

**DANIEL ISLAND
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 “Agreement”). Should there be a conflict between the terms of this Addendum and the Agreement, then this Addendum shall control.

1. MANDATORY MEMBERSHIP HOMEOWNERS ASSOCIATION.

a. Governing Documents. Purchaser acknowledges that the Property is a portion of real property and improvements which have been made subject to the **(check applicable)**:

- Declaration of Covenants, Conditions, and Restrictions for Daniel Island Residential Zone; or
- Declaration of Covenants, Conditions, and Restrictions for Daniel Island Park

(as amended, supplemented and consolidated from time to time, the “Declaration”). 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 Declaration, as well as the Declaration of Master Restrictions for Docks and Breakwalls, if applicable, the Articles of Incorporation, By-Laws, and the rules and regulations of the **(check applicable)**:

- Daniel Island Community Association, Inc.; or
- Daniel Island Park Association, Inc.

(the “Association”), and the Daniel Island Design Guidelines or Daniel Island Park Design Guidelines (“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.

b. Membership in Association. Upon conveyance of title to the Property to Purchaser, Purchaser shall automatically become a member of the Association and shall be subject to the assessment obligations and other provisions set forth in the Governing Documents.

c. Common Expense Assessments. Seller and Purchaser acknowledge that at Closing, the annual General and Neighborhood assessments levied by the Association against the Property as provided in the Declaration 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 Association against the Property that are due and payable after the date of Closing shall be paid by Purchaser to the Association at such times and in such manner as provided in the Declaration.

d. Community Enhancement Fee. Seller and Purchaser acknowledge that at the Closing, Purchaser is required to pay a Community Enhancement Fee to Daniel Island Community Fund, Inc. Except for Property located in Codner’s Ferry Park and Etiwan Park, a Community Enhancement Fee equal to one-half of one percent (0.5%) of the total sales price of the Property is due to the Daniel Island Community Fund, Inc. upon the sale of the Property. For Property located in Codner’s Ferry Park and

Etiwan Park, the Community Enhancement Fee payable to the Daniel Island Community Association, Inc. is equal to one-quarter of one percent (0.25%) of the total sales price of the Property. The Community Enhancement Fee is capped at \$_____ as of _____, 20___. This amount of the Community Enhancement Fee is subject to increase on an annual basis.

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

f. Amendments to the Declaration. The "Declarant" under the Declaration may make certain changes in or amendments to the 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 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 Agreement or be a cause or reason for termination or revision of this Agreement.

g. Estoppel Fee. The 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 Association have been paid.

2. IMPROVEMENTS.

a. Purchaser acknowledges and agrees that any residential dwelling constructed on the Property shall meet certain minimum square feet of finished area requirements as set forth in the Governing Documents. Purchaser further acknowledges that the Declaration requires that plans and specifications for all construction, including initial construction of a residence and landscaping, on the Property to be submitted to the applicable architectural review board ("ARB") appointed by the Declarant for approval prior to commencing construction activities on the Property and that the ARB may charge a reasonable fee for such review. Purchaser also acknowledges that certain properties within the Development may be subject to additional specific design criteria, restrictions and/or requirements. The Property is subject to the Governing Documents, including but not limited to any additional design criteria, restrictions and/or requirements specific to the Property as set forth in the Design Guidelines.

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 acknowledges that the Design Guidelines require a construction deposit and in some instances a construction bond to be made prior to commencing construction activities on the Property and agrees to ensure that such deposit is made in compliance with the Design Guidelines.

c. Purchaser acknowledges that the Daniel Island Builder Program has been established for the Development. Purchaser agrees that before any contractor or builder may perform or engage in any construction activity on the Property, such contractor or builder shall (i) be required to submit a builder application to the ARB, or its designee, the form of which is prescribed under the Builder Program; (ii) be participating in or eligible under the Builder Program; and (iii) agree to comply with all terms and conditions of the Governing Documents and the policies, procedures, rules and requirements regarding the Builder Program. Approval of a contractor or builder shall not be construed as an endorsement, warranty or certification of the builder or the builder's performance under any agreements with the

Purchaser, nor shall the ARB, Daniel Island Town Association, Inc. ("Town Association") nor Daniel Island Associates L.L.C. ("DIA") be liable for any loss, damage or injury to any person arising out of Purchaser's election to use such contractor or builder. Purchaser further agrees to indemnify, defend and hold Seller, the ARB, Town Association, DIA, 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 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.

d. Purchaser agrees to cause all contractors and builders engaging in any construction activity on the Property to comply with the Governing Documents and the rules regarding and documents relating to the Daniel Island Builder Program. 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.

The following provisions set forth below as Sections 2(e), (f), (g), (h) and (i) shall apply only if Purchaser is purchasing Property without a completed residence constructed thereon:

e. Purchaser acknowledges that the Association may levy fees for additional services or expenses that it anticipates providing during construction on the Property, in such amounts as adopted by the Association pursuant to the Declaration.

f. Purchaser acknowledges that the Design Guidelines may include community standards requiring wiring and other technological improvements ("Technological Improvements") installed in all homes within the Development to conform with industry standards. Purchaser agrees to install or cause to be installed within the residence to be constructed on the Property all Technological Improvements in accordance with such standards, as they may be amended from time to time.

g. Purchaser acknowledges that DIA has prepared a Stormwater Pollution Prevention Plan ("SWPPP") for the Development and that the South Carolina Department of Health and Environmental Control ("DHEC") has approved such SWPPP and granted DIA construction stormwater discharge coverage under NPDES General Permit for Stormwater Discharges from Construction Activities, DHEC Permit No. SCR100000 (the "General Permit"). Purchaser further acknowledges that its home construction contractor is an "operator" of a "facility" or "activity" subject to regulation under the General Permit, and Purchaser agrees to cause its contractor to execute the SWPPP and the DHEC form of "Co-Permittee Agreement" prior to commencing any land disturbing activities on the Property. Purchaser acknowledges that execution of the SWPPP and the Co-Permittee Agreement evidences the contractor's legal obligation to comply with the terms of the SWPPP and the General Permit, as well as all other stormwater pollution and erosion and sedimentation control requirements imposed by applicable law.

h. In order to maintain and enhance the aesthetics within the Development, the Association has the right to maintain all or any portion of the Property until commencement of construction of a residential dwelling thereon. Purchaser acknowledges and agrees that the Association shall maintain the Property as the Board of Directors of the Association, in its sole discretion, deems necessary. Such maintenance shall be provided until such time as (i) a building permit is issued with respect to the Property, and (ii) a copy of the building permit is provided to the Association. Purchaser shall pay the costs of such maintenance to the Association as a Specific Assessment (as defined in the Declaration).

The current annual cost of such maintenance is \$_____ which amount shall be paid and prorated as of 12:01 a.m. on the day of Closing.

i. Purchaser acknowledges that the Governing Documents require that the Property shall be landscaped not later than three (3) years after the initial conveyance of the Property by Declarant.

3. **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.

4. **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, DIA, 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 Declaration) of the Association.

5. **STREET LIGHTING ASSESSMENT.** As required by Dominion Energy South Carolina, Inc., Seller hereby notifies Purchaser that each residence within Daniel Island Residential will be assessed a proportional monthly charge for street lighting service, as prescribed by the South Carolina Public Service Commission.

6. **NO JOINT VENTURE.** Purchaser acknowledges and agrees that no partnership, joint venture, or principal and agent relationship exists between Seller and DIA, the developer of Daniel Island, and the Declarant under the Declaration or between DIA and any of the builders under the Daniel Island Builder Program.

7. **COASTAL TIDELANDS AND WETLANDS.** If this Section is initialed, Purchaser acknowledges that the Property will be conveyed by reference to a subdivision plat which delineates a critical line showing natural areas such as coastal waters, tidelands, beaches, dunes and/or wetlands as determined by the South Carolina Department of Health and Environmental Control, Office of Coastal Resource Management (hereinafter "DHEC-OCRM"), and said critical line expires after three (3) years from the date of the signature of the DHEC-OCRM representative on the subdivision plat pursuant to South Carolina Code Section 48-39-210.. Purchaser further acknowledges that the DHEC-OCRM has asserted that it is not waiving any of its actual or potential rights to assert permit jurisdiction at any time over any critical area on the Property. Seller makes no warranties or representations as to the permit authority of DHEC-OCRM over the Property and directs Purchaser to the DHEC-OCRM for any questions as to the critical line.

Seller's Initials

Purchaser's Initials

8. **VISUAL BUFFER ZONE.** If this section is initialed, Purchaser acknowledges that, by virtue of the Daniel Island Master Plan, the City of Charleston has designated a "Visual Buffer Zone," a protected area landward of the DHEC-OCRM critical line, and that the Visual Buffer Zone is subject to additional

requirements and restrictions, including but not limited to, restrictions on tree removal and prohibitions on the construction of impervious surfaces.

Seller's Initials

Purchaser's Initials

9. **GENERAL REAL ESTATE TAXES.** Purchaser acknowledges that as of the date of closing, the Property might not have been assessed as a separately described parcel of real estate and that real property taxes for the year of sale (or the previous year, if applicable) might be assessed under a tax bill in the name of Seller or DIA which covers additional property. If that is the case, Purchaser and Seller agree that the current tax for the Property shall be determined by multiplying the total tax bill (based on the previous year, if the tax bill for the current year is not yet available) by a fraction, the numerator of which shall be the acreage of the Property being purchased and the denominator of which shall be the total acreage of all property covered by the tax bill, and then prorating the product of such multiplication as of the date of closing.

10. **CONDITION OF PROPERTY.** Purchaser acknowledges that Purchaser or his or her spouse has made a personal, on-the-Homesite inspection of the Homesite prior to signing this Agreement. Purchaser acknowledges that it has not relied upon any advice or representations by Seller or any agent or employee of Seller relative to soils or subsurface conditions on the Homesite and agrees to accept the Homesite 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 Agreement, other than the Broker(s), if any, identified on the signature page of this Agreement. 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 Agreement, other than the Broker(s), if any, identified on the signature page of this Agreement.

b. **Commission.** The commission to be paid in connection with this Agreement, 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 Agreement.

If Purchaser is purchasing Property without a residence constructed thereon, Purchaser acknowledges that Purchaser's builder may be required to pay a commission to Broker and/or a marketing support fee to DIA in accordance with the home construction agreement entered into or to be entered into by and between Purchaser and Purchaser's builder and/or in accordance with separate agreements entered into or to be entered into by and between DIA and Purchaser's builder.

12. **CONSTRUCTION AREAS.** Purchaser acknowledges and recognizes that inasmuch as Purchaser may be purchasing the Property prior to completion of construction on all lots in the

Development, 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, DIA, 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 Agreement 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.

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: _____
Date Signed: _____

PURCHASER:

By: _____
Print Name: _____
Address: _____
Telephone: _____
Date Signed: _____

[SIGNATURES CONTINUED ON NEXT PAGE]

LISTING BROKER:

By: _____
Print Name: _____
Title: _____
Agent: _____
Print Name: _____

SELLING BROKER:

By: _____
Print Name: _____
Title: _____
Agent: _____
Print Name: _____

DANIEL ISLAND PARK RESALE ADDENDUM

CLUB MEMBERSHIP PROVISIONS



If the Property is located in Daniel Island Park, I understand that I will be issued a Social Membership as more particularly described in the Daniel Island Club Membership Plan (the “Plan”) and the Governing Documents. The Social Membership shall be effective immediately upon closing on the Property. The privileges of Social Membership shall be determined by the Club from time to time and may not include use of certain Club amenities and/or facilities. Purchaser understands and acknowledges that the Social Membership currently entitles Purchaser to use only the social facilities (clubhouse, dining, and social event participation) of the Club. No initiation fee or deposit for the Social Membership will be required; however, I understand that I must maintain at least Social dues at all times and that dues will be charged monthly. As the owner of the Property purchased pursuant to this Agreement, I hereby acknowledge that I will be responsible for the payment of such dues to Daniel Island Golf Club, LLC. A Social Membership is non-transferable except in connection with the sale of the Property in which case the Social Membership is automatically transferred to the new purchaser.

I understand that optional Daniel Island memberships may be available to me at an additional cost in accordance with the terms of the Plan. Currently, an optional sports membership (“Sports Membership”), entitling the Sports Member to use the tennis, swimming and cabana, and fitness facilities of the Club, and an optional golf membership (“Golf Membership”), entitling the Golf Member to the use of the golf course and other facilities operated by the Club, may be available to me at an additional cost as more particularly described in the Plan.

Daniel Island Golf Memberships are available only to initial retail purchasers of a residence or a homesite in Daniel Island Park from the Developer and to subsequent purchasers of property to which the initial retail purchaser attached a Daniel Island Golf Membership, provided the membership remains attached to the property at the time of conveyance to the subsequent purchaser. I understand that a Daniel Island Golf Membership must be applied for and purchased separately from the Property.

I understand that the Property (**check applicable**):

- Has a Daniel Island Golf Membership or a Daniel Island Corporate Golf Membership available
- Does not have a Daniel Island Golf Membership or a Daniel Island Corporate Golf Membership available

(as applicable to the Property, the “Daniel Island Golf Membership”).

If the Property does not have a Daniel Island Golf Membership attached to it, I acknowledge that a Daniel Island Golf Membership is not available from the Club.

If the Property has an Daniel Island Golf Membership attached to it, I understand that such Daniel Island Golf Membership may be reissued to me upon conveyance of the Property. If I decline the Daniel Island Golf Membership, I may be offered other Daniel Island membership classifications that are not transferable except as provided in the Plan. I further understand that unless I affirmatively decline the Daniel Island Golf Membership, the Daniel Island Golf Membership will be reissued to me at Closing and I shall be responsible for paying the initiation deposit, dues and fees applicable to the Daniel Island Golf Membership pursuant to the Plan. I understand that if Seller is on the waitlist for Full Golf Dues, I may elect to take the Seller's place on the waitlist.

I understand that it is my responsibility, in any event, to contact a Daniel Island Club representative (either a Membership Manager or President of Club Operations) prior to Closing to confirm the specific membership availability attached to this Property.

(Check all that apply):

- YES, reissue the Daniel Island Golf Membership with the Closing on the Property.
- NO, do not reissue the Daniel Island Golf Membership with the Closing on the Property.
- I will contact the Club prior to Closing and notify the Club with respect to whether to reissue the Daniel Island Golf Membership with the Closing on the Property. I acknowledge that if I fail to notify the Club, the Daniel Island Golf Membership will be reissued with the Closing on the Property.
- Seller is on the waitlist for Full Golf Dues.

I understand that all memberships require submission of a Personal Information Profile to the Membership Office and approval of my submission by the Daniel Island Club.

Purchaser's Initials

Subject to the provisions of the Agreement for the purchase of _____ (the "Property"), my Closing is anticipated to be on _____; nothing in this Addendum shall alter the terms of the Agreement pertaining to the date of Closing.

SELLING AGENT DATE

PURCHASER DATE

PURCHASER DATE