after termination of the Class B Membership, Declarant upon written notice to the Golf Board may transfer in bulk on a one time basis all of the Golf Memberships that Declarant owns or controls to a single entity or party and each Golf Membership as owned by such single entity or party shall not be subject to any assessments of any type, including but not limited to any Golf Member Assessment or any Special Golf Assessment, until such time as each Golf Membership has been transferred and issued by such single entity or party to a third party purchaser. The Declarant,

including any entity assigned such rights by Declarant, in its sole discretion may set the price from time to time at which Golf Memberships owned or controlled by Declarant will be sold.

The Golf Member Assessment shall be set by Declarant each year until the completion of the Golf Facilities and may be increased at the time each portion of the Golf Facilities is completed as determined by Declarant in its sole discretion. Declarant will furnish golf members with an estimate of the Golf Member Assessment that will be applicable as each portion of the Club Facilities is completed. Once the Club Facilities are completed, the Golf Board may not increase the Golf Member Assessment set by the Declarant upon completion of the Golf Facilities on a cumulative yearly basis by more than the greater of: (i) the increase each year in the consumer price index (as published by the U.S Department of Labor, Bureau of Labor Statistics, All Urban Consumers, U.S. City Average, All Items, 1982-84=100), or (ii) ten (10%) percent without the approval of two thirds ($\frac{2}{3}$) of the Golf Members in attendance, whether in person or by proxy, at a duly called meeting of Golf Members with a quorum present.

Declarant is permitted for marketing and other purposes under this Declaration and the Membership Plan to allow golf course play by nonmembers of the Club (hereinafter referred to as "outside play") including but not limited to guests of Members, prospective golf members, prospective purchasers of real estate at Hampton Hall, and participants in promotional and other special events. Such outside play may be significant in early years but will decrease as the number of Golf Members increases. All projections of the yearly Golf Member Assessment for the Club are based on the ability of the Declarant to have and to charge fees for such outside play to help offset golf operating expenses which reduces what would otherwise be the applicable Golf Member Assessment. At the Turnover Date of the golf facilities to the Golf Members by Declarant, the Golf Members, in order to keep the Golf Member Assessment at the level prevailing at the Turnover Date, may have to either continue to allow outside play in promoting the golf club to help offset golf operating expenses or the prevailing Golf Member Assessment will have to be raised to cover the lost revenue.

The Golf Budget shall automatically become effective unless disapproved at a meeting held prior to the effective date of the Golf Budget by Golf Members representing at least 75% of the total Golf Membership votes in the Club and by the Class B Member, if such Class B Membership still exists. There shall be no obligation to call a meeting for the purpose of considering the Golf Budget except on petition of the Golf Members for a special meeting as provided for in the Bylaws. Any such petition must be presented to the Golf Board within 14 days after delivery of the Budget and notice of any assessment. If any proposed Golf Budget is disapproved or the Golf Board fails for any reason to determine the Golf Budget for any year, then the Golf Budget most recently in effect shall continue in effect until a new Golf Budget is determined. The Golf Board may revise the Golf Budget and adjust the Golf Member Assessment from time to time during the year, subject to the notice requirements and the right of the Golf Members to disapprove the revised Golf Budget as set forth above.

(b) Except for Declarant and as otherwise provided in this Declaration, the Club through the Golf Board is authorized to levy Golf Member Assessments against all full dues paying Golf Members on an equal basis. Founder Members are not subject to Golf Member Assessments. As long as Declarant is the Class B Member, the Declarant in its discretion shall set the assessments for any golf membership issued by the Club which are not full dues paying golf memberships and are subject to recall by the Declarant.

(c) Except for Declarant and as otherwise provided in this Declaration, the Golf Member Assessment as to each Golf Member shall commence upon obtaining of a Golf Membership and shall be in accordance with the provisions of the Membership Plan.

(d) In addition to Golf Member Assessments, the Club is hereby authorized to levy specific assessments against a Golf Member ("Golf Member Specific Assessments") to cover all charges incurred by a Golf Member for food, beverages, merchandise, and/or other services offered by the Club.

(e) In addition to the Golf Member Assessments and Golf Member Specific Assessments authorized by this Article V, excluding Declarant and as otherwise provided in this Declaration, the Golf Board is hereby authorized to levy (hereinafter all special assessments authorized hereunder referred to as "Golf Special Assessments") on all Golf Members in any assessment year, a Golf Special Assessment applicable to that year only for the purpose of defraying, in whole or in part, any Golf Facilities expenses not covered by the annual Golf Budget or in excess of the amounts budgeted, including, but not limited to, the cost of nonrecurring maintenance, or the acquisition, construction, reconstruction, repair or replacement of a capital improvement upon any of the Golf Facilities, including fixtures and personal property related thereto, provided that any such Golf Special Assessment shall have been approved by a two-thirds (2/3) vote of the votes of the Golf Members of the Club who are present in person or by proxy at a meeting with the required quorum and duly called for such purpose and by the written consent of the Class B Member, if such Class B Membership still exists. Golf Special Assessments shall be payable in such manner and at such times as determined by the Golf Board, and may be payable in installments extending beyond the fiscal year in which the Golf Special Assessment is approved.

2. All terms not specifically defined in this Third Amendment shall have the definitions as set forth in the Covenants, subject to such amendments and changes in said definitions as are made pursuant to this Third Amendment.

3. Except as amended herein, all provisions of the Covenants shall continue in full force and effect. To the extent that there is any ambiguity, conflict, or inconsistency between the provisions of the Covenants and this Third Amendment, the provisions of this Third Amendment shall control.

WITNESSES:

[Signature]
Karla G. Eibling

By: BHR INVESTMENTS, INC., a
South Carolina corporation, Its Member

By: [Signature]
Its Vice President

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

ACKNOWLEDGMENT

I, Karla G. Eibling Notary Public for South Carolina, do
hereby certify that Gary L. Rowe, the Vice President of BHR
Investments, Inc., a member of Hampton Hall, LLC personally appeared before me this day and
acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 7th day of April, 2004.

[Signature]
Notary Public for South Carolina
My Commission Expires: 11/20/06