

STATE OF SOUTH CAROLINA)
)
 COUNTY OF CHARLESTON) **SECOND AMENDMENT TO MASTER DEED:
 PENINSULA ON JAMES ISLAND
 HORIZONTAL PROPERTY REGIME**

Whereas, MONTECITO ENCLAVE, LLLP, a Florida limited liability limited partnership ("Declarant"), pursuant to the Horizontal Property Act of South Carolina (the "Act"), recorded in the RMC Office of Charleston County, South Carolina, on January 13, 2005, in Book K-522 at Page 001 et seq., the PENINSULA ON JAMES ISLAND. HORIZONTAL PROPERTY REGIME MASTER DEED (the "Master Deed"); and

Whereas, Declarant recorded in the RMC Office of Charleston County, South Carolina on February 15, 2005, a First Amendment to the Master Deed (the "First Amendment") to correct a typographical error and to further define the notice and approval rights of potential mortgage lenders to Owners of Units; and

Whereas, legal counsel and potential mortgage lenders have expressed concern that granting licenses for use of Garage Spaces (as previously defined in the Master Deed), as opposed to granting a fee simple interest in such Garage Spaces, makes it difficult for such lenders to make mortgage loans on reasonable terms for such Garage Spaces; and

Whereas, Section 14.2 of the Master Deed allows the Declarant to amend the Master Deed "without the consent of the Association, any Owner, any easement grantee, or any mortgagee if, in Declarant's opinion, based on advice of legal counsel, such amendment is necessary to...(d) enable any mortgagee to make mortgage loans, on reasonable terms...."; and

Whereas, Declarant is currently the Owner of all Units in the Regime.

Now, therefore, the Master Deed is amended as follows:

A. Sections 2.1.1 and 2.1.2 are deleted and the following is substituted therefore:

"2.1.1. General Description and Staging.

The Property is located in the City of Charleston, Charleston County, South Carolina. The Property is accessed from Daniel Ellis Drive and is bordered on the Northwest by the James Island Expressway. The Property contains three hundred (300) Units in thirteen (13) Buildings, consisting of five (5) Building configurations (Type 1, Type 2, Type 3, Type 4 and Type 5). Eighty-eight (88) Garage Units exist as "Garage Units" which are separate from the Units. (See Article 3, below.) The Property also contains, as part of the General Common Elements, a swimming pool, a tennis court, a clubhouse and on-grade parking. A Plot Plan showing the location of the Buildings, garages, on-grade parking, swimming pool, tennis court and clubhouse is attached as Exhibit C. All Units and Garage Units are in Stage One.

"2.1.2. Number of Units.

The Regime contains a total of three hundred (300) Units and eighty-eight (88) Garage Units."

B. Sections 2.3 and 2.4 are deleted and the following is substituted therefore:

"2.3. SUMMARY OF PLANS

In accordance with Section 27-31-110 of the Act, attached hereto and made a part of this Master Deed are the following documents, which cumulatively constitute the "Plans":

- (a) Plot Plan (Exhibit C).
- (b) Floor Plans (Exhibit D)
- (c) Elevations (Exhibit E).
- (d) Unit Sizes and Designations (Exhibit F).
- (e) Garage Unit Designations (Exhibit F-1)

- (f) Unit Plans (Exhibit G).
- (g) Percentage Interests (Exhibit H)
- (h) Percentage Interests for Garage Units (Exhibit H-1)

“The Plot Plan shows the location and type of the Buildings, the location of garages and significant improvements, and some of the areas that are intended as Common Elements, as certified by a registered land surveyor. The Floor Plans show the general location of Units and the general location and approximate dimensions of corridors, stairwells, elevators, storage areas and some Building areas that are intended as Common Elements or Limited Common Elements, by Building Type. The Elevations and Sections show the exterior characteristics and dimensions of the Buildings, by Building Type. The Unit Sizes and Designations show the approximate Unit sizes and designations of each Unit. The Garage Unit Designations show the general location and approximate dimensions, the exterior characteristics, and the approximate Garage Unit sizes and designations of each Garage Unit. The Unit Plans show the approximate configuration and dimensions of the Units. Whenever square footage or other dimensions are shown on the Plans, they are approximate, reflecting such factors as (a) the measurement of square footage or dimensions can vary depending on the technique used (e.g. whether measured from interior finished or unfinished wall, floor or ceiling; from exterior wall, floor or ceiling; from beginning or finished grade; etc.) and (b) minor modifications may have been made during the construction process.

“2.4. DESIGNATION OF UNITS

“In accordance with Section 27-31-120 of the Act, the location of each Unit and the location of the garages containing Garage Units are shown on Sheet 1 of the Plot Plan (Exhibit C). The approximate size and designation of each Unit is shown on Exhibit F. The location, approximate size and designation of each Garage Unit are shown in Exhibit F-1.”

C. Sections 3.2, 3.3 and 3.4 are deleted and the following is substituted therefore:

“3.2. LIMITED COMMON ELEMENTS GENERALLY

Limited Common Elements are not part of a Unit but are Common Elements that are reserved or reasonably required for the use of one or more, but not all, Units. Limited Common Elements may include, without limitation, unenclosed decks, porches, terraces and patios; specified portions of Common Elements described in Section 3.1. Except as otherwise expressly stated in this Master Deed or any Supplement to the Master Deed, the costs of maintaining, repairing and replacing Limited Common Elements shall be Common Expenses of the Association as a whole. The Board of Directors may re-designate Common Elements as Limited Common Elements and re-assign the use of Limited Common Elements to specific Units to the fullest extent permitted by the Act.

“3.3. DISPUTES REGARDING STATUS OR BOUNDARIES

Because of the structural characteristics and arrangement of much of the Property, disputes may arise regarding issues such as whether an element is part of a Unit, a Limited Common Element, or a Common Element, or a Garage Unit or Garage Common Element, Unit Owners shall attempt to resolve such matters in a fair manner. If a dispute arises between Unit Owners, between Garage Unit Owners, or between a Unit Owner or Garage Unit Owner and the Association as to what portion of the Property constitutes a Unit, Garage Unit, Common Element or Limited Common Element, or the proper allocation of any costs or expenses relating to such areas, the Board of Directors shall have the authority to determine the proper designation of the disputed element and the allocation of any costs or expenses involved, after such consultation with others as it may determine to be appropriate. The determination of the Board of Directors shall be set forth in writing, shall be made in good faith, and shall not be clearly inconsistent with this Master Deed.

“3.4. PERCENTAGE INTERESTS OF UNITS IN COMMON ELEMENTS

A chart showing the Percentage Interest of each Unit Owner is set forth in Exhibit H. A chart showing the Percentage Interest of each Garage Unit Owner is set forth in Exhibit H-1.”

D. Section 3.5 is deleted and the following is substituted therefore:**"3.5. GARAGE UNITS****"3.5.1. Garage Units Generally.**

A "Garage Unit" is one of the eighty-eight (88) garage spaces in one (1) of the fifteen (15) garage buildings ("Garages") located on the Property. Exhibit F-1 ("Garage Unit Designations") shows the designation, general location, approximate dimensions, exterior characteristics, and the approximate size of each Garage Unit. A "Garage Unit" is separate from a "Unit", as defined in this Master Deed. A Garage Unit consists solely of a numerically defined space within a Garage and an undivided Percentage Interest in "Garage Common Elements". All structural elements of a Garage, such as its roof, perimeter walls, ceiling, trusses, floors, and exterior doors constitute Garage Common Elements in which every Owner of a Garage Unit (but not Owners of Units) has an equal undivided Percentage Interest, as set forth in Exhibit H-1.

"3.5.2. Conveying or Renting Garage Units.

A Garage Unit shall be initially be conveyed in fee simple by deed from the Declarant to an Owner at closing of the sale of a Unit and the Garage Unit, if such Owner entered into a contract with the Declarant (or its authorized designee) to purchase both a Unit and the Garage Unit. Thereafter, a Garage Unit Owner may convey by deed or rent the Garage Unit to any Owner of a Unit for such compensation as shall be agreed upon by the parties. During the term of any rental or assignment, the Garage Unit Owner shall continue to be responsible for all obligations as a Garage Unit Owner, but the renter or assignee shall also be responsible for complying with all rules and regulations established by the Association for use of Garage Units. Immediately upon conveyance, rental or temporary assignment of a Garage Unit, the Garage Unit Owner shall notify the Association in writing of the conveyance, rental or assignment, identify the Person then owning or having temporary use of the Garage Unit, and provide such information regarding such Person as may be determined by the Association.

"3.5.4. Ownership Only by Unit Owners.

"A Garage Unit cannot be owned by any Person other than a Unit Owner. If a Garage Unit Owner conveys to another Person a Unit owned by such Garage Unit Owner and does clearly convey by deed such Garage Unit Owner's interest in the Garage Unit, then, in the absence of written evidence that the Garage Unit has been separately conveyed to another Unit Owner, the Garage Unit shall automatically be deemed to have been conveyed to the Person that purchased the Unit owned by such Garage Unit Owner.

"3.5.5. Garage Budget.

"The cost of maintaining and insuring the Garages and establishing any reserves for such purposes shall be set forth in a "Garage Budget" that is separate from the Association operating Budget referenced in Section 12.2, below. The Garage Budget shall, however, be determined in a manner similar to that for the Association operating Budget.

"3.5.6. Assessments for Garage Units.

"In addition to other Assessments under this Master Deed, each Garage Unit Owner shall pay a "Garage Assessment" to the Association, as a Special Assessment (see Section 12.3, below), based on the revenues determined by the Board of Directors to be required to fund the expenses under the Garage Budget. The Garage Assessment for each Garage Unit Owner shall be based on the Percentage Interest of such Garage Unit as set forth in Exhibit H-1.

Example: Assume that the revenue required from Garage Assessments under the Garage Budget for the forthcoming fiscal year is \$8,800. There are 88 Garages, each of which has the same Garage Percentage Interest. Then, the Garage Assessment for each Garage Licensee shall be \$100 (\$8,800 divided by 88 Garages).

“NOTE: The Garage Assessment calculations shown provide a mathematical example only. They are not intended to be estimates of revenues required or the actual Garage Assessment which may be applicable from time to time.

3.5.7. Application of Principles and Procedures.

“The general principles and procedures set forth in this Master Deed as applicable to the Property, Units and Common Elements shall also apply to Garage Units and Garage Common Elements unless they are clearly inapplicable or their application would cause an inequitable or inappropriate result. In matters related to Garages, where the terms “Unit”, “Common Elements”, “Owner”, or “Budget” are used, such terms shall normally be deemed to mean “Garage Unit”, “Garage Common Elements”, “Garage Unit Owner” and “Garage Budget”, as reasonably applicable.

E. Section 8.3 is deleted and the following is substituted therefore:

“8.3. COLLECTION OF PREMIUMS FOR INSURANCE

Because consistent coverage for Units and Garage Units is essential as a result of their structural relationship and problems could ensue for other Owners and the Association if an Owner failed to properly insure the Owner’s Unit or Garage Unit, insurance premiums and deductibles for the coverage set forth in Section 8.1 shall be a Common Expense of the Association, (a) except as set forth below and (b) except that insurance premiums and deductibles for the coverage relating solely to Garages shall be a Garage Common Expense payable only by Garage Unit Owners. If an insurer requires that coverage for the property value of a Unit, Garage Unit, or personal property of an Owner within a Unit or insurable events occurring within a Unit shall be in the name of the Association, rather than in the name of individual Owners or Garage Unit Owners, then premiums for such coverage shall (a) be allocated among Units and Garage Units in the same manner as the insurer determines to be reasonably allocable to each Unit and (b) be collected as a Special Assessment against the applicable Unit or Garage Unit, pursuant to Section 12.3.1. If the insurer does not allocate such premiums by Unit or Garage Unit, the premiums shall (a) be allocated among Units and Garage Units based on each Unit’s or Garage Unit’s Percentage Interest and (b) be collected as part of the Regular Assessment or as a Special Assessment against the applicable Unit, pursuant to Section 12.3.1., as the Board of Directors shall determine. No Unit Owner may elect not to pay its proportionate share of the insurance obtained by the Association.”

F. Sections 10.1 and 10.2 are deleted and the following is substituted therefore:

“10.1. UNIT AND GARAGE UNIT MORTGAGES

Each Unit Owner shall have the right, subject to the provisions hereof, to make a separate mortgage or encumbrance on his Unit and any Garage Unit owned by such Unit Owner. No Unit Owner shall have the right to make or create, or cause to be made or created, any mortgage, encumbrance or other lien on or affecting the Property or any part hereof, except his Unit and any Garage Unit owned by such Unit Owner.

“10.2. REAL ESTATE TAXES

It is intended that real estate taxes, assessments, and other charges of any taxing or assessing authority shall be separately assessed against each Unit and Garage Unit and the Unit’s or Garage Unit’s corresponding Percentage Interest in the Common Elements or Garage Common Elements. If such taxes, assessments or charges are taxed on the Property as a whole, then each Unit Owner shall pay its proportionate share thereof in accordance with the Unit’s and Garage Unit’s respective Percentage Interest. In such instance, the Board of Directors shall endeavor to determine the amount due and notify each Unit Owner and Garage Unit Owner as to the real estate taxes payable for such Unit and Garage Unit. No forfeiture or sale of the Property as a whole for delinquent taxes, assessments, or charges shall ever divest or in any way affect the title to an individual Unit or Garage Unit so long as the applicable tax, assessment, or charge on the Unit and Garage Unit is currently paid in a timely manner.”

G. Sections 12.6 and 12.7 are deleted and the following is substituted therefore:**“12.6. LIEN AND PERSONAL OBLIGATION FOR ASSESSMENTS**

Assessments, including Special Assessments, interest and charges thereon, and costs of collection thereof (including reasonable attorneys' fees and expenses) shall be (i) the personal obligation of the Person who was the Owner of such Unit or Garage Unit at the time when the assessment was due and, unless expressly agreed by the Association, also of any subsequent Owner, (ii) a charge on the Unit or Garage Unit to which such assessments are applicable and (iii) a continuing lien and encumbrance upon such Unit or Garage Unit in favor of the Association. To evidence a lien for sums assessed pursuant to this Section, the Association may prepare a written notice of lien setting forth the amount of the unpaid Assessment or Special Assessment, the due date, the amount remaining unpaid, including any interest or charges, the name of the Owner of the Unit or Garage Unit, and a description of the Unit or Garage Unit. Such notice shall be signed and acknowledged by a duly authorized officer of the Association or any Management Agent of the Association and may be recorded in the Register of Mesne Conveyance Office for Charleston County. No notice of lien shall be recorded until there is a delinquency in payment of the Assessment, but notice of lien shall not be a condition precedent to or delay the attachment of the lien, which shall attach on the date that the Assessment is levied or the date of the event that gives rise to the obligation to pay the Association. Such lien may be enforced as set forth in this Master Deed or otherwise permitted by law.

“12.7. SUBORDINATION OF LIEN; MORTGAGEE RIGHTS

Unpaid Assessments then due and payable on a Unit or Garage Unit shall be paid by the conveying Owner at the time of any conveyance of the Unit or Garage Unit, or, if not paid, shall be payable by the Person to which the Unit or Garage Unit is conveyed. Pursuant to Section 27-31-210 of the Act, the lien on a Unit or Garage Unit for unpaid Assessments shall be subordinate to the liens for any unpaid taxes and any duly recorded prior mortgage or other duly recorded lien on the Unit or Garage Unit. Sale or transfer of any Unit or Garage Unit shall not affect the lien for unpaid Assessments. However, pursuant to Section 27-31-210(b) of the Act, if a mortgagee of any mortgage of record or other purchaser of a Unit or Garage Unit obtains title at a foreclosure sale, the Person acquiring title shall not be liable for Assessments allocable to the Unit or Garage Unit that accrued after the date of recording of the mortgage and prior to the acquisition of title at the foreclosure sale. Unless the Board of Directors determines that such unpaid Assessments shall be waived or reduced by the Association, such unpaid Assessments shall be deemed Common Expenses collectible from all Unit Owners, including the Person acquiring title, its successors and assigns, in accordance with their respective Percentage Interests.”

H. Section 15.1 is deleted and the following is substituted therefore:**“15.1. TITLE**

“Every Unit Owner and Garage Unit Owner shall promptly cause to be duly recorded with the Register of Mesne Conveyance Office for Charleston County the deed or other document conveying the Unit or Garage Unit to such Owner. Upon written request of the Association, the Owner shall file a true copy of such evidence of title with the Association or its designee.”

I. Exhibit H-1 (Percentage Interests for Garage Units), a copy of which is attached hereto, is added to the Master Deed.

J. To alleviate possible confusion that could arise in comparing the original Master Deed, the First Amendment and this Second Amendment, Declarant may, in its sole discretion, at any time, record a restated Master Deed which incorporates therein the amendments to the Master Deed set forth in the First Amendment and this Second Amendment.

IN WITNESS WHEREOF, the Declarant has hereunto set its Hand and Seal this

23rd th day of February 2005.

WITNESSES:

MONTECITO ENCLAVE, LLLP
By Montecito Enclave, Inc., a Florida corporation
Its sole General Partner

Sandra Dale

[Signature]

Michelle Howell

By: William S. Rogers

Its: Vice President

STATE OF Florida)

COUNTY OF Duval)

ACKNOWLEDGMENT

I, Michelle Howell, a Notary Public, hereby certify that

William S. Rogers, as Vice President of **Montecito Enclave, Inc., General Partner of Montecito Enclave, LLLP**, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Subscribed to and sworn before me this 23rd day of February, 2005.

Michelle Howell

(SEAL)

Notary Public for State of Florida

My Commission Expires: 6-28-07



EXHIBIT "H-1": PERCENTAGE INTERESTS FOR GARAGE UNITS

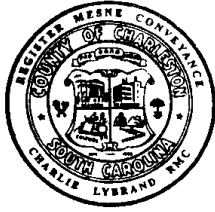
Garage Building	Garage Unit	Value	Percentage Interest
G2	5	1.0	1.13636
G2	6	1.0	1.13636
G2	7	1.0	1.13636
G2	8	1.0	1.13636
G2	9	1.0	1.13636
G2	10	1.0	1.13636
G2	11	1.0	1.13636
G2	12	1.0	1.13636
G5	23	1.0	1.13636
G5	24	1.0	1.13636
G5	25	1.0	1.13636
G5	26	1.0	1.13636
G5	27	1.0	1.13636
G5	28	1.0	1.13636
G5	29	1.0	1.13636
G5	30	1.0	1.13636
G9	31	1.0	1.13636
G9	32	1.0	1.13636
G9	33	1.0	1.13636
G9	34	1.0	1.13636
G9	35	1.0	1.13636
G9	36	1.0	1.13636
G9	37	1.0	1.13636
G9	38	1.0	1.13636
G6	39	1.0	1.13636
G6	40	1.0	1.13636
G6	41	1.0	1.13636
G6	42	1.0	1.13636
G6	43	1.0	1.13636
G6	44	1.0	1.13636
G6	45	1.0	1.13636
G6	46	1.0	1.13636
G10	51	1.0	1.13636
G10	52	1.0	1.13636
G10	53	1.0	1.13636
G10	54	1.0	1.13636
G10	55	1.0	1.13636
G10	56	1.0	1.13636
G10	57	1.0	1.13636
G10	58	1.0	1.13636
G12	63	1.0	1.13636
G12	64	1.0	1.13636
G12	65	1.0	1.13636
G12	66	1.0	1.13636
G12	67	1.0	1.13636
G12	68	1.0	1.13636
G12	69	1.0	1.13636
G12	70	1.0	1.13636
G15	81	1.0	1.13636
G15	82	1.0	1.13636
G15	83	1.0	1.13636
G15	84	1.0	1.13636
G15	85	1.0	1.13636
G15	86	1.0	1.13636
G15	87	1.0	1.13636
G15	88	1.0	1.13636
G1	1	1.0	1.13636
G1	2	1.0	1.13636
G1	3	1.0	1.13636

G1	4	1.0	1.13636
G3	13	1.0	1.13636
G3	14	1.0	1.13636
G3	15	1.0	1.13636
G3	16	1.0	1.13636
G7	47	1.0	1.13636
G7	48	1.0	1.13636
G7	49	1.0	1.13636
G7	50	1.0	1.13636
G11	59	1.0	1.13636
G11	60	1.0	1.13636
G11	61	1.0	1.13636
G11	62	1.0	1.13636
G13	71	1.0	1.13636
G13	72	1.0	1.13636
G13	73	1.0	1.13636
G13	74	1.0	1.13636
G4	17	1.0	1.13636
G4	18	1.0	1.13636
G4	19	1.0	1.13636
G4	20	1.0	1.13636
G4	21	1.0	1.13636
G4	22	1.0	1.13636
G14	75	1.0	1.13636
G14	76	1.0	1.13636
G14	77	1.0	1.13636
G14	78	1.0	1.13636
G14	79	1.0	1.13636
G14	80	<u>1.0</u>	<u>1.13636</u>
TOTALS:	88		100%

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McNair Law Firm

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 County Fee _____
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 REP LMG
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 PEGGY A. MOSELEY
 CHARLESTON COUNTY AUDITOR