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STATE OF SOUTH CAROLINA)
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)
COUNTY OF BEAUFORT) FIRST AMENDMENT TO THE
) AMENDED AND RESTATED COVENANTS,
) CONDITIONS AND RESTRICTIONS FOR
) HAMPTON HALL CLUB

Reference: Record Book 3911 at Page 3186
Reference: Record Book 3945 at Page 24

THIS FIRST AMENDMENT TO THE AMENDED AND RESTATED COVENANTS, CONDITIONS AND RESTRICTIONS FOR HAMPTON HALL CLUB (the “*Amendment*”) is made effective as of this 7th day of December, 2020 (the “*Effective Date*”), by HAMPTON HALL CLUB, INC., a South Carolina nonprofit corporation (the “*Club*”).

WITNESSETH

WHEREAS, prior to the execution of this Amendment, the Club recorded that certain instrument entitled the *Amended and Restated Covenants, Conditions and Restrictions for Hampton Hall Club*, dated September 18, 2020, which was recorded with the Office of the Register of Deeds for Beaufort County, South Carolina, on September 22, 2020, in Record Book 3911 at Page 3186; and, it also recorded that certain *Corrective Amended and Restated Covenants, Conditions and Restrictions for Hampton Hall Club*, dated November 17, 2020, with the Office of the Register of Deeds for Beaufort County, South Carolina, on December 9, 2020, in Record Book 3945 at Page 24, for the purpose of correcting a scrivener’s error contained within the recitals of the aforementioned *Amended and Restated Covenants, Conditions and Restrictions for Hampton Hall Club* (collectively, the “*Covenants*”); and,

WHEREAS, Hampton Hall was developed as a primarily residential subdivision with a private club, and the Covenants, which are recorded against all of the real property in Hampton Hall, impose upon all owners of any residential Homesites within Hampton Hall the obligation to join the Club as Class “A” Club Members and to comply with certain beneficial restrictions and financial obligations for the common good and general welfare of all owners of any Homesite within Hampton Hall; and

WHEREAS, pursuant to Section 5.04(b) of the Covenants, “Members with an ‘Unimproved Homesite’ ... shall pay eighty (80%) percent of the prevailing full Club Member Assessment applicable to an Improved Homesite”; and,

WHEREAS, the Club has determined that it is in its best interests of the Club to eliminate the distinction between Improved Homesites and Unimproved Homesites so that Class “A” Club

Members' financial obligations to the Club are uniform and not dependent upon the nature of each Member's Homesite; and,

WHEREAS, Section 10.02 of the Covenants provide the Members of the Club with the affirmative right to amend the Covenants; and,

WHEREAS, it is the desire of Hampton Hall Club, Inc., to execute and record this *First Amendment to the Amended and Restated Covenants, Conditions and Restrictions for Hampton Hall Club* in order to amend **Section 1.09, Section 1.26, Section 5.04(a), Section 5.04(b), and Section 5.05(a)** of the Covenants to remove any distinctions between an Improved Homesite and an Unimproved Homesite so that Class "A" Club Members' financial obligations to the Club are not dependent upon the improved nature of their Homesite.

NOW, THEREFORE, in consideration of the foregoing recitals, Hampton Hall Club, Inc., a South Carolina nonprofit corporation, does hereby authorize the recording hereof in the Office of the Register of Deeds for Beaufort County, South Carolina, and does hereby declare and agree that the Covenants shall be amended as follows, *to wit*:

Section 1. **Incorporation of Recitals.** The above recitals are hereby incorporated herein as if restated fully and are hereby made an integral part hereof so that their contents are a substantive part of this Amendment.

Section 2. **Capitalized Terms.** Any and all capitalized terms used but not otherwise defined in this Amendment shall have the meanings ascribed to such terms in the Covenants.

Section 3. **Amendment to Section 1.09 of the Covenants.** Section 1.09 of the Covenants, which defines the Club Member Assessment, shall be amended by the deletion of its last sentence so that Section 1.09 of the Covenants shall read, in its entirety, as follows:

1.09 **Club Member Assessment.** "Club Member Assessment" shall mean and refer to the annual assessment levied on Club Members under Article V to fund Common Expenses for the general benefit of all Club Members as determined under Article V of this Declaration.

Section 4. **Amendment to Section 1.26 of the Covenants.** Section 1.26 of the Covenants, which defines Homesite, shall be deleted in its entirety and replaced with the following:

1.26 **Homesite.** "Homesite" shall mean and refer to any numbered parcel of land shown as a residential building lot, whether improved or unimproved, of Hampton Hall on any existing and/or future recorded subdivision plat of Hampton Hall, and/or as similarly shown on revised or supplemental recorded subdivision plats of the Property or such tracts or such additional tracts as may be added to the Property from time to time, as provided herein. Provided no portion of the Common Property shall be a Homesite except as may be provided for in Article III. The term "Homesite" shall refer to the land, if any, which is a part of the Homesite as well as any improvements thereon. In case of a structure containing multiple dwellings (including condominiums and town homes), each dwelling shall be deemed to be a separate Homesite. A duplex shall be deemed two Homesites whether or not title to each side of the duplex has been separated. A parcel of land under single ownership shall be deemed a single Homesite

until such time as a subdivision plat is filed of record with the Register of Deeds for Beaufort County that subdivides all or a portion of such parcel in which event the parcel shall then contain the number of Homesites as shown on such recorded subdivision plat with any remaining portion of such parcel constituting one Homesite. Subject to the prior written approval of the Club, two or more Homesites may be physically used as a single Homesite but shall continue to be treated as separate Homesites for purposes of voting and assessments and title to such Homesites may not be legally combined unless the Club also consents in writing to such combination, such combination is approved by the Town of Bluffton, and the party requesting such combination pays all costs associated therewith including the costs of a revised or amended plat in a form approved by the Town of Bluffton and by the Club in writing and recorded in the Office of the Register of Deeds for Beaufort County making such Homesites a single Homesite. An Owner of every Homesite must purchase a Club Membership at the Hampton Hall Club and such Club Membership shall, except as otherwise specifically allowed in this Declaration or the Membership Plan, automatically terminate upon sale or other transfer of the Homesite. A purchaser of each Homesite must purchase a Club Membership at the closing of such purchase of the Homesite.

Section 5. **Amendment to Section 5.04(a) of the Covenants**. Section 5.04(a) of the Covenants, shall be amended by the deletion of the second sentence so that Section 5.04(a) of the Covenants shall read, in its entirety, as follows:

5.04 Annual Budget; Club Member Assessment; Financial Controls.

(a) At least sixty (60) days before the beginning of each fiscal year of the Club, the Full Board shall prepare a Club Budget of estimated Common Expenses for the coming year. The Club 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 upon any Common Property (excluding the Golf Facilities). The Club 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 Board shall include in the Club Budget of Common 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. The Club Budget shall also reflect the sources and estimated amounts of funds to cover such Common Expenses, which may include any surplus to be applied from prior years and the amounts to be generated through the levy of Club Member Assessments, Special Assessments, and Specific Assessments.

The Board may not increase the full Club Member Assessment 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 Members in attendance, whether in person or by proxy, at a duly called meeting with a quorum present.

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

Section 6. **Amendment to Section 5.04(b) of the Covenants.** Section 5.04(b) of the Covenants shall be deleted in its entirety and replaced with the following:

(b) The Club is authorized to levy Club Member Assessments against all Class "A" Club Members based on the Club Budget and all Class "A" Club Members are obligated to pay such Club Member Assessments.

With respect to any non-property owner Golf Member that is also a Club Member, such non-property owner Golf Member shall pay the same Club Member Assessment as paid by the Class "A" Club Members.

After termination of the Class "B" Membership, Declarant shall pay Club Member Assessments on its unsold Homesites in the same manner as any other Club Member. Founder Members shall not be subject to any Club Membership fee or to the Club Member Assessment or to Special Assessments but shall be subject to Specific Assessments to cover all charges incurred by a Founder Member for food, beverages, merchandise, and other like charges incurred with respect to Club Facilities.

Section 7. **Amendment to Section 5.05(a) of the Covenants.** Section 5.05(a) of the Covenants shall be amended by removing the parenthetical that states "(at the rate applicable to an Improved Homesite)" so that Section 5.05(a) of the Covenants shall read, in its entirety, as follows:

(b) upon each sale of a Homesite a special assessment shall be payable by the purchaser at the closing of the Homesite which shall be equal to three (3) months estimated or prevailing Club Member Assessment, which shall be collected at the closing of each such sale for the benefit of the Club which may be used by the Club as part of its working capital for recurring and/or nonrecurring expenses with respect to Club Members and/or Club Facilities as determined by the Board in its sole discretion; and

Section 8. **No Other Amendments or Changes**. Except as expressly set forth within this Amendment, all rights, covenants, interests, obligations, and easements declared, granted, sold, aligned, conveyed, reserved, imposed, and established by the Covenants are hereby ratified, confirmed, reaffirmed, and shall remain unchanged and fully enforceable according to the Covenants' terms, and no other changes to the Covenants are made or implied by this Amendment.

Section 9. **Conflicts**. In the event of a conflict between the terms of the Covenants and the terms of this Amendment, the terms of this Amendment shall control.

{Remainder of Page Intentionally Omitted. Signature Page to Follow.}

