

STATE OF SOUTH CAROLINA    )  
                                          )  
COUNTY OF HORRY            )    SIXTEENTH AMENDMENT TO  
                                          )    MASTER DEED OF CLEARWATER BAY  
                                          )    HORIZONTAL PROPERTY REGIME

THIS SIXTEENTH AMENDMENT TO MASTER DEED OF CLEARWATER BAY HORIZONTAL PROPERTY REGIME (the "Sixteenth Amendment" is made this 6<sup>th</sup> day of July, 2009, by Centex Homes, a Nevada general partnership, hereinafter called "Developer."

W I T N E S S E T H:

WHEREAS, the Developer, by "Master Deed of Clearwater Bay Horizontal Property Regime", recorded February 7, 2007 in the Office of Recorder of Deeds for Horry County in Book 3220 at Page 327 (hereinafter referred to as the "Master Deed"), created a horizontal property regime upon certain property situate in Horry County, South Carolina; and

WHEREAS, pursuant to the Master Deed, the Developer retained certain rights that would expire after the passage of time during which the Developer will have developed and closed on sales of more than 75% of the Units that may be developed within the Regime, a limitation for qualification of the Project for FHA financing; and

WHEREAS, the Developer wishes to qualify the Project for FHA financing and relinquish such rights as may be an impediment to qualification under HUD Revised Legal Policy attached as Appendix 24 of HUD Handbook 4265.1 entitled Home Mortgage Insurance, Condominium Units; and

WHEREAS, Developer desires to effect such FHA qualification by amending the Master Deed, the Articles of Incorporation of the Association, and the Bylaws of the Association to relinquish its control of the Association upon sale by it of 75% of the Units that may be developed within the Regime.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS that the Developer does hereby exercise its right under the Master Deed to relinquish its control of the Association by amending the Articles of Incorporation of the Association and the Association's Bylaws and to append them to this additional amendment to the Master Deed, and to confirm that the Units shall, from and after the recording hereof be held, transferred, sold, conveyed, given, donated, leased and occupied subject to the Master Deed, as amended by this Sixteenth Amendment, and shall be held, transferred, sold, conveyed, given, donated, leased and occupied subject to the covenants, restrictions, conditions, easements and affirmative obligations set forth therein, and as further amended hereby, and does further declare as follows:

I. Definitions. The words used in this Sixteenth Amendment, unless the context shall clearly indicate otherwise, shall have the same meanings as set forth in the Master Deed.

Instrument#: 2009000072994, DEED BK:  
3408 PG: 2988 DOCTYPE: 069 07/07/2009  
at 01:48:08 PM, 1 OF 7 BALLERY V.  
SKIPPER, HORRY COUNTY, SC  
REGISTRAR OF DEEDS

NPMB1:58357.1-CONDO-(BFK) 025000-00003

II. Amendments of Master Deed. The Master Deed is amended in the following respects:

(a) Definition of "Transition Period". The definition of Transition Period in Section 1 is hereby deleted and a new definition is substituted therefor, which shall read as follows:

"Transition Period" means the time period commencing on the date of recording of this Master Deed and ending on the earlier of:

1. December 31, 2011; or
2. Three (3) months after the conveyance in the ordinary course of Developer's business of seventy-five percent (75%) of the maximum number of Units to be contained in all phases of the Project; or
3. Three (3) months following the date the Developer surrenders its authority as a Class "B" Member of the Association to appoint and remove directors and officers of the Association by an express amendment to this Master Deed executed and filed of record by Developer.

(b) Amendment of Master Deed Section 15.1(b). Section 15.1(b) is hereby deleted in its entirety and a new Section 15.1(b) is substituted therefor, which shall read as follows:

15.1(b) The Developer shall have the right to appoint and remove a majority of the members of the Board of Directors (but not the officers, who shall be elected by the Board) until such time as the first of the following dates: (i) December 31, 2011; (ii) three (3) months after the conveyance by the Developer, in the ordinary course of business to persons other than a successor Developer, of seventy-five percent (75%) of the maximum number of Units to be contained in all phases of the Project; or (iii) three (3) months following the date the Developer surrenders its authority to appoint directors of the Association by an express amendment to the Master Deed executed and filed of record by the Developer.

(c) Amendment of Master Deed Section 18.9. Section 18.9 is hereby deleted in its entirety and a new Section 18.9 is substituted therefor, which shall read as follows:

18.9 Powers of Attorney. By acceptance of a deed or other conveyance of an interest in a Unit, all Members do hereby grant, and if further required, do agree to vote in a manner to provide to, and to ratify and confirm retention by, Developer of Developer's rights under this Master Deed, including, without limitation, the right to amend this Master Deed in accordance with the provisions hereof. In connection with this voting agreement, each member appoints Developer as proxy for such member with full power of substitution to vote for the member on all such matters on which the member may be entitled to vote, and with respect to which there is a reservation or designation of voting rights in Developer under this Master Deed, and with all powers which the member would possess if personally present at any meeting of members. Such appointment will be, upon acceptance of a deed or other conveyance by the member and without the necessity of further action by the Developer or the member, a power coupled with an interest and will be irrevocable. Such appointment will be effective as of the

date on which a deed or other conveyance of an interest to the Member is recorded in the Horry County ROD office. This irrevocable proxy will automatically terminate thirty (30) days after the conveyance in the ordinary course of Developer's business of seventy-five percent (75%) of the maximum number of Units to be contained in all phases of the Project, rounded down to the next whole number. The within voting agreement and proxy are in addition to, and not in substitution of, all rights of Developer herein provided, which will run with the land.

(d) Amendment of Articles of Incorporation. The Articles of Incorporation of Clearwater Bay Condominium Association attached to the Master Deed as Exhibit "D" are amended as provided in the Articles of Amendment attached hereto as Exhibit "D."

(e) Amendment of Bylaws. Section 3.6(b) of the Bylaws attached to the Master Deed as Exhibit "E" is deleted in its entirety and a new Section 3.6(b) of the Bylaws is substituted therefor, which shall read as follows:

BYLAWS  
CLEARWATER BAY CONDOMINIUM ASSOCIATION

3.6(b) Class B

The Class B Member shall be the Developer whose voting rights shall be three (3) votes for each vote held by Class A Members, plus one (1) vote. The Class B membership shall cease upon the first of the following dates:

- (i) December 31, 2011;
- (ii) three (3) months following the date on which the Developer has conveyed to Owners in the ordinary course of its business property representing seventy-five percent (75%) of the total number of Units to be contained in all phases of the Regime; or
- (iii) three (3) months following the date the Developer surrenders the authority to appoint and remove Directors and officers of the Association by an express amendment to the Master Deed executed and filed in the Office of the ROD for Horry County, South Carolina by the Developer.

Except as otherwise provided in the Master Deed, the Articles of Incorporation, these By-Laws, or the Nonprofit Corporation Act, any action by the Association which must have the approval of the Members before being undertaken shall require voting approval by a majority of the votes cast by Members at which the required quorum is present. An abstention shall be counted as a negative vote in calculating the majority. Members are divided into Class A and Class B Members for the sole purpose of computing voting rights and shall not vote as a class. Owners of Units in all phases shall have the same voting rights.

III. Completeness. Except as herein provided, the Master Deed of Clearwater Bay Horizontal Property Regime, the Articles of Incorporation of Clearwater Bay Condominium Association, and the Bylaws of Clearwater Bay Condominium Association shall remain in full force and

effect, and as amended and supplemented hereby, shall constitute the complete text of said instruments as of the date hereof.

IN WITNESS WHEREOF, the Developer has caused this SIXTEENTH AMENDMENT TO MASTER DEED OF CLEARWATER BAY HORIZONTAL PROPERTY REGIME to be executed the day and year first above written.

WITNESSES:

Meg D  
(Witness No 1)  
Eileen Dowling  
(Notary)

~~CENTEX HOMES~~, a  
Nevada general partnership

By: Matthew Barnes

Its: Director of LD

STATE OF SOUTH CAROLINA )  
COUNTY OF HORRY )

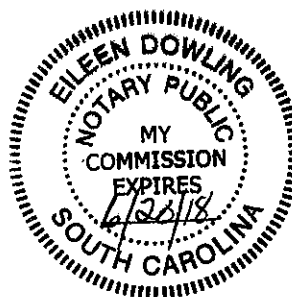
PROBATE

PERSONALLY appeared before me the undersigned witness who, being duly sworn, deposes and says that (s)he saw the within-named Centex Homes, by MATTHEW BARNES, its DIRECTOR OF LD, sign, seal and as its act and deed deliver the foregoing instrument, and that (s)he together with the other witness whose name appears as a witness, witnessed the execution thereof.

Meg D  
(Witness #1)

SWORN and subscribed to before me  
this 6<sup>TH</sup> day of July, 2009.

Eileen Dowling (L.S.)  
Notary Public for South Carolina  
My commission expires: 6/20/18



## **Exhibit "D"**

Articles of Amendment

Form Attached Hereto

STATE OF SOUTH CAROLINA

SECRETARY OF STATE

NONPROFIT CORPORATION

ARTICLES OF AMENDMENT

TYPE OR PRINT CLEARLY WITH BLACK INK

Pursuant to the provisions of Section 33-31-1005 of the 1976 South Carolina Code of Laws, as amended, the applicant delivers to the Secretary of State these articles of amendment.

1. The name of the nonprofit corporation is: **The Clearwater Bay Condominium Association**
2. Date incorporated **January 3, 2007**
3. Specify (a) the text of every amendment adopted, and (b) list when each amendment was adopted.

**Pursuant to the authority granted to it by Section 18.2(d) of the Master Deed of Clearwater Bay Horizontal Property Regime recorded in Book 3220, Page 327 of the Office of Register of Deeds for Horry County, and with the consent of the Developer, as required pursuant to Section 18.2(f) of the Master Deed, the Board of Directors of the Association, by the Association's duly authorized President, amends the Articles of Incorporation of The Clearwater Bay Condominium Association by deleting in its entirety Paragraph 8c(ii) of the Articles of Incorporation and substituting a new Paragraph 8c(ii) that shall read as follows:**

**8c(ii) The Developer under the Master Deed shall have the right to appoint and remove a majority of the members of the Board of Directors (but not the officers, who shall be elected by the Board) until such time as the first of the following dates: (i) December 31, 2011; (ii) three (3) months after the conveyance by the Developer, in the ordinary course of business to persons other than a successor Developer, of seventy-five percent (75%) of the maximum number of Units to be contained in all phases of the Project; or (iii) three (3) months following the date the Developer surrenders its authority to appoint directors of the Association by an express amendment to the Master Deed executed and filed in the Office of the Register of Deeds for Horry County, South Carolina by the Developer.**

4. ☒ By checking this paragraph #4 the applicant represents that (a) approval of the amendment by the members was not required, (b) the amendment was approved by a sufficient vote of the board or directors or the incorporators. (Do not check this paragraph #4 if member vote was required or if the required vote of directors or incorporators was not obtained.)
5. If the approval of the members was required to adopt the amendment(s), provide the following information:
  - (a) Designation (Classes of Membership) \_\_\_\_\_

- (b) Number of memberships outstanding \_\_\_\_\_
- (c) Number of votes entitled to be cast by each class entitled to vote separately on the amendment \_\_\_\_\_
- (d) Number of votes of each class indisputably voting on the amendment \_\_\_\_\_
- (e) Complete one of the following as appropriate
- (i) Total number of votes cast for and against the amendment by each class entitled to vote separately \_\_\_\_\_
- (ii) Total number of undisputed votes cast for the amendment by each class which was sufficient for approval for that class \_\_\_\_\_

6. ☐ By checking this paragraph #6 the applicant represents that approval of the amendment by some person or persons other than the members, the board, or the incorporators is required pursuant to Section 33-31-1030 of the 1976 South Carolina Code of Laws, as amended, and that the approval was obtained. (Do not mark paragraph #6 if either of these statements is not true.)

7. If the amendment provides for an exchange, reclassification, or cancellation of memberships, provisions for implementing the amendment must be set forth here if provisions are not contained in the amendment itself

8. ☐ If this corporation is converting from either a public benefit or religious corporation into a mutual benefit corporation, mark this paragraph #8 which certifies that a notice, including a copy of the proposed amendment, was delivered to the South Carolina Attorney General at least twenty days before the consummation of the amendment.

Date 7/6/09

**The Clearwater Bay  
Condominium Association**

Name of Corporation

[Signature]

Signature of Officer

MATTHEW RAINOS

Type or Print Name and Office

President