

DANIEL ISLAND TOWN

RESALE ADDENDUM

This Addendum is made this ____ day of _____, 20____, by and between _____ (“Seller”), and _____ (“Purchaser”). This Addendum adds the following provisions to the purchase agreement with respect to the sale of _____ (the “Property”), dated the same date hereof (hereinafter the “Purchase Agreement”). Should there be a conflict between the terms of this Addendum and the Purchase Agreement, then this Addendum shall control.

1. MANDATORY MEMBERSHIP PROPERTY OWNERS ASSOCIATION.

(a) Governing Documents. Purchaser acknowledges that the Property is a portion of real property and improvements which have been made subject to the following covenants, conditions and restrictions:

- (1) Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Daniel Island Town Zone recorded on April 3, 2018 in Book 2711, Page 238 and as further amended and supplemented from time to time (the “Master Declaration”); and
- (2) *(Complete if applicable)* - Master Deed of _____ Horizontal Property Regime as amended and supplemented from time to time (the “Master Deed”)

The Master Declaration and Master Deed are sometimes collectively referred to herein as the “Declarations”. The nature and extent of the rights and obligations of Purchaser in acquiring, improving and owning the Property are controlled by and subject to the Declarations, as well as the Articles of Incorporation, By-Laws, and the rules and regulations of the:

- (1) Daniel Island Town Association, Inc. (the “Master Association”); and
- (2) *(Complete if applicable)* _____ Association, Inc. (the “Master Deed Association”).

The Master Association and Master Deed Association are sometimes collectively referred to herein as the “Associations”; and the Town Center Architectural Standards (“Design Guidelines”), as each of the foregoing documents may be amended or supplemented from time to time (collectively, the “Governing Documents”). Purchaser acknowledges receipt of the Governing Documents and agrees to comply with all of the terms, conditions, and obligations set forth therein. The Design Guidelines may require that the Property comply with the Daniel Island Holiday Lighting Standards.

(b) Membership in Associations. Upon conveyance of title to the Property to Purchaser, Purchaser shall automatically become a member of the Master Association and a member of the

Master Deed Association and shall be subject to, as respects both of the Associations, the assessment obligations and other provisions set forth in the Governing Documents.

(c) Assessments. Seller and Purchaser acknowledge that at Closing, any assessments levied by the Master Association against the Property, and also any assessments levied by the Master Deed Association against the Property, as provided in the Master Declaration and the Master Deed, respectively, for the current year shall be prorated between Seller and Purchaser as of 12:01 a.m. on the day of Closing. All assessments levied by the Master Association or by the Master Deed Association against the Property that are due and payable after the date of Closing shall be paid by Purchaser to the Master Association or to the Master Deed Association, as applicable, at such times and in such manner as provided in the Master Declaration and/or the Master Deed. Purchaser further acknowledges that the assessments for the Property owed to the Master Association may be collected by the Master Deed Association for all properties that are subject to the Master Deed and that the assessments for all of the properties subject to the Master Deed are delivered by the Master Deed Association to the Master Association.

(d) Community Enhancement Fee. Seller and Purchaser acknowledge that at Closing, a Community Enhancement Fee is due and payable to Daniel Island Community Fund, Inc. in the amount stated in the Master Declaration.

(e) Expansion. Purchaser acknowledges that the Daniel Island Town Center Zone (the "Town Center"), may be expanded to include additional lots in accordance with the terms of the Master Declaration. Purchaser also acknowledges that there is no obligation on the part of any person or entity to expand the Town Center to include units and/or lots other than those presently subject to the Master Declaration.

(f) Amendments to the Master Declaration. The Declarant under the Master Declaration (herein referred to as the "Master Declarant") may make certain changes in or amendments to the Master Declaration which do not materially affect the rights of Purchaser and such changes or amendments may be made without the approval of the Purchaser. In addition, the Master Declarant may make any amendment necessary to comply with the guidelines established by, or the requirements of, any governmental authority, title insurer, or institutional lender. Such changes or amendments shall not affect the rights and liabilities of the parties under this Addendum or be a cause or reason for termination or revision of this Addendum.

(g) Estoppel Fee. The Master Association will charge a fee (payable in advance) for providing an estoppel, statement or other evidence of whether or not the assessments due by Seller to the Master Association have been paid.

2. IMPROVEMENTS.

(a) Purchaser acknowledges and agrees that no improvements shall be placed, erected, installed, constructed, or altered upon the Property except as set forth in the Governing Documents. Purchaser acknowledges that the Master Declaration requires that plans and specifications for all construction, including additions to and any other alterations of improvements on the Property to be submitted to the architectural review board ("ARB") appointed by the Master Declarant for approval prior to commencing construction activities on the Property. All plans and specifications

for construction and landscaping on the Property shall be in compliance with the criteria established by the ARB and approval of all plans and specifications for construction shall be governed by the procedures and guidelines established pursuant to the Governing Documents, as amended.

(b) Purchaser agrees to indemnify, defend and hold Seller, The Daniel Island Company, Inc., Daniel Island Associates L.L.C., Daniel Island Real Estate Company, LLC, and their respective agents or employees harmless from any and all claims, losses, damages, causes of action, demands, and proceedings arising out of, or directly or indirectly related to, construction activities and the activities of Purchaser's agents, contractors and/or builders on the Property, including, without limitation, claims by the Master Association for assessments or violations of covenants or rules and regulations, and claims by any third party arising out of any contract with Purchaser relating to the Property. This indemnity shall include reasonable attorneys' fees, paralegals' fees and investigation costs and all other costs, expenses, and liabilities incurred by Seller from the date Purchaser first receives notice of any actual or anticipated claim or demand.

(c) Purchaser agrees to cause all contractors and builders engaging in any construction activity on the Property to comply with the Governing Documents. Purchaser shall cause all construction and development on the Property to be performed in accordance with the approved plans, and all applicable laws, rules, regulations and ordinances relating to the Property.

3. **RIGHTS OF THE DANIEL ISLAND COMPANY, INC.** Purchaser acknowledges that the Property is subject to the use restrictions set forth in the Master Declaration and such use restrictions and rules as the Master Declarant may adopt and that the specific use of the Property is limited by the use review and approval rights of the Master Declarant. Purchaser agrees to purchase the Property subject to such use restrictions and review and approval rights.

4. **AMENITIES.** Purchaser acknowledges that the proposed features and amenities described on the master plan for Daniel Island and/or other materials are based upon current development plans, which are subject to change. No guarantee is made that the proposed features or amenities, if constructed, will consist of the number, type, size, and location as depicted on the master plan for Daniel Island or otherwise.

5. **ADJACENT PROPERTY.** Purchaser acknowledges that any undeveloped property adjacent to the Property may be developed and that Purchaser's acquisition of the Property is not contingent upon this property remaining in its current natural state. Purchaser acknowledges that no representations or warranties, either verbal or written, have been or are made by the Seller, The Daniel Island Company, Inc., Daniel Island Associates L.L.C., Daniel Island Real Estate Company, LLC, their respective agents and employees or any other person that the adjacent property will remain in its current natural state or will become Common Area (as defined in the Master Declaration) of the Master Association.

6. **PROPERTY MAINTENANCE.**

(a) The Master Association shall maintain and keep in good repair the Area of Common Responsibility, as defined by the Master Declaration and such other property which the Master Association does not own if the Master Association's board of directors determines that such maintenance is necessary or desirable to maintain the Community-Wide-Standard within the Town Center as such standard is determined by the Master Association. The costs of such maintenance and repair allocated to the Property shall be assessed against the Property as a part of the general assessments to which the Property is subject to pursuant to the Master Declaration.

(b) Purchaser acknowledges that Purchaser shall be responsible for maintaining the Property and all improvements located thereon, including without limitation, all structures and landscaping, if applicable, in a manner consistent with the Community-Wide Standard.

7. **NO JOINT VENTURE.** Purchaser acknowledges and agrees that no partnership, joint venture, or principal and agent relationship exists between Seller and the Master Declarant or between the Master Declarant and the Declarant under the Master Deed.

8. **PORT AUTHORITY.** Purchaser acknowledges that the South Carolina State Ports Authority owns approximately 1,300 acres on the southern and western areas of Daniel Island.

9. **GENERAL REAL ESTATE TAXES.** Berkeley County Property taxes and fees will be allocated between Purchaser and Seller in the manner stated in the Purchase Agreement.

10. **CONDITION OF PROPERTY.** Purchaser acknowledges that Purchaser has not relied upon any advice or representations by Seller, The Daniel Island Company, Inc., Daniel Island Associates L.L.C., Daniel Island Real Estate Company, LLC, or their respective agents or employees relative to soils or subsurface conditions on the Property and agrees to accept the Property in its "AS IS" condition. Purchaser acknowledges that Purchaser has been advised by Seller that the Homesite is located in a flood plain.

Purchaser's Initials

11. **BROKERS.**

(a) **Identity.** Seller and Purchaser each represent to the other that neither has dealt with a real estate broker or agent in connection with the purchase and sale contemplated by this Addendum, other than the Broker(s), if any, identified on the signature page of this Addendum. Seller and Purchaser each covenant and agree to indemnify the other against any loss, liability, cost, claim, demand, damage, action, cause of action, and suit arising out of or in any manner relating to the alleged employment, engagement, or use by the indemnifying party of any real estate broker or agent in connection with the purchase and sale contemplated by this Addendum, other than the Broker(s), if any, identified on the signature page of this Addendum.

(b) **Commission.** The commission to be paid in connection with this Addendum, if any, shall be paid by Seller as provided by separate written agreement. Real estate commission rates or fees are not fixed by law or custom and not controlled, suggested, recommended, or maintained

by the Charleston Trident Association of Realtors, Inc., or the Charleston Trident Multiple Listing Service, Inc. Compensation for services rendered is solely a matter of negotiation between broker and client. A separate agency disclosure form required by the South Carolina Real Estate Commission is attached to the Purchase Agreement.

12. **CONSTRUCTION AREAS**. Purchaser acknowledges and recognizes that inasmuch as Purchaser may be purchasing the Property prior to completion of construction in the Town Center, there may be certain inconveniences until construction is completed, and Purchaser waives all claims with respect thereto. Purchaser agrees that if Purchaser or Purchaser's family, guests, contractors, agents, or invitees enter onto any area of construction, they do so at their own risk, and neither Seller, The Daniel Island Company, Inc., Daniel Island Associates L.L.C., Daniel Island Real Estate Company, LLC, nor their respective contractors, agents or employees shall be liable for any damage, loss or injury to such persons. The terms of this Section shall survive the Closing.

13. **SURVIVAL**. All provisions of this Addendum and the Exhibits, if any, attached hereto which contemplate performance after closing shall survive the closing and shall not be merged into the deed of conveyance.

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IN WITNESS WHEREOF, the undersigned have set their hands and seals hereto as of the day and year indicated under their signature.

SELLER:

By: _____
Print Name: _____
Address: _____

Telephone: _____
Email: _____
Date Signed: _____

PURCHASER:

By: _____
Print Name: _____
Address: _____

Telephone: _____
Email: _____
Date Signed: _____

LISTING BROKER:

DANIEL ISLAND REAL ESTATE COMPANY,
LLC, a South Carolina limited liability company

By: _____
Print Name: _____
Title: _____

Agent: _____
Name: _____

SELLING BROKER:

By: _____
Print Name: _____
Title: _____

Agent: _____
Name: _____