

THE STATE OF SOUTH CAROLINA
The Court of Appeals

APPEAL FROM BEAUFORT COUNTY
Court of Common Pleas

Marvin H. Dukes III, Circuit Court Judge

Appellant Case No. 2025-001031
Case No. 2021-CP-07-01085

R.V. Resort and Yacht Club
Owners' Association, Inc.,
Securitas Services, Inc., Mike
Morales, and Sunset, Inc.,

Respondents,

v.

Turner's Marina, LLC,

Appellant.

Record on Appeal
Volume I

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STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	FOURTEENTH JUDICIAL CIRCUIT
COUNTY OF BEAUFORT	)	
	)	
	)	Case No. 2021-CP-07-01085
TURNER'S MARINA LLC,	)	
	)	
Plaintiff,	)	
	)	
vs.	)	ORDER GRANTING MOTION TO
	)	ADD DEFENDANT AND GRANTING
RV RESORT AND YACHT CLUB	)	MOTION FOR A TEMPORARY
OWNERS' ASSOCIATION INC.,	)	RESTRAINING ORDER
SECURITAS INC., and MIKE MORALES,	)	
	)	
Defendants.	)	
_____	)	

This matter came before the Court on August 3rd, 2021 for a hearing on Sunset Inc.'s (Sunset Grille) Motion to Intervene and Motion for a Temporary Restraining Order. Turner's Marina was represented by Thomas Taylor, Esq. and Sunset Grille was represented by Russell Patterson, Esq. Also present were Christopher Lizzy, Esq. on behalf of RV Resort and Yacht Club Owners and Evan Sobocinski, Esq. on behalf of Securitas Inc.

The Plaintiff, Turner's Marina, and the Defendants are involved in ongoing litigation regarding ownership, usage, and access to property where Turner's Marina and the Defendant Association are located. For the last three (3) years, Turner's Marina has been owned by Neil A. Turner, the principal of Turner's Marina and former employee the prior marina owners. Sunset Grille is a restaurant located on the second floor of a building on this disputed property. A lease was executed for the use of these premises in 1996 between the Defendant Association and Sunset Grille. For years, the restaurant has used the only restroom on the premises, located on the first floor of the building, and the parking spots outside of the building. On July 22, 2021, counsel for the Plaintiff advised Sunset Grille that the following day it would no longer have

access to parking spaces and could no longer use the only restroom available to patrons and employees, located on the first floor of the building. The deadline was extended to August 4th, 2021. Sunset Grille sought to be added as a Defendant to the lawsuit and a Temporary Restraining Order to avoid enforcement of this deadline.

The elements of a temporary injunction that must be considered by the Court are: 1. Irreparable harm to the moving party if the injunction is not granted, 2. Probable harm to the non-moving party if the Injunction is granted, 3. The moving party's likelihood of success on the merits, and 4. If the moving party has no adequate remedy at law. *Scratch Golf Co. v. Dunes W. Residential Golf Props. Inc.*, 361 S.C. 117, 121, 603 S.E.2d. 905, 908 (2004).

Sunset Grille finds itself in the middle of an ongoing squabble between the Plaintiff and Defendant Association. It has been in operation at that location for 25 years while using the available parking and restroom facilities with no complaints or restrictions placed on it by the Defendant Association, the Plaintiff, or the Plaintiff's predecessor. This Court agrees that prohibition of the only restroom facility and parking spaces near the building would create a significant and irreparable harm. The restaurant would be forced to close immediately while the dispute between the parties is litigated. This would result in loss of income for the business owner and employees, as well as harm to the reputation and goodwill of the business that has been built up over many years.

This Court has considered the probable harm to the Plaintiff in granting this Injunction and finds that little harm will be caused to the Plaintiff as a result of this Injunction. Additionally, there is no adequate remedy at law available to Sunset Grille, as it would be forced to close without access to parking and restroom facilities. The final consideration by this Court was the restaurant's likelihood of success on the merits. Sunset Grille does have some likelihood

of success on the merits but their likelihood of success is not exceptionally high. However, this Court considered all elements in connection with one another and weighed the factors and harm to each party.

IT IS, THEREFORE ORDERED that Sunset Grille be added as a Defendant to this litigation. The Plaintiff has 20 days from this Order to amend the Complaint to include Sunset Grille as a Defendant and to serve it upon the attorney of record for Sunset Grille. It is also ordered that Sunset Grille be granted an injunction to allow for continued use of the parking spaces and restroom facility located on the first floor of the building. Sunset Grille must post a total bond of \$25,000.00 with \$5,000.00 to be placed with the court within five (5) days of this Order and payments of \$1,500.00 to be made every 30 days until the total balance is reached or until this litigation ends, whichever occurs first.

IT IS SO ORDERED!

The Honorable Robert J. Bonds

August ____, 2021
Beaufort, South Carolina



Beaufort Common Pleas

Case Caption: Turners Marina Llc VS R V Resort And Yacht Club Owners Association Inc , defendant, et al

Case Number: 2021CP0701085

Type: Order/Form 4

So Ordered

s/ Robert Bonds, 2770

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STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	FOURTEENTH JUDICIAL CIRCUIT
COUNTY OF BEAUFORT	)	CIVIL ACTION NO.: 2021-CP-07-01085
TURNER'S MARINA LLC.,	)	
	)	
Plaintiff,	)	
	)	
vs.	)	
	)	ORDER GRANTING MOTION TO
R.V. RESORT AND YACHT	)	AMEND AND REFER
CLUB OWNERS'	)	
ASSOCIATION , INC., SECURITAS	)	
SERVICES, LLC, MIKE MORALES,	)	
and SUNSET, INC.,	)	
	)	
Defendants.	)	
_____	)	

This matter comes before me upon Defendant Sunset, Inc.'s ("Sunset") Motion to Amend, dated August 3, 2022, and its Motion to Refer, dated September 16, 2022. An in-person hearing was held at the Beaufort County Courthouse on Wednesday, October 26, 2022 beginning at approximately 1:00 p.m. Appearing for the Plaintiff was Thomas C. Taylor, appearing for Sunset was Russell P. Patterson, appearing for the Defendant R.V. Resort and Yacht Club Owner's Association, Inc. ("HOA"), was Christopher D. Lizzi, and appearing for Securitas Services, LLC and Mike Morales was Lisa B. Bisso.

The parties filed with the Court the following in connection with said motions: Sunset's Memorandum of Law in Support of Motions to Amend and Refer, filed on October 21, 2022; the HOA's Memorandum in Support of Defendant Sunset, Inc.'s Motion to Refer, filed October 21, 2022, and Plaintiff Turner's Marina, LLC's ("Turner") Memorandum in Opposition to Defendant Sunset's Request to refer to Master-in-Equity, filed October 27, 2022.

A. Factual Summary

The Court provides this “Factual Summary” only for the limited purpose of disposing of the outstanding motions. There is no intention on behalf of the Court in this Order to make a factual finding binding at trial for or against any party.

This is an action filed by the Plaintiff, the owner of a marina known as the Hilton Head Harbor, located off Jenkins Island Road on the northern end of Hilton Head Island. The marina is the oldest operating marina on Hilton Head, having originated in the 1970s. The approximate 1.4 acres on which the Hilton Head Harbor operates, is owned privately by Turner’s Marina LLC.

The “RV Resort” is located adjacent to the Hilton Head Harbor Marina, and consists of approximately 17 acres, on which sit 200 individually owned RV lots, various roadways, open spaces, parking areas, and a two (2) story building owned by the RV Condominium Owners Association (the “COA”). The Plaintiff Turner’s Marina is the assignee of a 99-year lease from the COA for certain designated property set forth in the lease. Sunset, for a substantial period of time, has leased space from the COA to operate a high-end restaurant in the two (2) story building, which Turner’s Marina contends is part of that 99 year lease.

Plaintiff filed its Amended Complaint, dated August 25, 2021, (“Amended Complaint”) seeking the following relief : (1) a Declaratory Judgment; (2) Injunction; (3) Appointment of a Receiver; (4) a claim for damages due to interference with a contractual relationship with a third party (Sea Monkeys) against all Defendants except Sunset; (5) damages for trespass against Sunset for occupying the restaurant space which Turner’s Marina asserts is part of its leasehold under the 99 Year Lease; and (6) damages for conversion against the HOA as to retaining Sunset’s lease payments.

Sunset filed its Answer to the Amended Complaint on September 3, 2021. Thereafter, the parties conducted paper discovery, with no depositions taken in this case.¹ There have been two (2) hearings as to injunctive relief in this case. An Order was issued on August 25, 2021 granting Sunset's request for an injunction to be allowed the use of restrooms and parking spaces on the HOA property, *pendente lite*. On January 19, 2022 an Order was issued allowing Plaintiff the right to also use said restrooms and certain parking areas as well, *pendente lite*.

Sunset on August 3, 2022 filed its Motion to Amend to assert new defenses and to assert the following Counterclaims:

1. A Declaratory Judgment seeking answers to the following issues or questions: (1) establish the validity of its lease with the HOA and the right to certain parking spaces and restrooms; (2) confirm Turner has no rights to said property; (3) to determine what rights, if any, Turner holds under the 99 Year Lease; and (4) determine the right of Turner to put up gates or otherwise restrict access to the overall RV Resort.
2. A claim for damages under a tortious interference with contract cause of action due to the claimed actions of Turner seeking to damage, destroy, and impair Sunset's ability to operate its restaurant under its lease with the HOA.

A. Sunset's Motion to Amend

Prior to the start of this motion hearing, Turner's counsel advised the Court he consented to said amendment. Sunset's counsel represented to the Court all other parties had previously consented to said amendment. Said Motion is therefore granted. Sunset shall file its amended

¹ Plaintiff had previously filed separate lawsuits against the HOA and others (C.A. Nos. 2020-CP-07-989; 2020-CP-07-2433), but these actions did not name Sunset as a party. Numerous depositions have been taken in these other two (2) cases and in 2020-CP-07-989, eight (8) days of trial testimony has been taken before the Master-in-Equity.

pleading within fourteen (14) days of the execution of this Order, and the parties shall respond pursuant to the SCRCP.

B. Sunset's Motion to Refer

Sunset requests this matter be referred to the Beaufort County Master-in-Equity ("MIE"), or in the alternative, the issues should be bifurcated and have the MIE hear first the equitable claims and Sunset's Counterclaims. Said request is consented to by the Defendants HOA, Securitas Services, LLC and Mike Morales. For the reasons discussed below, it is the decision of this Court to refer with finality to the MIE the following equitable causes of action in Plaintiff's Amended Complaint: First (Declaratory Judgment); Second (Injunction Relief); and Fourth (Appointment of Receiver), as well as all counterclaims in Sunset's Amended Answer and Counterclaim, approved at this hearing, as discussed above in Section A.

The legal causes of action asserted by the Plaintiff in its Amended Complaint, namely: Third (Tortious Interference with Contractual Relationship – Sea Monkeys); Fifth (Trespass as to Sunset); and Sixth (Conversion as to HOA) shall be bifurcated, and be tried by a jury.

Under Rule 53(b) SCRCP, the Court has the power to refer matters to the MIE. The general rule in South Carolina is where the plaintiff's complaint raises both legal and equitable causes of action, the legal issues are determined by a jury and the equitable issues can be heard by the Court or referred to the Master-in-Equity. *Floyd v. Floyd*, 306 S.C. 376, 380, 412 S.E.2d 397, 397 (1991).

Under Rule 42(b) SCRCP, the Court may bifurcate the trial of cases in furtherance of convenience, to avoid prejudice, or separate trials would be conducive to judicial expediency and economy. The decision to bifurcate is left to the sound discretion of the Trial Judge. *Creighton v. Coligny Plaza Limited Partnership*, 334 S.C. 96, 512 S.E.2d 510 (1999). Under these authorities,

it makes logical sense to refer Plaintiff's equitable claims and Sunset's Counterclaims to the MIE, reserving any remaining claims asserted by Plaintiff to be heard by the jury.

In the instant case, Plaintiff's First, Second and Fourth causes of action are for a Declaratory Judgment, Injunction, and the Appointment of a Receiver, all clearly equitable claims typically heard on a non-jury basis. Plaintiff has asserted three (3) legal claims in its Third (Interference with Contract), Fifth (Trespass), and Sixth (Conversion) Causes of Action. Sunset concedes Plaintiff is entitled to a jury trial on these three (3) claims.

One of Plaintiff's other pending lawsuits, C.A. No. 2021-CP-07-989, a Declaratory Judgment action not involving an interpretation of the 99-year lease, has already been referred to the MIE, who has conducted numerous extensive hearings, with eight (8) days of testimony from numerous witnesses. The MIE has not issued a decision yet in said case. The MIE would be very familiar with the factual history of the RV Resort and the adjacent Hilton Head Harbor Marina, the parties, the applicable covenants, which contain a copy of the disputed 99 Year Lease, and could much more easily dispose of the equitable claims asserted by Plaintiff and the Counterclaims of Sunset rather than a jury.

It is the finding and conclusion of this Court that this process provides the most convenient, expeditious road map towards resolution of all disputed issues, while still preserving Turner Marina's rights to a jury trial on its three (3) legal claims. While Turner's counsel argues the issues in dispute in this case are not that complex, the fact the MIE has taken testimony for eight (8) full days, with more testimony to come, is significant to this Court's decision.

AND IT IS SO ORDERED.

Eugene C. Griffin, Jr.
S.C. Circuit Court Judge

_____, South Carolina
November _____, 2022



Beaufort Common Pleas

Case Caption: Turners Marina Llc VS R V Resort And Yacht Club Owners Association Inc , defendant, et al

Case Number: 2021CP0701085

Type: Order/Referred to Master or Special Referee

It is so ordered

Eugene C. Griffith, Jr. 2154

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The Supreme Court of South Carolina

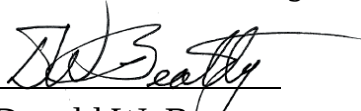
Re: Master-in-Equity for Beaufort County

ORDER

On April 17, 2024, the Honorable Marvin Dukes, III, Master-in-Equity for Beaufort County, was elected to the Circuit Court. Upon his taking the oath of office as a Circuit Court Judge for the 14th Judicial Circuit on July 1, 2024, the position of Master-in-Equity for Beaufort County will become vacant until the position can be screened and filled pursuant to S.C. Code Ann. § 14-11-20 (2017). Now, therefore, pursuant to the provisions of Art. V, § 4, of the South Carolina Constitution,

IT IS ORDERED that the Honorable Marvin Dukes, III, Circuit Judge for the 14th Judicial Circuit, shall have concurrent jurisdiction as a Special Master-in-Equity for Beaufort County to dispose of matters that are pending or scheduled for hearing before the master's court in addition to his duties as Circuit Judge for the 14th Judicial Circuit. Further, Judge Dukes may continue to hear matters that may be filed in the master's court. His authority under this Order shall remain in effect until such time as a Master-In-Equity for Beaufort County has been appointed by the Governor with the advice and consent of the General Assembly and assumes the duties of that office, or until further order of this Court, whichever shall first occur.

IT IS FURTHER ORDERED that the Honorable Robert J. Bonds, Chief Judge for Administrative Purposes (Common Pleas) for the 14th Judicial Circuit, and any subsequently appointed Chief Judge for Administrative Purposes (Common Pleas) for the 14th Judicial Circuit, shall appoint special referees upon agreement of the parties where appropriate. Any special referee so appointed must be compensated by the parties involved in the action, pursuant to S.C. Code Ann. § 14-11-60 (2017).


Donald W. Beatty
Chief Justice of South Carolina

Columbia, South Carolina
June 10, 2024

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	FOURTEENTH JUDICIAL CIRCUIT
COUNTY OF BEAUFORT	)	CIVIL ACTION NO.: 2021-CP-07-01085
	)	
TURNER'S MARINA LLC,	)	
	)	
Plaintiff,	)	
	)	
vs.	)	ORDER RULING ON PLAINTIFF'S AND
	)	DEFENDANTS' MOTIONS TO
	)	ENFORCE SETTLEMENT
	)	AGREEMENT
	)	(Amendments to Lease-Armed Guards/Gates)
R.V. RESORT AND YACHT CLUB	)	
OWNERS' ASSOCIATION, INC.,	)	
SECURITAS SERVICES, INC.,	)	
MIKE MORALES, and SUNSET, INC.,	)	
	)	
Defendants.	)	
	)	

This matter comes before me upon Plaintiff's Motion to Enforce Mediation Settlement Agreement, dated February 23, 2024, supported by the Affidavit of Neil Turner, dated April 2, 2023 (collectively "Plaintiff's Motion") and Defendants' Motion to Enforce Settlement, dated March 4, 2024, supported by the Affidavit of Christopher Sibley, dated April 8, 2024 (collectively "Defendants' Motion"). In addition, all parties provided various legal memoranda to the Court, which the Court has carefully reviewed and considered.

A hearing was held in my chambers at the Beaufort County Courthouse on April 11, 2024 at which time the Court heard and considered arguments from all counsel. Thereafter, this Court conducted additional virtual conferences with the parties and their counsel on May 8, 2024 and on June 26, 2024. As is set forth in the parties' Motions, a dispute has arisen as to the documentation required in connection with the Settlement Agreement, dated December 13, 2023, reached in mediation ("Settlement Agreement"). The Defendants have asserted that

as a result of the Settlement Agreement, one or all the parties must sign in recordable form three (3) documents; (1) Amended and Restated Easement; (2) Second Amendment to Lease; and (3) Agreement as to Gates and Security Guards. The Plaintiff agrees that an amendment to the Lease and Easement in recordable form is necessary, but disagrees with the language suggested by the Defendants, and further asserts no further documentation is needed as to the agreement concerning armed guards and gates.

This Order only deals with the parties' dispute as to the issues related to the Second Amendment to the Lease and the Agreement as to Gates and Security Guards. The issue as to the language in the Amended and Restated Easement is subject to a separate Order issued or to be issued by the Court.

1. Issues Under Second Amendment to Lease

The Defendants' counsel, on or about January 18, 2024, sent to Plaintiff's counsel a proposed Second Amendment to Lease which the Defendants asserted was consistent with the terms and conditions of the Settlement Agreement. Thereafter, on or about April 17, 2024 defense counsel sent to Plaintiff's counsel a second version of the Second Amendment to Lease ("April 17, 2024 Second Amended Lease"), updating the date of the agreement and correcting a typographical error in reference to certain recording information. As set forth in the May 13, 2024 Turner's Marina LLC's Memo In Response to Defendants' Supplemental Memo of May 8, 2024 ("Plaintiff's May 13, 2024 Memo"), Plaintiff objected to the Defendants' April 17, 2024 Second Amendment to Lease as to §5 (Use of Pool); §6 (Operating hours of Restaurant), §7 (Premises includes laundry room, mail room, exercise room,); and certain Whereas provisions not being fully accurate. Plaintiff attached as Exhibit 1 to its Memo its

proposed Second Amendment to Lease (“Plaintiff’s May 13, 2024 Second Amendment to Lease”). Each of these issues are addressed below.

A. Restaurant Hours of Operation Issue

Plaintiff argues that the Settlement Agreement restricts the hours of operation that the Sunset Grill, operated by the Defendant Sunset Inc. (“Restaurant”) can be open based on references in §§ 2(b) and 6 and of the Settlement Agreement as to “Business Hours”.

The term “Business Hours” is defined in §6 of the Settlement Agreement as “Tuesday through Sunday 5:00pm to 10:00pm and Sunday 10:30 am to 2:00pm”. As used in §§ 2(b) and 6 in the Settlement Agreement, the use of the term “Business Hours” is only applied when describing the use of the parking spaces during those hours. This Court finds and concludes there is no language in the Settlement Agreement that states the Restaurant is only allowed to operate during those hours. It would have been very easy for the parties to insert such language if that was the intention of the parties. Further, there are two parking spaces in the Settlement Agreement that are restricted for the use of the Restaurant 24x7x365.(§§2(c) and 2(d)). The existence of this language is inconsistent with the Plaintiff’s argument that the definition of “Business Hours” was meant to restrict the time that the Restaurant could be open. The Plaintiff has argued these two parking spaces were reserved to be used only by the Restaurant staff outside of “Business Hours”, but there is nothing in the Settlement Agreement that restricts these two spots to Restaurant staff. Furthermore, all parking spaces not explicitly reserved for use by the Restaurant, as well as those spaces that are reserved but outside of “Business Hours”, per the terms of the Settlement Agreement, are available for use on a “first come, first served” arrangement and can be used “without restriction or reservation.”(§2(h))

There is no language in the Settlement Agreement that states those spaces cannot also be used by Restaurant patrons or staff outside of “Business Hours”.

The rules concerning the Court’s role in construing contracts, like the subject Settlement Agreement, are well recognized in South Carolina. These rules are applicable to all of the issues facing the Court as to the interpretation of the Settlement Agreement. The Court in *Ecclesiastes Production Ministries v. Outparcel Associates, LLC*, 374 S.C. 483, 497-498, 649 S.E.2d 494, 501-502 (2007) sets forth an excellent summary of said rules, as follows:

In construing a contract, the primary objective is to ascertain and give effect to the intention of the parties.” *Southern Atl. Fin. Servs., Inc. v. Middleton*, 349 S.C. 77, 8081, 562 S.E.2d 482, 484 – 4855 (Ct.App. 2005) . . . (cites omitted). Contracts should be liberally construed so as to give them effect and carry out the intention of the parties. *Mishoe v. Gen. Motors Acceptance Corp.*, 234 S.C. 182, 188, 107 S.E.2d 43, 47(1958)

The parties’ intention must, in the first instance, be derived from the language of the contract. *Schulmeyer v. State Farm Fire & Cas.*, 10, 353 S.C. 491, 495, 579 S.E.2d 132,134 (2003) (cites omitted) . To discover the intention of a contract, the court must first look to its language – if the language is perfectly plain and capable of legal construction, it alone determines the document’s force and effect. *Superior Auto. Inc. Co. v. Maners*, 261 S.C. 257, 263, 199 S.E.2d 719, 722 (1973). Parties are governed by their outward expressions and the court is not at liberty to consider their secret intentions. *Blakeley v. Rabon*, 266 S.C. 68, 73, 221 S.E.2d 767, 769 (1976); *Ellie, Inc. v. Miccichi*, 358 S.C. 78, 93-94, 594 S.E.2d 485, 493-94 (Ct.App. 2004); *accord Kable v. Simmons*, 217 S.C. 161, 166, 60 S.E.2d 79, 81 (1950).

* * *

If a contract’s language is plain, unambiguous, and capable to only one reasonable interpretation, no construction is required and its language determines the instrument’s force and effect. *Jordan v. Security Group, Inc.* 311 S.C. 227, 230, 428 S.E.2d 705, 707 (1993); *Blakeley* at 72, 221 S.E.2d at 769¹. “Where an agreement is clear and capable of legal interpretation, the courts only function is to interpret its lawful meaning, discover the intention of the parties as found within the agreement, and give effect to it.” *Ellie* at 93, 594 S.E.2d at 493 (quoting *Heins v. Heins*, 344 S.C. 146, 158, 543 S.E.2d 224, 230 (Ct.App. 2001). However, where an agreement is ambiguous, the court

should seek to determine the parties' intent. *Smith-Cooper v. Cooper*, 344 S.C. 289, 295, 543 S.E. 2d 271, 274 (Ct.App. 2001); *Prestwick Golf Club, Inc. v. Prestwick Ltd. P'ship*, 331 S.C. 385, 390, 503 S.E.2d 185, 187 (Ct.App. 1998).

"A contract is ambiguous when it is capable of more than one meaning or when its meaning is unclear." *Ellie* at 94, 594 S.E.2d at 493; *accord Bruce* at 160, 127 S.E.2d at 441; *Hawkins v. Greenwood Dev. Corp.*, 328 S.C. 585, 493 S.E.2d 875 (Ct.App. 1997). "[A]n ambiguous contract is one capable of being understood in more senses than one, an agreement obscure in meaning, through indefiniteness of expression, or having a double meaning." *Carolina Ceramics, Inc. v. Carolina Pipeline Co.*, 251 S.C. 151, 155-56, 161 S.E.2d 179, 181 (1968) (citation omitted).

"Ambiguous language in a contract should be construed liberally and most strongly in favor of the party who did not write or prepare the contract and is not responsible for the ambiguity; and any ambiguity in a contract, the court must enforce an unambiguous contract according to its terms, regardless of the contract's wisdom or folly, or the parties' failure to guard their rights carefully. *Ellis v. Taylor*, 316 S.C. 245, 248, 449 S.E.2d 487, 488 (1994); *Jordan v. Security Group, Inc.* 311 S.C. 227, 230, 428 S.E.2d 705, 707 (1993).

It is this Court's opinion the language of §§ 2(b) and 6 of the Settlement Agreement is clear and unambiguous and does not restrict the hours of operation of the Restaurant. Plaintiff's Motion is denied as to this issue. The language under the Defendants' April 17, 2024 Second Amended Lease is adopted by the Court as to this issue.

B. Claim of Control Over Additional Properties

The Plaintiff asserts that the language in § 8 of the Settlement Agreement, which affirms that the Plaintiff is the rightful holder of the 99-year Lease, amounts to an agreement by the Defendants that the definition of Recreational Facilities as used in the 99-year Lease explicitly includes the mail room, exercise room, and laundry room in the Recreational Building. (§8). This Court finds and concludes there is nothing in the Settlement Agreement that refers to those areas at all, and there is certainly no language evidencing an admission or

agreement by the Defendants that the 99-year Lease includes those areas contained in the Settlement Agreement. This Court finds and concludes that the language in §8 simply affirms that Plaintiff is the rightful holder of the Lease- nothing more.

Based on the legal authorities discussed above in section 1(A) of this Order, this Court does not have the authority to change or rewrite the parties Settlement Agreement to add new language, as the Plaintiff now requests. Plaintiff's motion as to this issue is denied. The language under the Defendants' April 17, 2024 Second Amended Lease is adopted by the Court as to this issue.

C. Claim that Settlement Agreement Strips Right of Owners to Use Pool

The Plaintiff argues that the language in the Settlement Agreement restricting the use of the pool to "non-Commercial Patrons of the complex " (§5) somehow "negotiated away" the rights of the 200 RV lot owners ("Owners") to use the pool. It is this Court's finding and conclusion that all lot Owners clearly meet the definition of "non-Commercial Patrons" under §5 of the Settlement Agreement. They did not need to be specifically listed under the language used by the parties.

Further, the Court has taken into consideration that the entire 99 Year Lease is subject to the terms of the 1981 restrictive covenants recorded at Deed Book 325 at Page 920 , in the Beaufort County Register of Deeds ("Covenants"). Under § 12.5 of the Covenants and § 9 of the 99 Year Lease, the Recreational Facilities , including the pool, are for the use and benefit of the lot Owners and are made available to the lessee under the 99 Year Lease, subject to the rights of Owners to use, occupy, and enjoy the same. Nothing in the Settlement Agreement states that these provisions in the Covenants or the 99 Year Lease have been modified or invalidated in such fashion. Plaintiff's Motion is denied as to this issue. The

language under the Defendant's April 17, 2024 Second Amended Lease is adopted by the Court as to this issue.

D. **Plaintiff's Claim that "Whereas" Provisions in Defendant's Proposed Second Amended Lease are Factually Incorrect**

The Plaintiff asserts that the 4th and 5th "Whereas" provisions in the Defendant's April 17, 2024 Second Amendment to Lease are factually incorrect and that 4th through 7th Whereas provisions in the Plaintiff's May 13, 2024 Second Amendment to Lease should be used instead.

This Court has read the disputed Whereas provisions and has determined to adopt the Whereas provisions in Defendants April 17, 2024 Second Amended Lease, with the following changes:

- a. Defendants' April 17, 2024 Second Amendment to Lease- The 5th Whereas provision is **deleted**.
- b. The following Whereas provisions are **substituted** in its place, as follows:
 - i. 5th – "Whereas, as a result of said disputes, Tenant filed litigation against the Landlord, and others in the Beaufort County Court of Common Pleas on June 21, 2021(C. A. No: 2021-CP-07-1085- "Litigation")" ;
 - ii. 6th - Whereas, Tenant sent a letter notifying Sunset, Inc. that they are no longer allowed to use said parking spaces and bathrooms.

- iii. 7th- “Whereas, Sunset petitioned the court to join the Lawsuit to defend its rights to use the parking spaces and bathrooms, which petition was granted”.

All other provisions of the Defendants’ April 17, 2024 Second Amended Lease are approved and adopted by the Court as to this issue.

Based upon the above, this Court finds and concludes the Defendants’ April 17, 2024 Second Amended Lease, as modified by this Court’s findings in Section 1 (C) above (“Whereas” provisions), attached hereto as Exhibit 1, is consistent with the stated intention of the parties to the Settlement Agreement. Within ten (10) days of the issuance of this Order the Plaintiff is directed to execute same before two (2) witnesses, one of which is a notary, and deliver the original to defense counsel for recording.

2. Plaintiff’s Assertion that Terms Related to Gates and Armed Security Guards was only a Personal Commitment

The Plaintiff asserts that the terms it agreed to in the Settlement Agreement restricting its ability to place gates on its property and restricting its ability to use armed security guards (§§10, 11, and 12) are not restrictions that should run with the land but rather were simply “personal commitments” of the Plaintiff. While the Court agrees with the Defendants that these obligations and restrictions are clearly and explicitly set forth in the Settlement Agreement, there is no provision requiring the Plaintiff to execute any document to place on record said commitments. While the Court is not making any finding or decision on the exact nature of these obligations, under the same legal authority cited in section 1(A) above, this Court does not have the authority to add language to the parties written Settlement Agreement to require the Plaintiff to record a separate document to place on record these obligations. As

to this issue, Plaintiff's Motion is granted. Plaintiff is not required to sign any additional documentation as to this issue.

AND IT IS SO ORDERED.

Marvin H. Dukes
SC Circuit Court Judge

Beaufort, South Carolina
_____, 2024



Beaufort Common Pleas

Case Caption: Turners Marina Llc VS R V Resort And Yacht Club Owners Association Inc , defendant, et al

Case Number: 2021CP0701085

Type: Master/Order/Other

So Ordered

s/Marvin H. Dukes III #2785

Electronically signed on 2024-08-05 09:08:29 page 10 of 10

EXHIBIT "1" TO ORDER

STATE OF SOUTH CAROLINA)
) **SECOND AMENDMENT TO LEASE**
COUNTY OF BEAUFORT)

This Second Amendment to Lease ("Addendum") is entered into this ____ day of _____, 2024 by R.V. Resort and Yacht Club Owner's Association, Inc. ("Landlord") and Turner's Marina, LLC ("Tenant").

WHEREAS, on or about June 12, 1981, the Landlord and Outdoor Resort, R.V. Resort and Yacht Club, a South Carolina general partnership ("Original Tenant") entered into that certain Lease recorded in the Beaufort County Register of Deeds ("ROD") at DB 325 at Page 953 on June 18, 1981, a copy of which is attached hereto as Exhibit 1 ("Lease");

WHEREAS, on October 8, 1981, the Landlord and the Original Tenant entered into that certain Modification of Lease Agreement, a copy of which is attached as Exhibit 2 ("Lease Amendment"). That the Lease and Lease Amendment are collectively referred to as the "1981 Lease";

WHEREAS, the interest of the Original Tenant in the 1981 Lease was sold, transferred or assigned on various occasions thereafter, with the Tenant, Turner's Marina, LLC ("Tenant") since December 21, 2017 holding the interest of Tenant under the 1981 Lease;

WHEREAS, at some point after the Tenant acquired its interest under the 1981 Lease, various disputes arose with the Landlord as to the definition of the leased premises ("Premises") described in the 1981 Lease under § 1, and other provisions, including, (1) whether the restaurant,

known as the Sunset Grille (“Restaurant”), located on the second floor of the two (2) story “Rec Bldg” depicted in PB 29 at P 184 recorded in the ROD (“Rec. Bldg.”), was part of the Premises; (2) whether the “Ship’s Store” (currently used as the Landlord’s office), located on the first floor of the Rec. Bldg. was part of the Premises; (3) who had the right to use certain parking spaces on the property owned by the Landlord, as described as “TENNIS-COMPLEX”, consisting of 0.84 acres on PB 57 at P 168 recorded in the ROD, and further described as “Parcel A” on PB 148 at P 60; as well as the rights of the Landlord, its members, the RV Lot Owners, the Restaurant, Sunset, LLC (“Sunset”), the operator of the Restaurant, and said parties’ patrons, guests and invitees to cross certain property at the RV Resort owned by the Tenant;

WHEREAS, as a result of said disputes, Tenant filed litigation against the Landlord, and others in the Beaufort County Court of Common Pleas on June 21, 2021(C. A. No: 2021-CP-07-1085- “Litigation”);

WHEREAS, Tenant sent a letter notifying Sunset, Inc. that they are no longer allowed to use said parking spaces and bathrooms;

WHEREAS, Sunset petitioned the court to join the Lawsuit to defend its rights to use the parking spaces and bathrooms, which petition was granted;

WHEREAS, on December 13, 2023 a settlement was reached between the parties as to the Litigation and incorporated into a formal Settlement Agreement (“Settlement Agreement”). That portion of the Settlement Agreement involving the 1981 Lease is set forth in this Addendum.

NOW, THEREFORE, for ten (\$10.00) Dollars and other good and valuable consideration, the parties agree as follows:

1. **WHEREAS Provisions** – The above WHEREAS provisions are incorporated herein by reference as if fully set forth. Said provisions are important and material terms and conditions of this Addendum.

2. **Rent (§ 3)** – The existing rent language in Section 3 of the Lease and Section 3 of the Modification is deleted and the following inserted in its place.

“In consideration of this Lease of the Recreational Facilities to the Lessee, Lessee agrees to pay Lessor monthly Rent in the amount of the base monthly assessment charged for a lot owner in the RV Resort multiplied by 5. Such Rent shall be payable at such places as Lessor shall direct in writing. The amount of Rent shall be automatically increased per the aforementioned formula (monthly dues for a lot owner in the RV Resort multiplied by 5) with any increase of assessments as determined by the Board of Directors of the Association pursuant to Article VI, Section 3 of the By-Laws of the R.V. Resort and Yacht Club Owners’ Association, Inc.”

3. **Parking**

I. 23 Parking Spaces – Exhibit A.

With regards to the right to use and access the parking area referenced on attached Exhibit A, consisting of twenty-three (23) spots or spaces, the parties agree:

- a. Spot 2 on Exhibit A will be reserved for Landlord use.
- b. Spots 5 and 6 on Exhibit A will remain short term parking until 5:00 p.m., at which time these spots will be reserved for use by the Restaurant and its patrons and guests during “Business Hours,” defined as Tuesday through Sunday, 5:00 p.m. to 10:00 p.m., and Sunday 10:30 a.m. to 2:00 p.m.

- c. Spot 3 on Exhibit A will be for the exclusive use of the Restaurant, its patrons and guests twenty-four hours a day, seven days a week, 365 days a year ("24/7/365").
- d. Spot 4 on Exhibit A will be for the exclusive use of the Restaurant, its patrons and guests 24/7/365.
- e. Spots 19, 20 and 21 will be for the exclusive use of the Restaurant, its patrons and guests from Tuesday through Sunday 6:00 p.m. to 10:00 p.m. and Sunday 10:30 a.m. to 2:00 p.m.
- f. Spot 23 on Exhibit A is a parking spot under a tree. The parties agree that Spot 23 will be for the exclusive use of the Tenant or its designee.
- g. Spot 22 on Exhibit A will be reserved for Tenant's use until 6:00 p.m. Following that time, Spot 22 will be available as a first come, first served parking place.
- h. All other Spots enumerated on Exhibit A (including the handicap spot denoted as Spot 1) are first come, first served parking spots that can be utilized without restriction or reservation.
- i. The Parties agree that no parking spot can be utilized by anyone for overnight parking.

II. Reconfigured Parking Spaces

- a. **Reconfigured Parking Spaces or Spots** – It is agreed by the Landlord and the Tenant that the Landlord may seek to reconfigure the enumerated parking spots denoted on Exhibit A, including reconfiguration of the picnic table area pictured thereon, subject to the RV Lot Owners' approval of this change of use. In the event the Landlord reconfigures or adds additional parking spaces to the twenty-three (23) parking spaces currently enumerated on Exhibit A, fifty percent (50%) of any new spaces, above twenty-three (23), created as a result of the

reconfiguration - up to a maximum of seven (7) new spaces - will be reserved for the Restaurant and its patrons and guests during Business Hours. Any such new configuration cannot interfere with direct and open access to the dumpster, including for emptying and removal of the dumpster, installed on Tenant's land adjacent to the former tennis courts. All other newly created spaces shall be available on a **first come, first served basis**.

b. If the Landlord reconfigures the parking lot as outlined above, Spots numbered 19, 20, and 21 will no longer be deemed the Restaurant's spaces; instead, from the new spaces created, there will be three (3) new replacement spaces - and up to seven (7) spaces as contemplated above - in a single line, resulting in ten (10) spaces in a row for Restaurant use. These new spaces will be for the exclusive use of the Restaurant, its patrons and guests during Business Hours as defined above.

4. **Restrooms** – The restrooms located on the first floor of the Rec. Bldg. are available to everyone.

5. **Pool**

a. The pool on Exhibit A shall be available to all non-Commercial Patrons of the RV complex. It is agreed and understood that slip lease holders at the marina and RV lot renters and their guests are not included in the definition of Commercial Patrons and that those classes of patrons are permitted access to the pool. Commercial Patrons includes those enjoying the commercial activities of the marina operated by the Tenant, either directly or through leases, agreements, or licenses from the Tenant, including but not limited to any boat clubs, jet ski

rentals, tours, charter fishing, parasailing, and other similar activities. Commercial Patrons are not allowed to use the pool.

- b. If the Landlord determines that it wants to implement an "arm band" type system to denote those that are appropriately within the pool area, it is understood and agreed that the marina slip lease holders and the RV owners/renters will receive one (1) arm band each for pool access for themselves and their guests.

6. Tenant's Affirmation of Landlord's Rights/Restriction on Use of Restaurant and Ship's Store – Tenant, as the lessee, acknowledges and affirms the Restaurant and former Ship's Store are not part of the Premises or subject to the 1981 Lease. Tenant further affirms that the ownership and lease rights to the Restaurant space and Ship's Store space are exclusively held, owned and controlled by the Landlord. However, the Landlord agrees that it will not permit the Ship's Store space to be utilized for commercial purposes.

7. Affirmation of Tenant's Rights – The Landlord and Sunset, Inc. acknowledge and affirm that Tenant is the rightful holder of the rights of the Tenant and lessee under the 1981 Lease and the rights and responsibilities arising therefrom not otherwise addressed in this Addendum. Said parties agree to not bring upon the leased Premises any means of restricting Tenant from the use and enjoyment of its leasehold property.

8. Binding Effect - This Addendum shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, executors, administrators, successors and assigns.

9. Conflict- In the event of any conflict of the provision of this Addendum and the Settlement Agreement, the provisions of this Addendum shall control.

10. Lease Signed Per Court Order - This Second Amendment To Lease

is not voluntarily executed by Turner's Marina, LLC. It is being executed pursuant to that Court Order of Circuit Judge Marvin Dukes, III dated _____, 2024, directing the Plaintiff to execute this document. It is signed under protest, but in compliance with Judge Dukes' Order."

WITNESSES:

**LANDLORD: R.V. Resort and Yacht Club
Owner's Association, Inc.**

By: _____
Its: _____

TENANT: Turner's Marina, LLC

By: _____
Its: _____

SUNSET, INC.

By: _____
Its: _____

For purposes of Section 7 only

STATE OF SOUTH CAROLINA

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ACKNOWLEDGMENT

)

COUNTY OF BEAUFORT

)

I, the undersigned Notary Public, do hereby certify that the within R.V. Resort and Yacht Club Owner's Association, Inc., by _____ its _____ personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS MY HAND AND SEAL this the ____ day of _____, 2024.

Notary Public for: South Carolina

My Commission Expires: _____

Name of Notary: _____

STATE OF SOUTH CAROLINA

)

ACKNOWLEDGMENT

)

COUNTY OF BEAUFORT

)

I, the undersigned Notary Public, do hereby certify that the within Sunset, Inc., by _____ its _____ personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS MY HAND AND SEAL this the ____ day of ____, 2024.

Notary Public for: South Carolina

My Commission Expires: _____

Name of Notary: _____

STATE OF SOUTH CAROLINA

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ACKNOWLEDGMENT

I, the undersigned Notary Public, do hereby certify that the within Turner's Marina, LLC, by _____ its _____ personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS MY HAND AND SEAL this the ____ day of ____, 2024.

Notary Public for: South Carolina

My Commission Expires: _____

Name of Notary: _____

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STATE OF SOUTH CAROLINA)
COUNTY OF BEAUFORT)

LEASE

THIS LEASE is made this 12 of JUNE, 1981,
by and between R.V. RESORT AND YACHT CLUB OWNERS' ASSOCIATION,
INC., a South Carolina non-profit corporation (hereinafter
referred to as "Lessor"), and OUTDOOR RESORT, R.V. RESORT
AND YACHT CLUB, a South Carolina general partnership (herein-
after referred to as "Lessee").

WHEREAS, Lessor is a non-profit corporation organized
and existing under the laws of the State of South Carolina
for the purpose of administering and maintaining certain
real property known as OUTDOOR RESORT, R.V. RESORT AND YACHT
CLUB; and

WHEREAS, Lessee is the developer of said property and
also the owner and developer of a marina adjacent and contig-
uous to the property; and

WHEREAS, Lessor and Lessee desire that certain common
properties of OUTDOOR RESORT, R.V. RESORT AND CAMPGROUND,
owned by the Lessor, shall be entitled to be used by OUTDOOR
RESORTS, R.V. RESORT AND YACHT CLUB, a South Carolina partner-
ship, its successors, assigns, guests and invitees.

NOW, THEREFORE, in consideration of the agreements
to be performed by each other, Lessor and Lessee agree as
follows:

1. Upon the terms and conditions herein set forth
and in consideration of the prompt and continuous performance
by the Lessee of each and every of its covenants and promises
herein made, Lessor does hereby let, lease and demise unto
the Lessee and Lessee does hereby lease of and from the Lessor
property situate in Beaufort County, South Carolina, and
described on EXHIBIT "A" which is attached hereto and thereby
made a part hereof.

EXHIBIT 1

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The premises described in the above legal description are hereinafter referred to as the Recreational Facilities which include, among other things, a swimming pool, two tennis courts, decking, bathhouse, and certain portions of the Clubhouse complex. The lease of the above described Recreational Facilities shall be together with its appurtenances, tenements and hereditaments, and together with all improvements, buildings and structures now or hereafter placed thereon, and all furniture, furnishings, fixtures, machinery and equipment now thereon and hereafter brought or placed thereon or intended for the use thereon and all additions thereto.

2. The term of this Lease shall commence on the date first above mentioned and shall end on JUNE 12, 2080. This is an exclusive Lease to the Lessee, under circumstances where the Lessor shall not be entitled to enter into any other leases with any other lessees while this Lease is in effect without the prior written consent of the Lessee. Lessee, however, may at any time assign any and all of its interest in this Lease and upon such assignment taking place, the Lessee shall be relieved of any and all liability under this Lease subject to the Lessee's complying with all terms and conditions of the Lease at the time of said assignment.

3. In consideration of this Lease of the Recreational Facilities to the Lessee, Lessee agrees to pay Lessor the sum of FIVE (\$5.00) DOLLARS per month per boat slip at the marina which is shown and designated on EXHIBIT "B" which is attached hereto and thereby made a part hereof. The payment of said rent, however, shall not begin until the improvements described as the Recreational Facilities in Paragraph 1 have been completed. Such rent shall be payable at such places as Lessor shall direct in writing. The amount of rent shall not in any way be increased through the term of this Lease without the prior written consent of Lessee.

4. Use of the Recreational Facilities shall be subject to all laws, statutes, ordinances, rules and regulations of all appropriate governmental authorities and agencies, covenants and restrictions of record, as well as all rules and regulations adopted by the Association from time to time pursuant to the Declaration of Covenants and Restrictions; however, which rules and regulations shall not discriminate in any manner whatsoever against the Lessee or the invitees of the Lessee.

The persons who may use and enjoy the Recreation Facilities through and under the Lessee shall be limited to agents, officers, employees and guests of the Lessee or its assigns.

5. If any part of the Recreational Facilities is taken pursuant to the law of eminent domain of the State of South Carolina during the term of this Lease, the rent herein provided for shall continue unaffected as to amount unless such taking materially destroys the usefulness of the Recreational Facilities for all purposes leased. In such event, the Lessee shall have the right to terminate this Lease by written notice to the Lessor within thirty (30) days after such taking or to continue in possession of an undivided interest in the remainder of the leased premises under all the terms and conditions hereof. All damages awarded such taking shall belong to and be the property of Lessor whether such damages shall be awarded as compensation for the diminution of the value to the Lease or to the fee of the Recreational Facilities.

6. Lessor shall, throughout the term of this Lease, keep enforced insurance policies as follows: (a) insurance against loss or damage to the buildings and improvements now of hereafter located upon the Recreational Facilities and all of the personal property, including pictures, furniture, machinery, equipment and furnishings located upon the Recreational Facilities. All insurance shall provide against any

and all loss or damage to the Recreational Facilities by fire, windstorm or causes insured by extended coverage; (b) comprehensive general public liability insurance in which the Lessor and Lessee shall be named, insureds against claims of bodily injury, sickness or disease, including death, at any time resulting therefrom and for injury to or destruction of property, including the loss or use thereof arising out of ownership, maintenance, use or operation of the Recreational Facilities or any building or improvement or personalty located thereon with a minimum limitation of \$200,000/\$500,000/\$10,000; and (c) in the event that Lessor shall undertake any construction upon the premises, Lessor shall maintain and pay for a builders risk insurance policy in such amounts and with such companies as Lessor determines proper.

The Lessor shall also pay for and maintain such further and additional insurance policies, including but not limited to workmen's compensation insurance. The amount of the required insurance shall be equal to the maximum insurable replacement value as determined annually by Lessor. The Lessee may require the Lessor to provide proof of existence of insurance coverage required herein as Lessee may reasonably request from time to time. All insurance required to be carried shall be under policies written in such form and issued by such companies as shall be approved by the Lessee, said Lessee, said approval, shall not be unreasonably withheld.

7. In the event of damage or destruction of the Recreational Facilities or the buildings and improvements located thereon by any casualty for which insurance is payable, the Lessor shall promptly make application for the benefits under the insurance policy, which benefits shall be deposited in a bank account and be available to the Lessor for the reconstruction or repair of the Recreational Facilities or that portion thereof which was damaged. Such insurance money shall

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be paid from the account in amounts based upon the estimate of a licensed architect in the State of South Carolina having supervision of such construction work or repair. Said architect shall certify that the amount of such estimate is being applied to the payment for reconstruction or repair and at a reasonable cost. It is the intent hereunder that reconstruction or repair shall take place if covered by insurance, but it is the further intent that Lessor shall not assume the burden of reconstruction or repair if not covered by insurance, unless Lessor chooses to do so. In the event the cost of repair or reconstruction exceeds the insurance benefits, Lessor shall reconstruct or repair those items for which insurance is available; but only at its option must Lessor do any further reconstruction or repair for which there is not adequate insurance proceeds. If Lessor chooses not to reconstruct or repair due to inadequate insurance proceeds, then Lessee, at its option, may either continue this Lease in full force and effect or cancel this Lease upon fifteen (15) days' notice in writing to Lessor, at which time Lessee shall be obligated to perform its covenants and promises hereunder up to the date of notification. For reconstruction or repair for which there are adequate insurance proceeds, or with which Lessor desires to proceed despite the lack of insurance proceeds, it shall be the obligation and duty of Lessor to cause such showing to be made and such to be accomplished as often as said Recreational Facilities, including buildings, improvements or personal property may be destroyed, damaged or lost; and all of such work shall be completed and paid for as promptly as the exercise by the Lessor of due diligence makes possible. The work when completed shall restore the Recreational Facilities substantially to the condition in which it existed before such destruction, damage or loss took place, and in

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any event, the premises as restored shall have a value which is not less than the value which the Recreational Facilities had or possessed prior to the loss or damage which made such reconstruction or repair necessary. Lessee shall have the right to require Lessor to obtain a completion, performance and payment bond in amount and in form and with a company licensed to do business in the State of South Carolina, approved by Lessee. When after the payment of repair or replacement of damage there shall remain any surplus of insurance proceeds, said surplus shall belong to the Lessor.

8. Any demolition or new construction on the Recreational Facilities or major alteration in the buildings located in the Recreational Facilities shall be at the sole expense of the Lessor; nothing in this Paragraph 8 shall ever be construed to relieve Lessor of its obligation to maintain and repair the improvements located upon the Recreational Facilities. The Lessor shall, during the term of this Lease, keep the Recreational Facilities in a good state of repair and shall maintain all of the buildings and other improvements located thereon for the normal and customary use thereof. Lessor shall not suffer or permit any waste, neglect or deterioration of any of the premises, buildings or improvements of the Recreational Facilities and shall replace, renovate and repair the Recreational Facilities and improvements thereon as often as may be necessary in order to keep the Recreational Facilities and such buildings and improvements in a good state of repair and for the use and enjoyment of the Lessor and Lessee.

9. Lessor covenants and agrees with Lessee that so long as the Lessee keeps and performs all of its covenants herein made the Lessee shall have quiet and undisturbed and continued possession of the premises subject only to the rights of Lot Owners to use, occupy and enjoy the same along with

such other persons as provided in the Declaration of Covenants and Restrictions.

10. Subject to Paragraph 7 hereinabove, no damage or destruction to buildings, structures, improvements or furniture, furnishings, fixtures, machinery or equipment now or hereafter located upon the Recreational Facilities by fire, windstorm, or any other casualty, shall entitle the Lessee to surrender possession or to terminate this Lease or to violate any of its provisions or cause any rebate, abatement or adjustment in the rent then due or that thereafter becoming due under the terms hereof.

11. The Lessor and its agents shall have the right of entry upon the Recreational Facilities at all reasonable times to examine the condition and use thereof; provided that only such rights shall be exercised in such a manner as to not interfere with the conduct of the operation of said Recreational Facilities; and if said premises are damaged by any casualty which causes the premises to be exposed to the elements, then the Lessor may enter upon the premises to make emergency repairs.

12. Where not otherwise provided in this Lease, all sums of money coming due from the Lessee to the Lessor shall bear interest at the rate of one and one-half (1 1/2%) percent per month, commencing fifteen (15) days from the date the same shall become due until the date the same shall be paid.

13. Lessee shall not do or suffer any waste or damage, disfigurement or injury to the Recreational Facilities or any property now or hereafter placed or brought thereon.

14. Except for non-payment of rent which is discussed below, if default shall be made by the Lessee in the performance of any covenants herein set forth, which default is not cured by Lessee within thirty (30) days after receiving written

notice of such default by Lessor, then in addition to any other rights or remedies which Lessor may have, the Lessor shall have the right to declare this Lease cancelled and terminated and re-enter upon the Recreational Facilities, in which case the Lessee shall peacefully surrender and deliver the Recreational Facilities to Lessor. However, nothing in this Lease shall be construed as authorizing the Lessor to declare this Lease in default where the default consists solely of non-payment of rent, until such non-payment is in violation of Paragraphs 4 or 5 hereinabove.

In the event that Lessor defaults in the terms of this Lease, Lessee shall have all rights or remedies provided by law which shall include but not be limited to specific performance of this Lease by Lessor, and/or recovery of damages due to the default of Lessor.

Any and each remedy available to the Lessor or Lessee for the enforcement of any term or provision hereof shall be construed as cumulative and no single such remedy shall be construed as being exclusive or as preventing the parties from electing such other or additional remedies. In addition to all the remedies set forth above, the Lessee, at its option, may request of a court of competent jurisdiction and receive therefrom the appointment of a receiver to stand in the place and stead of the Lessor and to operate the Recreational Facilities. Said receiver shall fully perform and keep all of the covenants, terms and conditions of this Lease. In connection with any litigation arising from this Lease, the prevailing party shall be entitled to recover all costs incurred including a reasonable attorney's fee.

15. The Recreational Facilities are subject to such easements for public utilities as now appear in public records and Lessor shall have, at all times, the right to create upon

or over such of the Recreational Facilities for any and all public utilities, easements from time to time as the Lessor, in its discretion, shall deem appropriate, free and clear of this Lease.

16. At the termination of this Lease by lapse of time or otherwise, the Lessee will peacefully and quietly deliver possession of the Recreational Facilities and all improvements situated thereon, including all personal property therein and thereon, to the Lessor and all buildings, improvements and personal property then situated upon the premises shall become and remain the property of the Lessor.

17. Time is of the essence in every particular and especially where the obligation to pay money is involved.

18. No waiver, extension or indulgence granted by either party to the other on any one occasion as to any breach shall be construed as a waiver, extension or indulgence of any succeeding breach of the same covenant.

19. This is the entire Lease and there shall be no modification, release or discharge or waiver of any provision hereof unless in writing signed by both parties.

20. Whenever a provision is made for notice of any kind under this Lease, it shall be deemed sufficient notice and service thereof if such notice to either party is in writing, addressed to such party at its last known address and sent by certified mail with postage prepaid.

21. This Lease is to be construed in accordance with the laws of the State of South Carolina. The invalidity in whole or in part of any covenant, promise or undertaking or any section, subsection, sentence, clause, phrase or word or any of the provisions of this Lease shall not affect the validity of the remaining portions thereof. Whenever the context so permits, the use of the plural shall include the

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singular, and the singular the plural, and the use of any gender shall be deemed to include all genders.

22. It is specifically recognized and understood that some or all of the persons comprising the original Board of Directors and the officers of the Lessor, and the partners of the Lessee, are also officers, directors, employees and/or partners of the Lessor and Lessee under this Lease, and that such circumstances of interlocking Boards of Directors, officers, employees, stockholders and/or partners shall not and cannot be considered as a breach of their duties nor as a conflict of interest between the Lessor and Lessee, nor as possible grounds to invalidate this Lease in whole or in part. Each and every person, whether real or corporate, who shall take any interest whatsoever in or to the Lot or any of the Property, or in or to any Lot in the Property, after the recording of this Lease, by acceptance, delivery or the recording of the deed, contract, grant, assignment or such other instrument granting, conveying or providing for such interests, or by the exercise of the rights or uses granted herein, shall be deemed to specifically consent to and ratify without further act being required, the provisions of this Lease to the same effect and extent as if such person or persons had executed this Lease with the formalities required in deeds, for the purpose of subordinating and/or subjecting such person's or persons' interest, in full, to the terms of this Lease and granting the rights to the parties provided for herein, absolutely without exception.

WITNESSES:

[Signature]
Edward M. H. H.

LESSOR:
R.V. RESORT AND YACHT CLUB
OWNERS' ASSOCIATION

By *[Signature]*

By: _____

-10-

963

WITNESSES:

A. J. [Signature]
Edward M. [Signature]

LESSEE:

OUTDOOR RESORT, R.V. RESORT
AND YACHT CLUB

By: [Signature]

By: _____

RECORDED THIS 23rd DAY
OF June 1981
IN BOOK MD PAGE 717

FILED Mary Ann Graybe
AUDITOR, BEAUFORT COUNTY, S. C.

FILED AT <u>2:00</u> O'CLOCK <u>P. M.</u>	BEAUFORT COUNTY S. C. JUN 18 1981	RECORDED IN BOOK <u>325</u> PAGE <u>920</u>
CLERK OF COURT OF COMMON PLEAS		

STATE OF SOUTH CAROLINA
COUNTY OF BEAUFORT

MODIFICATION OF LEASE AGREEMENT

WHEREAS, on June 12, 1981 a Lease Agreement was entered into by and between R.V. Resort and Yacht Club Owners' Association, Inc., a South Carolina non-profit corporation (herein and hereinafter referred to as "Lessor"), and Outdoor Resorts, R.V. Resort and Yacht Club, a South Carolina general partnership (herein and hereinafter referred to as "Lessee"), a copy of which is attached hereto as Exhibit "A" for reference; and

WHEREAS, the aforesaid Lease was recorded with the Declaration of Covenants and Restrictions for Outdoor Resorts, R.V. Resort and Yacht Club in Deed Book 325 at Page 920 in the Office of the Clerk of Court, Beaufort County, South Carolina; and

WHEREAS, the provisions of Paragraph 19 of the aforesaid Lease require that any modifications to the Lease Agreement be in writing and signed by both parties; and

WHEREAS, the Lessor and Lessee have agreed that the following modification to Paragraph 3 be made.

IN CONSIDERATION of the sum of five and 00/100 (\$5.00) Dollars and other valuable consideration, Paragraph 3 of the aforesaid Lease is modified to read as follows:

In consideration of this Lease of the Recreational Facilities to the Lessee, Lessee agrees to pay Lessor the sum of Five (\$5.00) Dollars per month per boat slip at the marina which is shown and designated on Exhibit "B" which is attached hereto and thereby made a part hereof. The payment of said rent, however, shall not begin until the improvements described as the Recreational Facilities in Paragraph 1 have been completed. Such rent shall be payable at such places as Lessor shall direct in writing. The amount of rent shall be automatically increased proportionately with any increase of assessments as determined by the Board of Directors of the Association pursuant to Article VI, Section 3 of the By-Laws of the R.V. Resort and Yacht Club Owners' Association, Inc.

WITNESSED our hand and seal this 12th day of October, 1981.

WITNESSES:

LESSOR:
R.V. Resort and Yacht Club
Owners' Association, Inc.,
a South Carolina non-profit
corporation

Edward M. Dyer
Edward M. Dyer

By: *[Signature]*
By: _____

EXHIBIT 2

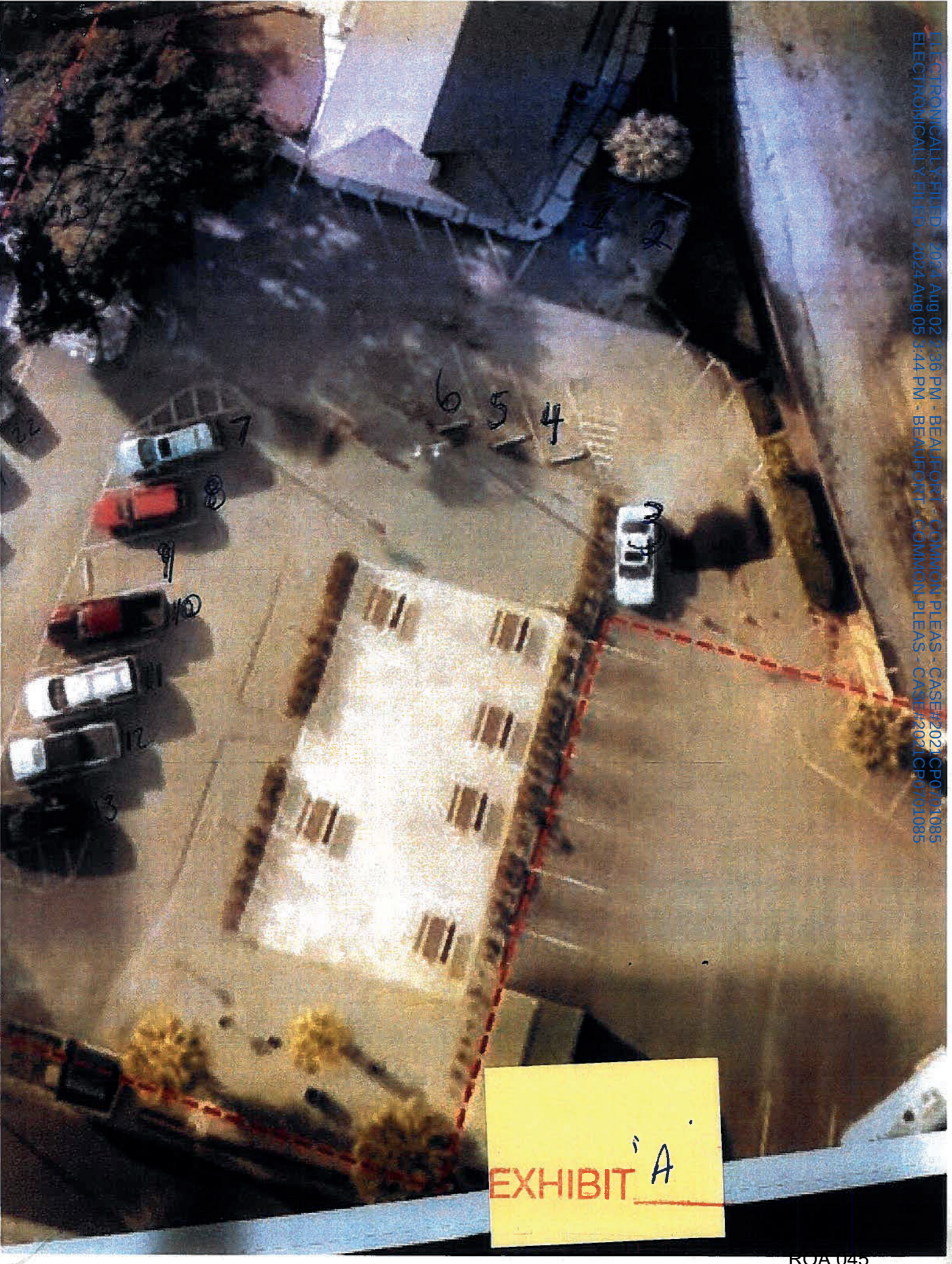




EXHIBIT C

953

STATE OF SOUTH CAROLINA
COUNTY OF BEAUFORT

LEASE

THIS LEASE is made this 12 of JUNE, 1981,
by and between R.V. RESORT AND YACHT CLUB OWNERS' ASSOCIATION,
INC., a South Carolina non-profit corporation (hereinafter
referred to as "Lessor"), and OUTDOOR RESORT, R.V. RESORT
AND YACHT CLUB, a South Carolina general partnership (herein-
after referred to as "Lessee").

WHEREAS, Lessor is a non-profit corporation organized
and existing under the laws of the State of South Carolina
for the purpose of administering and maintaining certain
real property known as OUTDOOR RESORT, R.V. RESORT AND YACHT
CLUB; and

WHEREAS, Lessee is the developer of said property and
also the owner and developer of a marina adjacent and contig-
uous to the property; and

WHEREAS, Lessor and Lessee desire that certain common
properties of OUTDOOR RESORT, R.V. RESORT AND CAMPGROUND,
owned by the Lessor, shall be entitled to be used by OUTDOOR
RESORTS, R.V. RESORT AND YACHT CLUB, a South Carolina partner-
ship, its successors, assigns, guests and invitees.

NOW, THEREFORE, in consideration of the agreements
to be performed by each other, Lessor and Lessee agree as
follows:

1. Upon the terms and conditions herein set forth
and in consideration of the prompt and continuous performance
by the Lessee of each and every of its covenants and promises
herein made, Lessor does hereby let, lease and demise unto
the Lessee and Lessee does hereby lease of and from the Lessor
property situate in Beaufort County, South Carolina, and
described on EXHIBIT "A" which is attached hereto and thereby
made a part hereof.

EXHIBIT

1

6/14/81

ELECTRONICALLY FILED - 2021 Jun 11 4:11 PM - BEAUFORT - COMMON PLEAS - CASE#2021CP0701085
ELECTRONICALLY FILED - 2024 Aug 02 2:36 PM - BEAUFORT - COMMON PLEAS - CASE#2021CP0701085
ELECTRONICALLY FILED - 2024 Aug 05 3:44 PM - BEAUFORT - COMMON PLEAS - CASE#2021CP0701085

The premises described in the above legal description are hereinafter referred to as the Recreational Facilities which include, among other things, a swimming pool, two tennis courts, decking, bathhouse, and certain portions of the Clubhouse complex. The lease of the above described Recreational Facilities shall be together with its appurtenances, tenements and hereditaments, and together with all improvements, buildings and structures now or hereafter placed thereon, and all furniture, furnishings, fixtures, machinery and equipment now thereon and hereafter brought or placed thereon or intended for the use thereon and all additions thereto.

2. The term of this Lease shall commence on the date first above mentioned and shall end on JUNE 12, 2030. This is an exclusive Lease to the Lessee, under circumstances where the Lessor shall not be entitled to enter into any other leases with any other lessees while this Lease is in effect without the prior written consent of the Lessee. Lessee, however, may at any time assign any and all of its interest in this Lease and upon such assignment taking place, the Lessee shall be relieved of any and all liability under this Lease subject to the Lessee's complying with all terms and conditions of the Lease at the time of said assignment.

3. In consideration of this Lease of the Recreational Facilities to the Lessee, Lessee agrees to pay Lessor the sum of FIVE (\$5.00) DOLLARS per month per boat slip at the marina which is shown and designated on EXHIBIT "B" which is attached hereto and thereby made a part hereof. The payment of said rent, however, shall not begin until the improvements described as the Recreational Facilities in Paragraph 1 have been completed. Such rent shall be payable at such places as Lessor shall direct in writing. The amount of rent shall not in any way be increased through the term of this Lease without the prior written consent of Lessee.

4. Use of the Recreational Facilities shall be subject to all laws, statutes, ordinances, rules and regulations of all appropriate governmental authorities and agencies, covenants and restrictions of record, as well as all rules and regulations adopted by the Association from time to time pursuant to the Declaration of Covenants and Restrictions; however, which rules and regulations shall not discriminate in any manner whatsoever against the Lessee or the invitees of the Lessee.

The persons who may use and enjoy the Recreation Facilities through and under the Lessee shall be limited to agents, officers, employees and guests of the Lessee or its assigns.

5. If any part of the Recreational Facilities is taken pursuant to the law of eminent domain of the State of South Carolina during the term of this Lease, the rent herein provided for shall continue unaffected as to amount unless such taking materially destroys the usefulness of the Recreational Facilities for all purposes leased. In such event, the Lessee shall have the right to terminate this Lease by written notice to the Lessor within thirty (30) days after such taking or to continue in possession of an undivided interest in the remainder of the leased premises under all the terms and conditions hereof. All damages awarded such taking shall belong to and be the property of Lessor whether such damages shall be awarded as compensation for the diminution of the value to the Lease or to the fee of the Recreational Facilities.

6. Lessor shall, throughout the term of this Lease, keep enforced insurance policies as follows: (a) insurance against loss or damage to the buildings and improvements now of hereafter located upon the Recreational Facilities and all of the personal property, including pictures, furniture, machinery, equipment and furnishings located upon the Recreational Facilities. All insurance shall provide against any

and all loss or damage to the Recreational Facilities by fire, windstorm or causes insured by extended coverage; (b) comprehensive general public liability insurance in which the Lessor and Lessee shall be named, insureds against claims of bodily injury, sickness or disease, including death, at any time resulting therefrom and for injury to or destruction of property, including the loss or use thereof arising out of ownership, maintenance, use or operation of the Recreational Facilities or any building or improvement or personalty located thereon with a minimum limitation of \$200,000/\$500,000/\$10,000; and (c) in the event that Lessor shall undertake any construction upon the premises, Lessor shall maintain and pay for a builders risk insurance policy in such amounts and with such companies as Lessor determines proper.

The Lessor shall also pay for and maintain such further and additional insurance policies, including but not limited to workmen's compensation insurance. The amount of the required insurance shall be equal to the maximum insurable replacement value as determined annually by Lessor. The Lessee may require the Lessor to provide proof of existence of insurance coverage required herein as Lessee may reasonably request from time to time. All insurance required to be carried shall be under policies written in such form and issued by such companies as shall be approved by the Lessee, said Lessee, said approval, shall not be unreasonably withheld.

7. In the event of damage or destruction of the Recreational Facilities or the buildings and improvements located thereon by any casualty for which insurance is payable, the Lessor shall promptly make application for the benefits under the insurance policy, which benefits shall be deposited in a bank account and be available to the Lessor for the reconstruction or repair of the Recreational Facilities or that portion thereof which was damaged. Such insurance money shall

be paid from the account in amounts based upon the estimate of a licensed architect in the State of South Carolina having supervision of such construction work or repair. Said architect shall certify that the amount of such estimate is being applied to the payment for reconstruction or repair and at a reasonable cost. It is the intent hereunder that reconstruction or repair shall take place if covered by insurance, but it is the further intent that Lessor shall not assume the burden of reconstruction or repair if not covered by insurance, unless Lessor chooses to do so. In the event the cost of repair or reconstruction exceeds the insurance benefits, Lessor shall reconstruct or repair those items for which insurance is available; but only at its option must Lessor do any further reconstruction or repair for which there is not adequate insurance proceeds. If Lessor chooses not to reconstruct or repair due to inadequate insurance proceeds, then Lessee, at its option, may either continue this Lease in full force and effect or cancel this Lease upon fifteen (15) days' notice in writing to Lessor, at which time Lessee shall be obligated to perform its covenants and promises hereunder up to the date of notification. For reconstruction or repair for which there are adequate insurance proceeds, or with which Lessor desires to proceed despite the lack of insurance proceeds, it shall be the obligation and duty of Lessor to cause such showing to be made and such to be accomplished as often as said Recreational Facilities, including buildings, improvements or personal property may be destroyed, damaged or lost, and all of such work shall be completed and paid for as promptly as the exercise by the Lessor of due diligence makes possible. The work when completed shall restore the Recreational Facilities substantially to the condition in which it existed before such destruction, damage or loss took place, and in

any event, the premises as restored shall have a value which is not less than the value which the Recreational Facilities had or possessed prior to the loss or damage which made such reconstruction or repair necessary. Lessee shall have the right to require Lessor to obtain a completion, performance and payment bond in amount and in form and with a company licensed to do business in the State of South Carolina, approved by Lessee. When after the payment of repair or replacement of damage there shall remain any surplus of insurance proceeds, said surplus shall belong to the Lessor.

8. Any demolition or new construction on the Recreational Facilities or major alteration in the buildings located in the Recreational Facilities shall be at the sole expense of the Lessor; nothing in this Paragraph 8 shall ever be construed to relieve Lessor of its obligation to maintain and repair the improvements located upon the Recreational Facilities. The Lessor shall, during the term of this Lease, keep the Recreational Facilities in a good state of repair and shall maintain all of the buildings and other improvements located thereon for the normal and customary use thereof. Lessor shall not suffer or permit any waste, neglect or deterioration of any of the premises, buildings or improvements of the Recreational Facilities and shall replace, renovate and repair the Recreational Facilities and improvements thereon as often as may be necessary in order to keep the Recreational Facilities and such buildings and improvements in a good state of repair and for the use and enjoyment of the Lessor and Lessee.

9. Lessor covenants and agrees with Lessee that so long as the Lessee keeps and performs all of its covenants herein made the Lessee shall have quiet and undisturbed and continued possession of the premises subject only to the rights of Lot Owners to use, occupy and enjoy the same along with

such other persons as provided in the Declaration of Covenants and Restrictions.

10. Subject to Paragraph 7 hereinabove, no damage or destruction to buildings, structures, improvements or furniture, furnishings, fixtures, machinery or equipment now or hereafter located upon the Recreational Facilities by fire, windstorm, or any other casualty, shall entitle the Lessee to surrender possession or to terminate this Lease or to violate any of its provisions or cause any rebate, abatement or adjustment in the rent then due or that thereafter becoming due under the terms hereof.

11. The Lessor and its agents shall have the right of entry upon the Recreational Facilities at all reasonable times to examine the condition and use thereof; provided that only such rights shall be exercised in such a manner as to not interfere with the conduct of the operation of said Recreational Facilities; and if said premises are damaged by any casualty which causes the premises to be exposed to the elements, then the Lessor may enter upon the premises to make emergency repairs.

12. Where not otherwise provided in this Lease, all sums of money coming due from the Lessee to the Lessor shall bear interest at the rate of one and one-half (1 1/2%) percent per month, commencing fifteen (15) days from the date the same shall become due until the date the same shall be paid.

13. Lessee shall not do or suffer any waste or damage, disfigurement or injury to the Recreational Facilities or any property now or hereafter placed or brought thereon.

14. Except for non-payment of rent which is discussed below, if default shall be made by the Lessee in the performance of any covenants herein set forth, which default is not cured by Lessee within thirty (30) days after receiving written

notice of such default by Lessor, then in addition to any other rights or remedies which Lessor may have, the Lessor shall have the right to declare this Lease cancelled and terminated and re-enter upon the Recreational Facilities, in which case the Lessee shall peacefully surrender and deliver the Recreational Facilities to Lessor. However, nothing in this Lease shall be construed as authorizing the Lessor to declare this Lease in default where the default consists solely of non-payment of rent, until such non-payment is in violation of Paragraphs 4 or 5 hereinabove.

In the event that Lessor defaults in the terms of this Lease, Lessee shall have all rights or remedies provided by law which shall include but not be limited to specific performance of this Lease by Lessor, and/or recovery of damages due to the default of Lessor.

Any and each remedy available to the Lessor or Lessee for the enforcement of any term or provision hereof shall be construed as cumulative and no single such remedy shall be construed as being exclusive or as preventing the parties from electing such other or additional remedies. In addition to all the remedies set forth above, the Lessee, at its option, may request of a court of competent jurisdiction and receive therefrom the appointment of a receiver to stand in the place and stead of the Lessor and to operate the Recreational Facilities. Said receiver shall fully perform and keep all of the covenants, terms and conditions of this Lease. In connection with any litigation arising from this Lease, the prevailing party shall be entitled to recover all costs incurred including a reasonable attorney's fee.

15. The Recreational Facilities are subject to such easements for public utilities as now appear in public records and Lessor shall have, at all times, the right to create upon

or over such of the Recreational Facilities for any and all public utilities, easements from time to time as the Lessor, in its discretion, shall deem appropriate, free and clear of this Lease.

16. At the termination of this Lease by lapse of time or otherwise, the Lessee will peacefully and quietly deliver possession of the Recreational Facilities and all improvements situated thereon, including all personal property therein and thereon, to the Lessor and all buildings, improvements and personal property then situated upon the premises shall become and remain the property of the Lessor.

17. Time is of the essence in every particular and especially where the obligation to pay money is involved.

18. No waiver, extension or indulgence granted by either party to the other on any one occasion as to any breach shall be construed as a waiver, extension or indulgence of any succeeding breach of the same covenant.

19. This is the entire Lease and there shall be no modification, release or discharge or waiver of any provision hereof unless in writing signed by both parties.

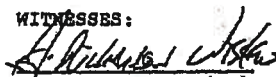
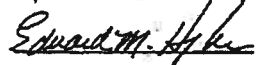
20. Whenever a provision is made for notice of any kind under this Lease, it shall be deemed sufficient notice and service thereof if such notice to either party is in writing, addressed to such party at its last known address and sent by certified mail with postage prepaid.

21. This Lease is to be construed in accordance with the laws of the State of South Carolina. The invalidity in whole or in part of any covenant, promise or undertaking or any section, subsection, sentence, clause, phrase or word or any of the provisions of this Lease shall not affect the validity of the remaining portions thereof. Whenever the context so permits, the use of the plural shall include the

singular, and the singular the plural, and the use of any gender shall be deemed to include all genders.

22. It is specifically recognized and understood that some or all of the persons comprising the original Board of Directors and the officers of the Lessor, and the partners of the Lessee, are also officers, directors, employees and/or partners of the Lessor and Lessee under this Lease, and that such circumstances of interlocking Boards of Directors, officers, employees, stockholders and/or partners shall not and cannot be considered as a breach of their duties nor as a conflict of interest between the Lessor and Lessee, nor as possible grounds to invalidate this Lease in whole or in part. Each and every person, whether real or corporate, who shall take any interest whatsoever in or to the Lot or any of the Property, or in or to any Lot in the Property, after the recording of this Lease, by acceptance, delivery or the recording of the deed, contract, grant, assignment or such other instrument granting, conveying or providing for such interests, or by the exercise of the rights or uses granted herein, shall be deemed to specifically consent to and ratify without further act being required, the provisions of this Lease to the same effect and extent as if such person or persons had executed this Lease with the formalities required in deeds, for the purpose of subordinating and/or subjecting such person's or persons' interest, in full, to the terms of this Lease and granting the rights to the parties provided for herein, absolutely without exception.

WITNESSES:

LESSOR:
R.V. RESORT AND YACHT CLUB
OWNERS' ASSOCIATION

By 

By _____

FILED IN OFFICE OF CLERK OF COURT
COUNTY OF BEAUFORT

MODIFICATION OF LEASE AGREEMENT

WHEREAS, on June 17, 1981 a Lease Agreement was entered into by and between R.V. Resort and Yacht Club Owners' Association, Inc., a South Carolina non-profit corporation (herein and hereinafter referred to as "Lessor"), and Outdoor Resorts, R.V. Resort and Yacht Club, a South Carolina general partnership (herein and hereinafter referred to as "Lessee"), a copy of which is attached hereto as Exhibit "A" for reference; and

WHEREAS, the aforesaid Lease was recorded with the Declaration of Covenants and Restrictions for Outdoor Resorts, R.V. Resort and Yacht Club in Deed Book 125 at Page 970 in the Office of the Clerk of Court, Beaufort County, South Carolina; and

WHEREAS, the provisions of Paragraph 19 of the aforesaid Lease require that any modifications in the Lease Agreement be in writing and signed by both parties; and

WHEREAS, the Lessor and Lessee have agreed that the following modification to Paragraph 3 be made.

IN CONSIDERATION of the sum of Five and 00/100 (\$5.00) Dollars and other valuable consideration, Paragraph 3 of the aforesaid Lease is modified to read as follows:

In consideration of this lease of the Recreational Facilities to the Lessor, Lessee agrees to pay Lessor the sum of Five (\$5.00) Dollars per month per boat slip at the marina which is shown and designated on Exhibit "B" which is attached hereto and thereby made a part hereof. The payment of said rent, however, shall not begin until the improvements described as the Recreational Facilities in Paragraph 1 have been completed. Such rent shall be payable at such places as Lessor shall direct in writing. The amount of rent shall be automatically increased proportionately with any increase of assessments as determined by the Board of Directors of the Association pursuant to Article VI, Section 3 of the By-Laws of the R.V. Resort and Yacht Club Owners' Association, Inc.

WITNESS my hand and the seal of the County of Beaufort, South Carolina, this 17th day of June, 1981.

WITNESSES:

LESSOR:
R.V. Resort and Yacht Club
Owners' Association, Inc.,
a South Carolina non-profit
corporation

By: *[Signature]*
By: *[Signature]*

[Signature]
Edward M. Dyer

EXHIBIT 2

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	FOURTEENTH JUDICIAL CIRCUIT
COUNTY OF BEAUFORT	)	CIVIL ACTION NO.: 2021-CP-07-01085
	)	
TURNER'S MARINA LLC,	)	
	)	
Plaintiff,	)	
	)	
vs.	)	ORDER GRANTING DEFENDANTS'
	)	MOTION TO ENFORCE SETTLEMENT
	)	AS TO AMENDED EASEMENT
R.V. RESORT AND YACHT CLUB	)	
OWNERS' ASSOCIATION, INC.,	)	
SECURITAS SERVICES, INC.,	)	
MIKE MORALES, and SUNSET, INC.,	)	
	)	
Defendants.	)	
_____	)	

This matter comes before me upon Plaintiff's Motion to Enforce Mediation Settlement Agreement, dated February 23, 2024, supported by the Affidavit of Neil Turner, dated April 2, 2023 (collectively "Plaintiff's Motion") and Defendants' Motion to Enforce Settlement, dated March 4, 2024, supported by the Affidavit of Christopher Sibley, dated April 8, 2024 (collectively "Defendants' Motion").

A hearing was held in my chambers at the Beaufort County Courthouse on April 11, 2024 at which time the Court heard and considered arguments from all counsel. As is set forth in the parties' Motions, a dispute has arisen as to the documentation required as to the Settlement Agreement, dated December 13, 2023, reached in mediation ("Settlement Agreement"). The Defendants have asserted that as a result of the Settlement Agreement, one or all the parties must sign in recordable form three (3) documents; (1) Amended and Restated Easement; (2) Second Amendment to Lease; and (3) Agreement as to Gates and Security Guards. The Plaintiff agrees an Amended Easement and an amendment to the Lease in

recordable form is necessary, but disagrees with the language suggested by the Defendants, and further asserts no further documentation is needed as to agreement concerning armed guards and gates.

This Order only deals with the parties' dispute as to the Amended Easement Agreement. The other two (2) issues will be subject to a separate Order by the Court.

A. Proposed Amended Easement Agreement

Section 9 of the Settlement Agreement reads as follows:

“9. The 1984 easement recorded at Book 397 at Page 1612 will be updated to include granting access to the Association, Owners of the Property, and each of their guests, lessees, invitees and licensees to Parcel “B”. The Parties agree that Parcel B is referenced in Plat Book 148 at Page 60.”

This Court has reviewed the 1984 Easement recorded at Book 397 at Page 612 and the referenced Plat Book 148 at Page 160 (“Parcel B Plat”). Defendants submitted to Plaintiff on January 31, 2024 a proposed Amended and Restated Easement Agreement with language virtually identical to the above when describing the easement rights granted. (Exhibit 1 attached hereto).

It is this Court’s opinion the language of Section 9 of the Settlement Agreement is clear and unambiguous. The agreed-upon language clearly provides an express easement to the Association (defined in the Settlement Agreement as the Defendant R.V. Resort and Yacht Club Owners Association, Inc.), Owners of the Property, and each of their guests, lessees, invitees and licensees over Parcel “B”, as set forth on Plat Book 148 P 60. All of the terms and conditions of this easement are carefully and fully defined pursuant to the referenced recorded documents.

Plaintiff, relying on the Affidavit of Neil Turner, dated April 2, 2023, states it was the intent of the Plaintiff and/or the parties to only grant an easement over the roadways or paved roads on Parcel B, not Parcel B in its entirety. In the Amended Easement proposed by the Plaintiff, dated January 3, 2024, the easement to the Association is stated as “a permanent, non-exclusive right-of-way, on, over, and across the **paved roads** . . .” located on Exhibit 1 attached thereto, which is a marked-up survey of the Parcel B Plat (emphasis added).

This Court does not adopt the position of the Plaintiff since there is no language in Section 9 of the Settlement Agreement restricting or limiting the easement to “roads” or “paved roads” as Plaintiff now asserts.

The rules concerning the Court’s role in construing contracts, like the subject Settlement Agreement, are well recognized in South Carolina. The Court in *Ecclesiastes Production Ministries v. Outparcel Associates, LLC*, 374 S.C. 483, 497-498, 649 S.E.2d 494, 501-502 (2007) sets forth an excellent summary of said rules, as follows:

In construing a contract, the primary objective is to ascertain and give effect to the intention of the parties.” *Southern Atl. Fin. Servs., Inc. v. Middleton*, 349 S.C. 77, 8081, 562 S.E.2d 482, 484 – 4855 (Ct.App. 2005) . . . (cites omitted). Contracts should be liberally construed so as to give them effect and carry out the intention of the parties. *Mishoe v. Gen. Motors Acceptance Corp.*, 234 S.C. 182, 188, 107 S.E.2d 43, 47(1958)

The parties’ intention must, in the first instance, be derived from the language of the contract. *Schulmeyer v. State Farm Fire & Cas.*, 10, 353 S.C. 491, 495, 579 S.E.2d 132,134 (2003) (cites omitted) . To discover the intention of a contract, the court must first look to its language – if the language is perfectly plain and capable of legal construction, it alone determines the document’s force and effect. *Superior Auto. Inc. Co. v. Maners*, 261 S.C. 257, 263, 199 S.E.2d 719, 722 (1973). Parties are governed by their outward expressions and the court is not at liberty to consider their secret intentions. *Blakeley v. Rabon*, 266 S.C. 68, 73, 221 S.E.2d 767, 769 (1976); *Ellie, Inc. v. Miccichi*, 358 S.C. 78, 93-94, 594 S.E.2d 485, 493-94 (Ct.App. 2004); *accord Kable v. Simmons*, 217 S.C. 161, 166, 60 S.E.2d 79, 81 (1950).

* * *

If a contract's language is plain, unambiguous, and capable to only one reasonable interpretation, no construction is required and its language determines the instrument's force and effect. *Jordan v. Security Group, Inc.* 311 S.C. 227, 230, 428 S.E.2d 705, 707 (1993); *Blakeley* at 72, 221 S.E.2d at 769¹. "Where an agreement is clear and capable of legal interpretation, the courts only function is to interpret its lawful meaning, discover the intention of the parties as found within the agreement, and give effect to it." *Ellie* at 93, 594 S.E.2d at 493 (quoting *Heins v. Heins*, 344 S.C. 146, 158, 543 S.E.2d 224, 230 (Ct.App. 2001)). However, where an agreement is ambiguous, the court should seek to determine the parties' intent. *Smith-Cooper v. Cooper*, 344 S.C. 289, 295, 543 S.E. 2d 271, 274 (Ct.App. 2001); *Prestwick Golf Club, Inc. v. Prestwick Ltd. P'ship*, 331 S.C. 385, 390, 503 S.E.2d 185, 187 (Ct.App. 1998).

"A contract is ambiguous when it is capable of more than one meaning or when its meaning is unclear." *Ellie* at 94, 594 S.E.2d at 493; *accord Bruce* at 160, 127 S.E.2d at 441; *Hawkins v. Greenwood Dev. Corp.*, 328 S.C. 585, 493 S.E.2d 875 (Ct.App. 1997). "[A]n ambiguous contract is one capable of being understood in more senses than one, an agreement obscure in meaning, through indefiniteness of expression, or having a double meaning." *Carolina Ceramics, Inc. v. Carolina Pipeline Co.*, 251 S.C. 151, 155-56, 161 S.E.2d 179, 181 (1968) (citation omitted).

"Ambiguous language in a contract should be construed liberally and most strongly in favor of the party who did not write or prepare the contract and is not responsible for the ambiguity; and any ambiguity in a contract, the court must enforce an unambiguous contract according to its terms, regardless of the contract's wisdom or folly, or the parties' failure to guard their rights carefully. *Ellis v. Taylor*, 316 S.C. 245, 248, 449 S.E.2d 487, 488 (1994); *Jordan v. Security Group, Inc.* 311 S.C. 227, 230, 428 S.E.2d 705, 707 (1993).

As stated above, this Court finds § 9 of the Settlement Agreement is clear, direct, specific and unambiguous. There is no need to refer or rely upon the Affidavits of Neil Turner, Christopher Sibley or any testimony. If the Court were to adopt Plaintiff's position, the Court would be required to insert the words "road" or "paved road" into the Settlement Agreement, terms not used by the parties. This Court refuses to make said changes under the authorities cited above.

This Court finds and concludes the Amended and Restated Easement prepared by Defendants, attached hereto as Exhibit 1, is consistent with the stated intention of the parties under §9 of the Settlement Agreement. Within ten (10) days of the issuance of this Order the Plaintiff is directed to execute same before two (2) witnesses, one of which is a notary, and deliver the original to defense counsel for the Association for recording.

AND IT IS SO ORDERED.

Marvin H. Dukes

Beaufort, South Carolina
_____, 2024



Beaufort Common Pleas

Case Caption: Turners Marina Llc VS R V Resort And Yacht Club Owners Association Inc , defendant, et al

Case Number: 2021CP0701085

Type: Master/Order/Other

So Ordered

s/Marvin H. Dukes III #2785

Electronically signed on 2024-08-05 09:08:49 page 6 of 6

STATE OF SOUTH CAROLINA)
COUNTY OF BEAUFORT) **AMENDED AND RESTATED EASEMENT**

THIS AMENDED AND RESTATED EASEMENT ("Amended Easement") is executed this ____ day of _____ 2024, by Turner's Marina LLC, ("Grantor") and RV Resort and Yacht Club Owners' Association, Inc. ("Grantee" or "POA").

WHEREAS Outdoor Resorts RV Resort and Yacht Club, a South Carolina joint venture, consisting of ORA of Carolina, Inc. and Six Ess Corporation ("Developer"), granted to the POA on the 1st day of January, 1984, an Easement, as recorded in the Beaufort County Register of Deeds ("ROD") in Deed Book 397 at page 1611 ("Original Easement").

WHEREAS, as a result of the Mediated Settlement Agreement And Dismissal Of All Claims And Counterclaims With Prejudice, reached and executed in C. A. 2021-CP-O7-01085 pending in the Beaufort County Court of Common Pleas on December 13, 2023 ("2023 Settlement"), Grantor, as the successor-in-interest or assignee to the Developer, and the POA agreed to amend, replace and supersede the Original Easement pursuant to the terms and conditions of this Amended Easement:

NOW, THEREFORE, in consideration of the execution of the 2023 Settlement and the sum of Ten and 00/100 (\$10.00) Dollars, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Whereas Provisions-** The above Whereas provisions are incorporated as if completely set forth herein. Said provisions are material and important terms of this Amended

EXHIBIT 1

Easement.

2. Grant of Easement

(a) Grantor does hereby grant, bargain, sell and convey to Grantee, a permanent, perpetual, non-exclusive right-of-way on, over, and across that certain property owned by Grantor as more particularly depicted as "Parcel B" on that certain plat or survey entitled "Boundary & As-Built Survey of Parcel "B", a portion of Hilton Head Marina & Outdoor Resorts", dated July 24, 2017 and recorded in the ROD in Plat Book 148 at Page 160, as prepared by Terry G. Hatchell, a South Carolina Registered Land Surveyor (SC Reg. No. 11059) ("2017 Survey").

(b) This Amended Easement is granted for use by the POA, owners of the two-hundred (200) individual RV lots at the RV Resort, and their collective guests, lessees, invitees, successors, successors in title, agents, employees, servants, contractors, administrators, mortgagees, and licensees.

(c) This Amended Easement is for the benefit of and is appurtenant to all those certain pieces, parcels or tracts of land lying, situate and being on Hilton Head Island, Beaufort County, South Carolina, consisting of approximately 200 RV Lots (1 - 200), the roadways, tennis court(s), pool(s), building(s), parking, open spaces, and the well site, all as shown on that certain plat or survey entitled "R.V. Resort & Yacht Club, Hilton Head Island, South Carolina Plot Plan" dated September 7, 1981, and last revised July 26, 1983, recorded in the ROD in Plat Book 29 at Page 184, as prepared by Forrest F. Baughman, a South Carolina Registered Land Surveyor (S.C. Reg. No. 4922) **and** that certain property owned by Grantee as more particularly depicted as "Parcel A" on the 2017 Survey.

3. **Running with Land** - This Amended Easement shall run with the land and shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns, and all persons or entities aforementioned.
4. **Assignment-** Grantee shall have the right to assign its rights and obligations, if any, under this Amended Easement, in whole or in part.
5. **Modification of Roadways-** Grantor may, at its option, change the location of the paved roadways from time-to-time, as depicted on the 2017 Survey, provided that Grantor shall always provide to Grantee sufficient and reasonable ingress and egress access for motor vehicles, recreational vehicles, pedestrians, golf carts, and bicycles.
6. **Replacement of Original Easement** - This Amended Easement is specifically intended by the Grantor and Grantee to replace and supersede that Original Easement. Further, this Amended Easement is subject to all matters of record in Beaufort County, South Carolina.
7. **Non-Exclusive** - This Amended Easement is non-exclusive and is further subject to the right of Grantor and all persons acting on Grantor's behalf to have access on, over, or across the Amended Easement granted herein to Parcel B shown on the 2017 Survey owned by Grantor.
8. **Purchaser(s) of Parcel B Bound-** Each party agrees that upon any conveyance or transfer of all or any part of Parcel B on the 2017 Survey, said purchaser or transferee by accepting such conveyance will thereby be bound by this Amended Easement.

9. **Modifications-** This Amended Easement may be amended, modified, or terminated only by recorded written instrument duly executed and acknowledged by Grantee and Grantor, or their respective successors, successors-in-title and assigns.

10. **Choice of Law-** This Amended Easement will be construed in accordance with the laws of the State of South Carolina.

11. **Rights to Public-** Nothing contained in this Amended Easement will be deemed to constitute a gift, grant, or dedication to the general public.

12. **Authority-** Each individual executing this Amended Easement on behalf of Grantee and Grantor, respectively, represents and warrants that he or she is duly authorized to execute and deliver this Amended Easement in accordance with duly adopted resolutions and approvals or in accordance with organizational or incorporation documents, and that this Amended Easement is binding upon Grantee and Grantor in accordance with its terms.

13. **Severability** - If any provision of this Amended Easement is, to any extent, declared by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Amended Easement (or the application of such provision to persons or circumstances other than those in respect to which the determination of invalidity or unenforceability was made) will not be affected thereby and each provision of this Amended Easement will be valid and enforceable to the fullest extent permitted by law.

14. **Drafting Agreement -** The parties acknowledge and agree that each was actively involved with the negotiation and drafting of this Amended Easement. Further, each party's legal counsel reviewed, or had the opportunity to review the Amended Easement prior to its execution. The parties agree that any Court, arbitrator or mediator which may hereinafter interpret this

Amended Easement will not construe the Amended Easement against any particular party which may have originated, typed or prepared any particular provision.

15. **Attorney Fees-** In any legal action to enforce the terms and provisions of this Amended Easement, the prevailing party shall be entitled to recover its reasonable attorney fees and costs.

16. **Entire Agreement** - This Amended Easement constitutes the entire agreement among the parties hereto and supersedes and cancels any prior agreements, representations, warranties, or communications, whether oral or written, among the parties hereto relating to the transactions contemplated hereby or the subject matter herein.

17. **Counterparts-** This Amended Easement may be executed in one or more counterparts, each of which shall be deemed an original, and it shall not be necessary in making proof of this Amended Easement or its terms to produce or account for more than one of such counterparts.

18. **Lease Signed Per Court Order** - This Amended Easement is not voluntarily executed by Turner's Marina, LLC. It is being executed pursuant to that Court Order of Circuit Judge Marvin Dukes, III dated _____, 2024, directing the Plaintiff to execute this document. It is signed under protest, but in compliance with Judge Dukes' Order.

IN WITNESS WHEREOF, Turner's Marina LLC, a South Carolina limited liability company has caused this Amended Easement to be signed and sealed on _____, ____, 2024.

SIGNED, SEALED, AND
DELIVERED IN THE PRESENCE
OF:

Turner's Marina LLC, a South
Carolina limited liability company

By: _____ (L.S.)
Neil Turner, Manager

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

ACKNOWLEDGEMENT

I, the undersigned Notary Public, do hereby certify that Neil Turner personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and seal on ____ , ____ , 2024.

_____(SEAL)
Notary Public for South Carolina
My Commission Expires: _____
Name of Notary: _____

IN WITNESS WHEREOF, the **R.V. Resort And Yacht Club Owners' Association, Inc.**, a South Carolina nonprofit corporation has caused this Amended Easement to be signed and sealed on __ , __ , 2024

SIGNED, SEALED, AND
DELIVERED IN THE PRESENCE
OF:

**R.V. Resort And Yacht Club Owners'
Association, Inc.**, a South Carolina
nonprofit corporation

By: _____(L.S.)
Christopher Sibley,
President

STATE OF _____)

ACKNOWLEDGEMENT

COUNTY OF _____,

I, the undersigned Notary Public, do hereby certify that Christopher Sibley personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and seal on __ , __ , 2024.

_____(SEAL)

Notary Public for _____

My Commission Expires: _____

Name of Notary: _____

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF BEAUFORT	)	FOURTEENTH JUDICIAL CIRCUIT
Turner's Marina LLC,	)	C/A No. 2021-CP-07-01085
	)	
	)	ORDER GRANTING SECURITAS
	)	SERVICES, INC. AND MIKE MORALES'
Versus	)	MOTION TO ENFORCE SETTLEMENT.
	)	
R.V. Resort and Yacht Club Owners'	)	
Association, Inc., Securitas Services, Inc., and	)	
Mike Morales,	)	
	)	
<u>Defendants.</u>	)	

This matter is before the Court on the Defendants Securitas Services, Inc. and Mike Morales' (hereinafter "these Defendants"), Motion to enforce settlement with the Plaintiff Turner's Marina, LLC ("Plaintiff"). This Motion was heard before the Court on January 21, 2025, and after consideration of the arguments presented, the motion is GRANTED. The parties are to consummate and finalize the settlement as outlined in their settlement agreement executed on 12/12/2023.

This order relates only to Plaintiff's claims against Securitas Services, Inc., and Mike Morales, who will subsequently be dismissed with prejudice.

IT IS SO ORDERED.

ELECTRONIC SIGNATURE PAGE TO FOLLOW.



Beaufort Common Pleas

Case Caption: Turners Marina Llc VS R V Resort And Yacht Club Owners Association Inc , defendant, et al

Case Number: 2021CP0701085

Type: Order/Other

So Ordered

s/Marvin H. Dukes III #2785

Electronically signed on 2025-01-31 15:34:37 page 2 of 2

**STATE OF SOUTH CAROLINA
COUNTY OF BEAUFORT**

IN THE COURT OF COMMON PLEAS

CASE NO: 2021CP0701085

Turners Marina, LLC,

Plaintiff(s),

vs.

**ORDER VACATING ORDER OF
REFERENCE AND ASSIGNING CASE
TO HONORABLE MARVIN H. DUKES, III**

RV Resort and Yacht Club Owners
Association, Inc.,

Defendant(s).

The Order of Reference referring this case to the Honorable Marvin H. Dukes, III, as the Beaufort County Master in Equity filed November 22nd, 2022, and June 26th, 2024, are hereby vacated.

This case is assigned to the Honorable Marvin H. Dukes, III, in his capacity as a 14th Circuit Court Judge.

IT IS SO ORDERED:

**The Honorable Carmen T. Mullen
Chief Administrative Judge
Fourteenth Judicial Circuit**

March _____, 2025
Beaufort, South Carolina



Beaufort Common Pleas

Case Caption: Turners Marina Llc VS R V Resort And Yacht Club Owners Association Inc , defendant, et al

Case Number: 2021CP0701085

Type: Order/Other

So Ordered

s/Carmen T Mullen 2142

Electronically signed on 2025-03-06 11:42:19 page 2 of 2

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	FOURTEENTH JUDICIAL CIRCUIT
COUNTY OF BEAUFORT	)	CIVIL ACTION NO.: 2021-CP-07-01085
	)	
TURNER'S MARINA LLC,	)	
	)	
Plaintiff,	)	
	)	
vs.	)	ORDER DENYING TURNER'S
	)	MOTION TO SET ASIDE
	)	SETTLEMENT AGREEMENT
	)	DUE TO MUTUAL MISTAKE
R.V. RESORT AND YACHT CLUB	)	
OWNERS' ASSOCIATION, INC.,	)	
SECURITAS SERVICES, INC.,	)	
MIKE MORALES, and SUNSET, INC.,	)	
	)	
Defendants.	)	

This matter comes before me upon Turner's Marina LLC's ("Turner") Motion to Set Aside Settlement Agreement Due to Mutual Mistake, dated May 7, 2024 ("Motion"). In support of said Motion, Turner submitted the Affidavit of Neil Turner, dated April 2, 2024 ("Turner Affidavit"). In response, the Defendants submitted the Affidavit of Chris Sibley, dated April 8, 2024 ("Sibley Affidavit"), the Affidavit of Linda Lockman, dated September 19, 2024 ("Lockman Affidavit"), and the Defendants' Memorandum of Law dated January 17, 2025 ("Defendants' Memorandum.") A hearing was held on the Motion in the Beaufort County Courthouse on Tuesday, January 21, 2025, at 9:30 a.m. Appearing was Thomas C. Taylor for the Plaintiff, Christopher D. Lizzi from the Defendant R.V. Resort and Yacht Club Owners' Association, Inc. ("POA") and Russell P. Patterson for the Defendant Sunset Inc. ("Sunset.") For the reasons discussed below, this Court denies said Motion.

A. Procedural Background

After three (3) years of litigation, the parties reached a settlement of all outstanding issues in this matter at mediation. All terms and conditions of the settlement were set forth in a written Settlement Agreement ("Settlement Agreement"-Exhibit 1 to Defendants' Memorandum) signed

by all parties and their counsel at the end of mediation. The mediation process started at 10:00am on Tuesday, December 12, 2024, and ended some sixteen (16) hours later, ending at 2:00am on December 13, 2024 (Sibley Aff. § 2(b); Lockman Aff. § 3(b)). As with most mediations of a complex case, many different settlement proposals and offers were exchanged between the parties and the mediator.

Shortly after the December 13, 2024 Settlement Agreement was executed, counsel for the parties began work on preparing legal documentation required to formalize said settlement pursuant to an Amended 99 Year Lease and an amendment to the 1984 Easement. Turner thereafter asserted the Amended Lease and the Amended Easement prepared by the Defendants were not consistent with the Settlement Agreement and filed a Motion to Enforce Mediation Settlement Agreement, on February 23, 2024. The Defendants filed their Motion to Enforce Settlement Agreement on May 4, 2024, asserting the proposed documents were in compliance with the Settlement Agreement. After extensive hearings, the Court, pursuant to two (2) orders issued August 5, 2024, agreed with the Defendants that the Amended Lease and Amended Easement were consistent with the Settlement Agreement. The only change the Court made to the Amended Lease was that the Court found Turners' obligation to not install gates and employ armed security guards set forth in the Settlement Agreement did not require the Plaintiff to record a separate document to place on record these obligations. (See: Order Ruling on Plaintiff's and Defendant's Motion to Enforce Settlement Agreement, dated August 5, 2024 ("Settlement Agreement Order") , and Order Granting Defendants' Motion to Enforce Settlement as to Amended Easement, dated August 5 , 2024 ("Easement Order").

Turner filed the subject Motion seeking to overturn in its entirety the Settlement Agreement on the grounds of mutual mistake on May 7, 2024.

B. Turner Has Not Met the Required Elements to Prove a Mutual Mistake

The law involving overturning or reforming a contract on the grounds of a mutual mistake is well established in South Carolina. There are two (2) required elements Turner must show, as follows.

1. The mistake is in reference to facts upon which the contract is based, **or** where there is an omission or insertion of some material element affecting the subject matter or terms and stipulations of the contract, inconsistent with the true agreement of the parties; and
2. The mistake must be common to both parties and, by reason of it, each has done what neither intended.

King v. Oxford, 282 S.C. 307, 313, 318 S.E.2d 125, 128 (1984); *Truck South, Inc. v. Patel*, 339 S.C. 40, 50, 528 S.E.2d 424, 429 (2000). Turner has the burden of proof to establish these elements by clear and convincing evidence. *King*; *Truck South*.

1. No evidence of a mistake

Turner's evidence of a mistake falls short of the above standards. Turner's Affidavit provides no explanation how he and his experienced, learned counsel signed the Settlement Agreement, negotiated over sixteen (16) hours, containing language they now assert months later, was entered into based on a mistake in reference to facts or a material element of the settlement. Nothing in the Turner Affidavit evidences a mistake in reference to any facts or the subject matter dealing with the Amended Easement. The Turner Affidavit also does not state the agreement signed was inconsistent with the true agreement of the parties. The word "mistake" does not appear anywhere in his affidavit.

Turner's reliance on the "draft" proposed Settlement Agreement prepared by Mr. Neil Turner ("Draft Settlement Agreement") does not support any finding of a mutual mistake for at least six (6) reasons (Turner Aff. § 6, Ex. A). First, the Draft Settlement Agreement was

apparently generated on December 12, 2023 at 10:28pm, some three and one-half (3^{1/2}) hours before the actual Settlement Agreement was signed. (Sibley Aff. §§ 3(b),(c),(d),(e); Lockman Aff. §§ 3(b),(c),(d),(e). What might have occurred that long prior to the final Settlement Agreement being reached is simply not relevant to the wording of the Final Settlement Agreement.

Second, the Turner Draft Settlement Statement bears little resemblance to what was, hours later, agreed to and signed by all parties. Attached as Exhibit 2 to the Defendants' Memorandum is a redline showing the changes from the Turner Draft Settlement Agreement (Turner Aff. §6, Ex. A) and the final Settlement Agreement signed three and one-half (3^{1/2}) hours later. Very little of the language in Turner's Draft Settlement Agreement actually was incorporated into the Settlement Agreement signed by the parties.

Third, the Draft Settlement Agreement was never sent to the Defendants. Having never seen said document, it is not possible the Defendants agreed to any such language which later was somehow mistakenly not transcribed into the final Settlement Agreement. There can be no mutual mistake if the Defendants never saw the proposed language Turner purportedly had agreed to in mediation.

Fourth, a simple comparison of what Turner "expected" to be in the Settlement Agreement verses what was actually in the Settlement Agreement he and his counsel signed confirm this is not a case of a simple change in punctuation or the addition of one or two words that could have been mistakenly overlooked by said parties. Turner's December 12, 2023, 10:28pm Draft Settlement Agreement contains the following language as to the easement (Turner Aff. Ex. A, §6):

" 6. The 1984 easement will be updated to include access to parcel "B" by roadway."

The actual agreed to language some 3 ½ hours later in the fully executed Settlement Agreement (Ex. 1 to Defendants' Memorandum of Law §9) states as follows:

"9. The 1984 easement recorded at Book 397 at Page 1612 will be updated to

include granting access to the Association, Owners of the Property, and each of their guests, lessees, invitees, and licensees to Parcel “B”. The parties agree the Parcel B is referenced in Plat Book 148 at Page 60.”

Even a cursory review of §9 by Turner and his counsel would have easily shown the agreed upon language was completely different than Turner’s private, internal draft completed 3 ½ hours earlier.

Fifth, under Turner’s version of the agreed upon settlement language as to the 1984 Easement, the Defendants would simply be afforded ingress and egress over the paved roads. Under the original 1984 Easement, Defendants already had these rights.(Easement Order ; Sibley Aff. §3(f); Lockman Aff. §3(f). Turner’s position would mean there was no change in the 1984 Easement, which would be an illogical conclusion, since the parties inserted language stating the 1984 Easement was to be “updated” pursuant to §9 of the Settlement Agreement.

Finally, Turner states in its Motion there was a mistake in the executed Settlement Agreement because Turner was “ under the belief that the wording of Paragraph 9 provided for the preparation and filing of an Amended Easement that would follow South Carolina law with a required easement entry and terminus....” No such reference to this ground of mistake is found in the Turner Affidavit, and thus there is no evidence before the Court to support this argument. In addition, pursuant to the Court’s Easement Order, this legal argument has previously been rejected.

Based upon the above, Plaintiff has failed to present clear and convincing evidence of a mistake under *King* and *Truck South*.

2. No Evidence of a Mutual Mistake

Assuming, *arguendo*, Turner had somehow satisfied the above first element, there is no evidence, clear, convincing, or otherwise, of any mutual mistake. Pursuant to the Affidavits of

Sibley (§§3(d),(f) and Lockman (§§3(d),(f), 4, 5), the Defendants have unequivocally stated there was no mistake in the language in §9 of the Settlement Agreement. The right to cross over all of Parcel B referenced in §9 was the subject of prior disputes, which was resolved under the terms of the agreed language. In other words, this was a concession reached in extensive settlement negotiations.

At best, Turner may have shown a **unilateral** mistake on his part, and that of his counsel, both of whom signed the Settlement Agreement. No relief has been requested by Turner based on such a unilateral mistake, which would require clear and convincing evidence of fraud, deceit, misrepresentation, or concealment. Evidence of a mistake by one party is not sufficient to reform or void a contract (*Hann* at p. 424).

For the above reasons, Plaintiff's Motion is denied.

AND IT IS SO ORDERED.

Marvin H. Dukes III
South Carolina Circuit Court Judge

Beaufort, South Carolina
March __, 2025



Beaufort Common Pleas

Case Caption: Turners Marina Llc VS R V Resort And Yacht Club Owners Association Inc , defendant, et al

Case Number: 2021CP0701085

Type: Order/Other

So Ordered

s/Marvin H. Dukes III #2785

Electronically signed on 2025-04-25 11:26:34 page 7 of 7

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	FOURTEENTH JUDICIAL CIRCUIT
COUNTY OF BEAUFORT	)	CIVIL ACTION NO.: 2021-CP-07-01085
TURNER'S MARINA LLC,	)	
	)	
Plaintiff,	)	
	)	
vs.	)	ORDER DENYING PLAINTIFF'S
	)	RULE 59(e) <u>SCRCP</u> MOTION
R.V. RESORT AND YACHT CLUB	)	
OWNERS' ASSOCIATION, INC.,	)	
SECURITAS SERVICES, INC.,	)	
MIKE MORALES, and SUNSET, INC.,	)	
	)	
Defendants.	)	

This matter comes before me upon the Plaintiff's Rule 59(e) Motion to Alter or Amend Orders Dated August 5, 2024. ("Motion"). In response to the Motion, the Defendants filed on or about January 17, 2025, the R.V. Resort and Yacht Club Owners' Association, Inc., and Sunset Inc.'s Memorandum of Law Opposing Plaintiff's Rule 59(e) SCRCP, Motion ("Defendants' Memorandum of Law.") A hearing was held on the on the Motion in the Beaufort County Courthouse on Tuesday, January 21, 2025, at 9:30 a.m. Appearing was Thomas C. Taylor for the Plaintiff, Christopher D. Lizzi for the Defendant, R.V. Resort and Yacht Club Owners' Association, Inc. ("POA") and Russell P. Patterson for the Defendant Sunset, Inc. ("Sunset"). After careful and due consideration of the Motion, Defendants' Memorandum of Law, and oral arguments of counsel, for the reasons discussed below, the Court denies said Motion.

A. August 5, 2024 Order to Enforce Settlement Agreement (Amendments to Lease- Armed Guards/Gates)

Plaintiff's Motion lists three (3) separate claimed errors in connection with this Order dealing with the Court's findings and conclusions on "Business Hours", claim of control of additional properties, and the use of the pool. This Court finds and concludes its August 5, 2024 Order properly disposed of these issues.

B. August 5, 2024 Order to Enforce Settlement Agreement as to Amended Easement

Plaintiff's Motion lists three(3) grounds for the Court to reconsider its Order as to the Amended Easement. The Plaintiff's argument that the language in the Order is inconsistent with the language in § 9 of the Settlement Agreement is adequately addressed in the Court's first Order and no further discussion is necessary.

Plaintiff's second ground of its Motion asserts the Court's Order effectively grants a license to the Defendants to loiter upon the Plaintiff's business property "... when the law of easements in South Carolina provides that an easement is for moving across property to a defined exit point." Although the Plaintiff does not cite any legal authority in its Motion, based on the oral arguments, the Court understands the Plaintiff is asserting that the Amended Easement does not meet the *terminus* requirement of an appurtenant easement. The elements for an appurtenant easement are as follows:

1. the easement must inhere in the land;
2. concerning the premises;
3. **have one terminus on the land of the party claiming it; and**
4. being essentially necessary to the enjoyment thereof.

Shia v. Pendergrass, 222 S.C. 342, 351, 72 S.E.2d 699, 703((1952); *Windham v. Riddle*, 381 S.C. 192, 202, 672 S.E.2d 578 (2009). There is no question that the Amended Easement approved by the Court terminates on property owned by the POA. In fact, the Amended Easement terminates not in one(1) location on POA property, but in two (2) locations, as discussed below.

The POA owns two (2) separate parcels of land separated by Plaintiff's 1.43 acres parcel. The Amended Easement allows the POA and its members, guests, and invitees to go from one parcel it owns to the other, and to the public road. The POA owns 4.46 acres, as shown in the shaded area on Plat Book 57 at Page 168(Exhibit 4 to Defendants' Memorandum of Law) pursuant to the September 9, 1996 deed from Ora of Carolina, as recorded in Deed Book 893

at Page 671 (Exhibit 5 to Defendants' Memorandum of Law) . As noted above, the Plaintiff owns Parcel B, 1.43 acres per PB 57 P 168. Attached as Exhibit 6 to Defendants' Memorandum of Law is a color-coded plat showing the ownership of the three(3) parcels in questions. § 2(c) of the Amended Easement (Exhibit 1 to Defendants' Memorandum of Law) clearly states the easement over Parcel B , owned by the Plaintiff, is as follows:

“2(c) The Amended Easement is for the benefit of and is appurtenant to all those certain pieces, parcels or tracts of land lying, situate and being on Hilton Head Island, Beaufort County, South Carolina, consisting of approximately 200 RV Lots (1 - 200), the roadways, tennis court(s), pool(s), building(s), parking, open spaces, and the well site, all as shown on that certain plat or survey entitled "R.V. Resort & Yacht Club, Hilton Head Island, South Carolina Plot Plan" dated September 7, 1981, and last revised July 26, 1983, recorded in the ROD in Plat Book 29 at Page 184, as prepared by Forrest F. Baughman, a South Carolina Registered Land Surveyor (S.C.Reg. No. 4922) **and** that certain property owned by Grantee as more particularly depicted as "Parcel A" on the 2017 Survey.”

The POA owns property at the end of the easement in both directions- not just one. The requirement of a terminus under *Shia* and *Windham* is thus met.

In addition, the Court finds and concludes that the language of §9 of the Settlement Agreement simply expanded the scope of the easement over the Plaintiff's land and did not in reality create a new easement. The original 1984 Easement (DB 397 P 1611) provided a permanent, non- exclusive right-of-way over and across the “**paved roads**” on Plaintiff's property, consisting of 1.4 acres. The original 1984 Easement made it clear that the POA and its members had the right to use only the **paved roads** on Plaintiff's property to access not only the roads within the RV campground area, but the tennis courts, recreational building and all other property in the entire development show on PB 29 P 184 (Ex. 8 to the Defendants' Memorandum of Law). As set forth in the Sibley Affidavit, to resolve prior disputes and allegations by Plaintiff of a claimed trespass against the POA and its members, (i.e. POA members who were not always using the paved roads), the scope of the easement was expanded in the Settlement Agreement to allow for said easement rights to cover the entirety of the Plaintiff's 1.4-acre parcel-

not just the paved roads.(Sibley Aff. §3). Just as in the original 1984 Easement, the Amended Easement has “end points” to the POA’s roadways around the RV lots to the South of Plaintiff’s parcel and the POA’s 0.83-acre Parcel A to the North. The only substantive change made by the Settlement Agreement is the easement is no longer limited to “paved roads.”

The final ground of Plaintiff’s Motion is its objection to wording in the Court’s Order which states Plaintiff was involved with drafting of the Amended Easement. With the consent of the Defendants, Section 14 of the Amended and Restated Easement, attached as Exhibit 1 to the Court’s Order of August 5, 2024, is deleted. In its place, the following is inserted.

“14. Intentionally Blank.”

AND IT IS SO ORDERED.

Marvin H. Dukes III
South Carolina Circuit Court Judge

Beaufort, South Carolina
March ____, 2025.



Beaufort Common Pleas

Case Caption: Turners Marina Llc VS R V Resort And Yacht Club Owners Association Inc , defendant, et al

Case Number: 2021CP0701085

Type: Order/Other

So Ordered

s/Marvin H. Dukes III #2785

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STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
COUNTY OF BEAUFORT	)	FOURTEENTH JUDICIAL CIRCUIT
	)	
TURNER'S MARINA LLC,	)	Case Number: 2021-CP-07-_____
	)	
Plaintiff,	)	
	)	
	)	
vs.	)	
	)	
	)	
R.V. RESORT AND YACHT	)	SUMMONS
CLUB OWNERS'	)	
ASSOCIATION, INC.,	)	
SECURITAS SERVICES, INC.,	)	
and MIKE MORALES,	)	
	)	
Defendants.	)	
	)	
	)	

TO THE DEFENDANTS ABOVE NAMED:

YOU ARE HEREBY SUMMONED and required to answer the **Complaint** herein, a copy of which is herewith served upon you, and to serve a copy of your Answer to this Complaint upon Thomas C. Taylor, Esquire, at Post Office Box 5550, Hilton Head Island, South Carolina 29938, within thirty (30) days after service hereof, exclusive of the day of such service, and if you fail to answer the Complaint within the time aforesaid, judgment by default may be rendered against you for the relief demanded in the Complaint.

Law Office of Thomas C. Taylor, LLC
s/ Thomas C. Taylor, Esq.
 Thomas C. Taylor (S.C. Bar 5499)
 P.O. Box 5550, Hilton Head Isl., SC 29938
 Telephone:(843)785-5050-Fax:(843)785-5030
 Email: tom@thomastaylorlaw.com
 ATTORNEY FOR PLAINTIFF

Hilton Head Island, South Carolina
 June 11, 2021

STATE OF SOUTH CAROLINA
COUNTY OF BEAUFORT

TURNER'S MARINA LLC,

Plaintiff,

vs.

R.V. RESORT AND YACHT
CLUB OWNERS'
ASSOCIATION, INC.,
SECURITAS SERVICES, INC.,
and MIKE MORALES,

Defendants.

IN THE COURT OF COMMON PLEAS
FOURTEENTH JUDICIAL CIRCUIT

Case Number: 2021-CP-07-_____

Complaint for Damages, for the
Appointment of a Receiver, for a
Declaration of Legal Rights and for
Temporary and Permanent
Injunctive Relief

(Jury Trial Requested)

The Plaintiff hereby files this Complaint, and alleges as follows:

PARTIES AND JURISDICTION

1. That the Plaintiff Turner's Marina LLC (hereinafter sometimes referred to as "Turner's Marina") is a South Carolina limited liability company organized and existing under the laws of the State of South Carolina. Its principal place of business is in Beaufort County, in the State of South Carolina, and it is authorized to do business in the State of South Carolina.

2. That the Defendant R.V. Resort and Yacht Club Owners' Association, Inc. (hereinafter sometimes referred to as the "YCOA,") is a not-for-profit corporation, organized and existing pursuant to the laws of the State of South Carolina with its principal place of business in Beaufort County, in the State of South Carolina. The YCOA is a condominium owners association and is authorized to do business in the State of South Carolina.

3. That the Defendant Securitas Services, Inc. (hereinafter sometimes referred to as "Securitas") is a for profit corporation, organized and existing pursuant to the laws of the State of

Delaware, conducting business in Beaufort County, S.C. As is set forth below, Securitas' agent and employee, Mike Morales, on June 11, 2021 acting within the scope of his employment and assigned duties, committed a tortious act within the County of Beaufort, State of South Carolina, and Securitas is therefore subject to the jurisdiction of this court under South Carolina's Long Arm Statute, S.C. Code Annot. Section 36-2-803.

4. That the Defendant Mike Morales is, on information and belief, a resident of Beaufort County, SC, and an employee and agent of Defendant Securitas.

5. That this Court has jurisdiction over all the parties under the South Carolina Rules of Civil Procedure, the South Carolina Code Annotated, and the common law.

6. That venue for all causes of action stated herein lies in Beaufort County.

FACTS

7. That on June 12, 1981, a Declaration of Condominium entitled "Declaration of Covenants and Restrictions for Outdoor Resorts RV Resort and Yacht Club and Provisions for the RV Resort and Yacht Club Owner's Association, Inc." (hereinafter sometimes referred to as the "Covenants") was executed and subsequently recorded in the Office of the Beaufort County Register of Mesne Conveyances at Book 325, Page 920.

8. That the Covenants are applicable to certain property on Hilton Head Island, South Carolina commonly known as the "Outdoor Resorts Marina," consisting of approximately 200 individually owned lots and certain common areas and amenities as are more fully described in Deed Book 325 at Page 939 in the Office of the Clerk of Court for Beaufort County (hereinafter sometimes referred to as the "Property"), and the Covenants contain restrictions, easements, affirmative obligations, charges, liens and leases affecting the Property. The individually owned

lots are arranged in an oval pattern along roads surrounding recreational facilities including a swimming pool and a tennis court. Adjacent to the oval area are additional recreational facilities and common areas belonging to the YCOA, including roads, a recreational building and swimming pool adjacent to the marina basin, and two tennis courts adjacent to a parking lot. All property owned by the Defendant YCOA is subject to the Covenants.

9. That the marina described in Article XII, Section 12.5 of the Covenants as an “adjacent but totally separate development” is now owned by the Plaintiff Turner’s Marina, and consists primarily of a marina basin and docks, rental office, boat launching ramp, marina bath house, fuel dock, marina office, parking spaces with a parking lot, and certain roads. Both the Plaintiff and the Defendant own portions of the property subject to the Covenants.

10. That the Covenants also contain and incorporate By-Laws, Rules and Regulations for Owners, a 99-year lease dated June 12, 1981 of certain portions of the Property, and they set forth the rights and obligations of owners and members to enforce the Covenants and recover attorney’s fees and expenses incurred in doing so if they prevail.

11. That the June 12, 1981 Lease (hereinafter referred to as the “Lease”) identified in paragraph 10 above, is attached to the original recorded Declaration of Covenants as Exhibit C, and a true and correct copy of same is attached hereto as Exhibit 1.

12. That the original Developer of the Property was O.R.A. of Carolina, Inc.

13. That the entity known as Billybob’s Marinas, Inc., a South Carolina corporation, validly acquired that certain real property and all improvements thereon referred to above as the “Outdoor Resorts Marina,” consisting of 1.41 acres, more or less. That in addition Billybob’s Marinas, Inc. validly acquired that certain dock extending from the 1.41 acres into and on the marshes and waters of Skull Creek subject to certain permits including OCRM permits numbered

91-3D-324-P, 97-IT-0280P-C, and 2009-1417-1IQ. That in addition, Billybob's Marinas, Inc. validly acquired that certain marina and dock extending from the 1.41 acres in to the waters of Blue Heron Creek and that certain harbor located to the east of the 1.41 acres, as is subject to OCRM permits numbered 83-3C-062 and 91-3D-324-P.

14. That in addition, Billybob's Marina, Inc. validly acquired certain tangible personal property located in, on and about the 1.41 acres and certain intangible property, including, without limitation, contract rights and rights under the Covenants, and the internet domain www.hiltonheadharbor.com.

15. That on or about December 21, 2017, Billybob's Marinas, Inc., for the consideration of \$4,600,000, conveyed to the Plaintiff Turner's Marina, all of its right, title, and interest to the afore-described tangible and intangible property.

16. That the Plaintiff Turner's Marina is the valid owner of all currently existing "Declarant Rights" as are set forth in the Covenants and that Turner's Marina is the valid owner of all rights of the Lessee set forth in the June 12, 1981 Lease attached as Exhibit 1. The Lease runs until June 11, 2080.

17. That pursuant to the specific terms of the Lease, Turner's Marina is the exclusive lessee of that property referred to as the Recreational Facilities on the Property, "which include, among other things, a swimming pool, two tennis courts, decking, bathhouse, and certain portions of the Clubhouse complex." See Paragraph 1 of the Lease.

18. That Turner's Marina is entitled to the exclusive possession of the leased premises and to have "quiet and undisturbed and continued possession of the premises" for the 99-year lease term, subject "only to the rights of Lot Owners to use, occupy and enjoy the same along with such

other persons as provided in the Declaration of Covenants and Restrictions.” See Paragraph 9 of the Lease.

19. That the Lease specifically provides that the Lessee’s, or any of its assigns’, agents, officers, employees, or guests may use and enjoy the demised premises of the Recreation Facilities. See Paragraph 4.

20. That the Defendant YCOA has no legal right to occupy or use the demised premises set forth in the Lease, except to perform the required maintenance or repairs called for under the Lease.

21. That on or about June 4, 2021, the YCOA threatened, through its legal counsel, to impede and interfere with Turner’s Marina’s exclusive leasehold possession of the demised premises, and in reply, the YCOA was advised that it had no such rights, and that any interference would cause damage to Turner’s Marina and / or its assigns.

22. That at a presently unknown time between June 4, 2021 and June 11, 2021, the YCOA hired and directed Securitas to enter upon the demised premises of Turner’s Marina and interfere with the rights of Turner’s Marina and its assigns, guests, agents, officers, and employees to use and access the demised premises.

23. That at the specific direction of the YCOA, on June 11, 2021, Securitas, acting through its agent and employee Mike Morales, wrongfully entered upon the demised premises of Turner’s Marina as identified in the Lease, and then and there at the direction of the YCOA, interfered with and violated the right of Turner’s Marina to the quiet and undisturbed use and enjoyment of the demised premises.

24. That the interference by the YCOA and its agents (Defendants Securitas and Mike

Morales) with Turner's Marina's use and quiet enjoyment of the demised premises, was intentional, and was committed in bad faith with the knowledge that the YCOA had no right to so interfere.

25. That the actions of the YCOA, Securitas and Mike Morales on June 11, 2021, caused damages to Turner's Marina by interfering with its business operations.

26. That pursuant to Article 8.10 of the Covenants, the Plaintiff Turner's Marina is entitled to recover its reasonable attorney's fees and costs of this suit.

FOR A FIRST CAUSE OF ACTION
(Declaratory Judgment)

27. That the allegations contained in Paragraphs 1 through 26 are re-alleged as fully as if repeated verbatim herein.

28. That the Plaintiff Turner's Marina brings this action pursuant to South Carolina Code Annot. Sections 15-53-10 through 15-53-140 and the South Carolina Rule of Civil Procedure 57, for judicial declarations:

- a. that the Plaintiff is the valid and lawful owner of the original Developer's "Declarant Rights" under the Covenants;
- b. that the Plaintiff is the valid and lawful owner of all existing rights under the Lease dated June 12, 1981 that were formerly enjoyed by the Outdoor Resort, R.V. Resort and Yacht Club (a South Carolina General Partnership);
- c. that the Plaintiff is legally entitled to the use and quiet enjoyment of the Recreational Facilities described in the Lease, which include, among other things, a swimming pool, the land where two tennis courts were formally located, decking, bathhouse, and certain portions of the Clubhouse Complex; and,
- d. that the Defendant YCOA, unless providing maintenance or repairs as required under the Lease, has no legal right to enter upon the demised premises during the terms of the Lease.

FOR A SECOND CAUSE OF ACTION
(Injunctive Relief)

29. That the allegations contained in Paragraphs 1 through 28 are re-alleged as fully as if repeated verbatim herein.

30. That the Defendant's intentional acts as set forth above violate the Lease and the Covenants, and is causing the Plaintiff immediate, irreparable harm for which there is no monetary remedy.

31. That the Plaintiff is informed and believes, and on the basis of that information and belief alleges, that unless restrained by Order of this Court, Defendants YCOA, Securitas and Mike Morales will continue to violate the Lease as described above, causing the Plaintiff continuing damages.

32. That such conduct will result in irreparable harm to Plaintiff in that Plaintiff will continue to be damaged due to the interference with its business.

33. That the threat of such irreparable and permanent damage justifies the issuance by this Court of a temporary injunction and a permanent injunction, as well as an award of attorney's fees.

34. That the Plaintiff has no adequate remedy at law for the injuries that the Plaintiff is suffering and will continue to suffer in the future.

FOR A THIRD CAUSE OF ACTION
(Interference With A Contractual Relationship)

35. That the allegations contained in Paragraphs 1 through 34 are re-alleged as fully as if repeated verbatim herein.

36. That the Plaintiff Turner's Marina entered into a Commercial Lease Agreement with Sea Monkeys, LLC on December 20, 2017, under which Turner's Marina agreed to lease Sea Monkeys, LLC, 150 feet of dock space, the fuel dock, and all other common facilities at Hilton Head Harbor Marina, including restrooms and parking facilities.

37. That a portion of the leased premises to Sea Monkeys includes access to portions of the demised premises to Turner's Marina under the 99-year Lease agreement.

38. That the Defendants' actions on June 11, 2021 as alleged above, were intentional, were done with the intended purpose of interfering with the lease agreement between Turner's Marina and Sea Monkeys, LLC, were without justification, and caused damages to Turner's Marina.

FOR A FOURTH CAUSE OF ACTION
(Appointment of a Receiver)

39. That the allegations contained in Paragraphs 1 through 38 are re-alleged as fully as if repeated verbatim herein.

40. That the 99-year Lease provides at Paragraph 14, that in the event of a breach of the Lease agreement by the Defendant YCOA, the Lessee (or its assign as here), may request this court appoint a receiver "to stand in the place and stead of the Lessor (the YCOA) and to operate the Recreational Facilities."

41. That the actions of the YCOA are so egregious that the appointment of a receiver in these circumstances is warranted.

WHEREFORE, the Plaintiff Turner's Marina LLC prays that this Honorable Court inquire into the matters set forth herein, and that the Plaintiff have the declarations as sought:

- a. that the Plaintiff is the valid and lawful owner of the original Developer's "Declarant Rights" under the Covenants;
- b. that the Plaintiff is the valid and lawful owner of all existing rights under the Lease dated June 12, 1981 that were formerly enjoyed by the Outdoor Resort, R.V. Resort and Yacht Club (a South Carolina General Partnership);
- c. that the Plaintiff is legally entitled to the use and quiet enjoyment of the Recreational Facilities described in the Lease, which include, among other things, a swimming pool, the land where two tennis courts were formally located, decking, bathhouse, and certain portions of the Clubhouse Complex; and,
- d. that the Defendant YCOA, unless providing maintenance or repairs as required under the Lease, has no legal right to enter upon the demised premises during the terms of the Lease.

Further, the Plaintiff requests this Court enter a temporary and permanent injunction prohibiting the Defendants from interfering with the Plaintiff's use and quiet enjoyment of its leasehold premises during the terms of the 99-year lease. Further, the Plaintiff requests an entry of a monetary judgment against the Defendants jointly and severally for the interference with contractual relations, and further, the Plaintiff requests the appointment of a receiver to stand in the place and stead of the Defendant YCOA for the remainder of the 99-year Lease agreement. In addition, the Plaintiff requests this court award it recovery of its attorney fees and costs as per the Covenants, and for any and all further declarations as this Court deems just and proper.

Law Office of Thomas C. Taylor, LLC

s/ Thomas C. Taylor, Esq.

Thomas C. Taylor (S.C. Bar 5499)

P.O. Box 5550, Hilton Head Isl., SC 29938

Telephone:(843)785-5050-Fax:(843)785-5030

Email: tom@thomastaylorlaw.com

Attorney For Plaintiff Turner's Marina LLC

Plaintiff requests trial by a jury.

s/ Thomas C. Taylor, Esq./

Thomas C. Taylor

Hilton Head Island, South Carolina

June 11, 2021

EXHIBIT C

953

STATE OF SOUTH CAROLINA)
COUNTY OF BEAUFORT)

LEASE

THIS LEASE is made this 12 of JUNE, 1981,
by and between R.V. RESORT AND YACHT CLUB OWNERS' ASSOCIATION,
INC., a South Carolina non-profit corporation (hereinafter
referred to as "Lessor"), and OUTDOOR RESORT, R.V. RESORT
AND YACHT CLUB, a South Carolina general partnership (herein-
after referred to as "Lessee").

WHEREAS, Lessor is a non-profit corporation organized
and existing under the laws of the State of South Carolina
for the purpose of administering and maintaining certain
real property known as OUTDOOR RESORT, R.V. RESORT AND YACHT
CLUB; and

WHEREAS, Lessee is the developer of said property and
also the owner and developer of a marina adjacent and contig-
uous to the property; and

WHEREAS, Lessor and Lessee desire that certain common
properties of OUTDOOR RESORT, R.V. RESORT AND CAMPGROUND,
owned by the Lessor, shall be entitled to be used by OUTDOOR
RESORTS, R.V. RESORT AND YACHT CLUB, a South Carolina partner-
ship, its successors, assigns, guests and invitees.

NOW, THEREFORE, in consideration of the agreements
to be performed by each other, Lessor and Lessee agree as
follows:

1. Upon the terms and conditions herein set forth
and in consideration of the prompt and continuous performance
by the Lessee of each and every of its covenants and promises
herein made, Lessor does hereby let, lease and demise unto
the Lessee and Lessee does hereby lease of and from the Lessor
property situate in Beaufort County, South Carolina, and
described on EXHIBIT "A" which is attached hereto and thereby
made a part hereof.

The premises described in the above legal description are hereinafter referred to as the Recreational Facilities which include, among other things, a swimming pool, two tennis courts, decking, bathhouse, and certain portions of the Clubhouse complex. The lease of the above described Recreational Facilities shall be together with its appurtenances, tenements and hereditaments, and together with all improvements, buildings and structures now or hereafter placed thereon, and all furniture, furnishings, fixtures, machinery and equipment now thereon and hereafter brought or placed thereon or intended for the use thereon and all additions thereto.

2. The term of this Lease shall commence on the date first above mentioned and shall end on JUNE 12, 2080. This is an exclusive Lease to the Lessee, under circumstances where the Lessor shall not be entitled to enter into any other leases with any other lessees while this Lease is in effect without the prior written consent of the Lessee. Lessee, however, may at any time assign any and all of its interest in this Lease and upon such assignment taking place, the Lessee shall be relieved of any and all liability under this Lease subject to the Lessee's complying with all terms and conditions of the Lease at the time of said assignment.

3. In consideration of this Lease of the Recreational Facilities to the Lessee, Lessee agrees to pay Lessor the sum of FIVE (\$5.00) DOLLARS per month per boat slip at the marina which is shown and designated on EXHIBIT "B" which is attached hereto and thereby made a part hereof. The payment of said rent, however, shall not begin until the improvements described as the Recreational Facilities in Paragraph 1 have been completed. Such rent shall be payable at such places as Lessor shall direct in writing. The amount of rent shall not in any way be increased through the term of this Lease without the prior written consent of Lessee.

4. Use of the Recreational Facilities shall be subject to all laws, statutes, ordinances, rules and regulations of all appropriate governmental authorities and agencies, covenants and restrictions of record, as well as all rules and regulations adopted by the Association from time to time pursuant to the Declaration of Covenants and Restrictions; however, which rules and regulations shall not discriminate in any manner whatsoever against the Lessee or the invitees of the Lessee.

The persons who may use and enjoy the Recreation Facilities through and under the Lessee shall be limited to agents, officers, employees and guests of the Lessee or its assigns.

5. If any part of the Recreational Facilities is taken pursuant to the law of eminent domain of the State of South Carolina during the term of this Lease, the rent herein provided for shall continue unaffected as to amount unless such taking materially destroys the usefulness of the Recreational Facilities for all purposes leased. In such event, the Lessee shall have the right to terminate this Lease by written notice to the Lessor within thirty (30) days after such taking or to continue in possession of an undivided interest in the remainder of the leased premises under all the terms and conditions hereof. All damages awarded such taking shall belong to and be the property of Lessor whether such damages shall be awarded as compensation for the diminution of the value to the Lease or to the fee of the Recreational Facilities.

6. Lessor shall, throughout the term of this Lease, keep enforced insurance policies as follows: (a) insurance against loss or damage to the buildings and improvements now of hereafter located upon the Recreational Facilities and all of the personal property, including pictures, furniture, machinery, equipment and furnishings located upon the Recreational Facilities. All insurance shall provide against any

and all loss or damage to the Recreational Facilities by fire, windstorm or causes insured by extended coverage; (b) comprehensive general public liability insurance in which the Lessor and Lessee shall be named insureds against claims of bodily injury, sickness or disease, including death, at any time resulting therefrom and for injury to or destruction of property, including the loss or use thereof arising out of ownership, maintenance, use or operation of the Recreational Facilities or any building or improvement or personalty located thereon with a minimum limitation of \$200,000/\$500,000/\$10,000; and (c) in the event that Lessor shall undertake any construction upon the premises, Lessor shall maintain and pay for a builders risk insurance policy in such amounts and with such companies as Lessor determines proper.

The Lessor shall also pay for and maintain such further and additional insurance policies, including but not limited to workmen's compensation insurance. The amount of the required insurance shall be equal to the maximum insurable replacement value as determined annually by Lessor. The Lessee may require the Lessor to provide proof of existence of insurance coverage required herein as Lessee may reasonably request from time to time. All insurance required to be carried shall be under policies written in such form and issued by such companies as shall be approved by the Lessee, said Lessee, said approval, shall not be unreasonably withheld.

7. In the event of damage or destruction of the Recreational Facilities or the buildings and improvements located thereon by any casualty for which insurance is payable, the Lessor shall promptly make application for the benefits under the insurance policy, which benefits shall be deposited in a bank account and be available to the Lessor for the reconstruction or repair of the Recreational Facilities or that portion thereof which was damaged. Such insurance money shall

be paid from the account in amounts based upon the estimate of a licensed architect in the State of South Carolina having supervision of such construction work or repair. Said architect shall certify that the amount of such estimate is being applied to the payment for reconstruction or repair and at a reasonable cost. It is the intent hereunder that reconstruction or repair shall take place if covered by insurance, but it is the further intent that Lessor shall not assume the burden of reconstruction or repair if not covered by insurance, unless Lessor chooses to do so. In the event the cost of repair or reconstruction exceeds the insurance benefits, Lessor shall reconstruct or repair those items for which insurance is available; but only at its option must Lessor do any further reconstruction or repair for which there is not adequate insurance proceeds. If Lessor chooses not to reconstruct or repair due to inadequate insurance proceeds, then Lessee, at its option, may either continue this Lease in full force and effect or cancel this Lease upon fifteen (15) days' notice in writing to Lessor, at which time Lessee shall be obligated to perform its covenants and promises hereunder up to the date of notification. For reconstruction or repair for which there are adequate insurance proceeds, or with which Lessor desires to proceed despite the lack of insurance proceeds, it shall be the obligation and duty of Lessor to cause such showing to be made and such to be accomplished as often as said Recreational Facilities, including buildings, improvements or personal property may be destroyed, damaged or lost; and all of such work shall be completed and paid for as promptly as the exercise by the Lessor of due diligence makes possible. The work when completed shall restore the Recreational Facilities substantially to the condition in which it existed before such destruction, damage or loss took place, and in

any event, the premises as restored shall have a value which is not less than the value which the Recreational Facilities had or possessed prior to the loss or damage which made such reconstruction or repair necessary. Lessee shall have the right to require Lessor to obtain a completion, performance and payment bond in amount and in form and with a company licensed to do business in the State of South Carolina, approved by Lessee. When after the payment of repair or replacement of damage there shall remain any surplus of insurance proceeds, said surplus shall belong to the Lessor.

8. Any demolition or new construction on the Recreational Facilities or major alteration in the buildings located in the Recreational Facilities shall be at the sole expense of the Lessor; nothing in this Paragraph 8 shall ever be construed to relieve Lessor of its obligation to maintain and repair the improvements located upon the Recreational Facilities. The Lessor shall, during the term of this Lease, keep the Recreational Facilities in a good state of repair and shall maintain all of the buildings and other improvements located thereon for the normal and customary use thereof. Lessor shall not suffer or permit any waste, neglect or deterioration of any of the premises, buildings or improvements of the Recreational Facilities and shall replace, renovate and repair the Recreational Facilities and improvements thereon as often as may be necessary in order to keep the Recreational Facilities and such buildings and improvements in a good state of repair and for the use and enjoyment of the Lessor and Lessee.

9. Lessor covenants and agrees with Lessee that so long as the Lessee keeps and performs all of its covenants herein made the Lessee shall have quiet and undisturbed and continued possession of the premises subject only to the rights of Lot Owners to use, occupy and enjoy the same along with

such other persons as provided in the Declaration of Covenants and Restrictions.

10. Subject to Paragraph 7 hereinabove, no damage or destruction to buildings, structures, improvements or furniture, furnishings, fixtures, machinery or equipment now or hereafter located upon the Recreational Facilities by fire, windstorm, or any other casualty, shall entitle the Lessee to surrender possession or to terminate this Lease or to violate any of its provisions or cause any rebate, abatement or adjustment in the rent then due or that thereafter becoming due under the terms hereof.

11. The Lessor and its agents shall have the right of entry upon the Recreational Facilities at all reasonable times to examine the condition and use thereof; provided that only such rights shall be exercised in such a manner as to not interfere with the conduct of the operation of said Recreational Facilities; and if said premises are damaged by any casualty which causes the premises to be exposed to the elements, then the Lessor may enter upon the premises to make emergency repairs.

12. Where not otherwise provided in this Lease, all sums of money coming due from the Lessee to the Lessor shall bear interest at the rate of one and one-half (1 1/2%) percent per month, commencing fifteen (15) days from the date the same shall become due until the date the same shall be paid.

13. Lessee shall not do or suffer any waste or damage, disfigurement or injury to the Recreational Facilities or any property now or hereafter placed or brought thereon.

14. Except for non-payment of rent which is discussed below, if default shall be made by the Lessee in the performance of any covenants herein set forth, which default is not cured by Lessee within thirty (30) days after receiving written

notice of such default by Lessor, then in addition to any other rights or remedies which Lessor may have, the Lessor shall have the right to declare this Lease cancelled and terminated and re-enter upon the Recreational Facilities, in which case the Lessee shall peacefully surrender and deliver the Recreational Facilities to Lessor. However, nothing in this Lease shall be construed as authorizing the Lessor to declare this Lease in default where the default consists solely of non-payment of rent, until such non-payment is in violation of Paragraphs 4 or 5 hereinabove.

In the event that Lessor defaults in the terms of this Lease, Lessee shall have all rights or remedies provided by law which shall include but not be limited to specific performance of this Lease by Lessor, and/or recovery of damages due to the default of Lessor.

Any and each remedy available to the Lessor or Lessee for the enforcement of any term or provision hereof shall be construed as cumulative and no single such remedy shall be construed as being exclusive or as preventing the parties from electing such other or additional remedies. In addition to all the remedies set forth above, the Lessee, at its option, may request of a court of competent jurisdiction and receive therefrom the appointment of a receiver to stand in the place and stead of the Lessor and to operate the Recreational Facilities. Said receiver shall fully perform and keep all of the covenants, terms and conditions of this Lease. In connection with any litigation arising from this Lease, the prevailing party shall be entitled to recover all costs incurred including a reasonable attorney's fee.

15. The Recreational Facilities are subject to such easements for public utilities as now appear in public records and Lessor shall have, at all times, the right to create upon

or over such of the Recreational Facilities for any and all public utilities, easements from time to time as the Lessor, in its discretion, shall deem appropriate, free and clear of this Lease.

16. At the termination of this Lease by lapse of time or otherwise, the Lessee will peacefully and quietly deliver possession of the Recreational Facilities and all improvements situated thereon, including all personal property therein and thereon, to the Lessor and all buildings, improvements and personal property then situated upon the premises shall become and remain the property of the Lessor.

17. Time is of the essence in every particular and especially where the obligation to pay money is involved.

18. No waiver, extension or indulgence granted by either party to the other on any one occasion as to any breach shall be construed as a waiver, extension or indulgence of any succeeding breach of the same covenant.

19. This is the entire Lease and there shall be no modification, release or discharge or waiver of any provision hereof unless in writing signed by both parties.

20. Whenever a provision is made for notice of any kind under this Lease, it shall be deemed sufficient notice and service thereof if such notice to either party is in writing, addressed to such party at its last known address and sent by certified mail with postage prepaid.

21. This Lease is to be construed in accordance with the laws of the State of South Carolina. The invalidity in whole or in part of any covenant, promise or undertaking or any section, subsection, sentence, clause, phrase or word or any of the provisions of this Lease shall not affect the validity of the remaining portions thereof. Whenever the context so permits, the use of the plural shall include the

singular, and the singular the plural, and the use of any gender shall be deemed to include all genders.

22. It is specifically recognized and understood that some or all of the persons comprising the original Board of Directors and the officers of the Lessor, and the partners of the Lessee, are also officers, directors, employees and/or partners of the Lessor and Lessee under this Lease, and that such circumstances of interlocking Boards of Directors, officers, employees, stockholders and/or partners shall not and cannot be considered as a breach of their duties nor as a conflict of interest between the Lessor and Lessee, nor as possible grounds to invalidate this Lease in whole or in part. Each and every person, whether real or corporate, who shall take any interest whatsoever in or to the Lot or any of the Property, or in or to any Lot in the Property, after the recording of this Lease, by acceptance, delivery or the recording of the deed, contract, grant, assignment or such other instrument granting, conveying or providing for such interests, or by the exercise of the rights or uses granted herein, shall be deemed to specifically consent to and ratify without further act being required, the provisions of this Lease to the same effect and extent as if such person or persons had executed this Lease with the formalities required in deeds, for the purpose of subordinating and/or subjecting such person's or persons' interest, in full, to the terms of this Lease and granting the rights to the parties provided for herein, absolutely without exception.

WITNESSES:

[Signature]
Edward M. Hyde

LESSOR:
R.V. RESORT AND YACHT CLUB
OWNERS' ASSOCIATION

By: *[Signature]*

By: _____

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WITNESSES:

A. Sullivan
Edward M. [Signature]

LESSEE:

OUTDOOR RESORT, R.V. RESORT
 AND YACHT CLUB

By: *[Signature]*

By: _____

FILED AT	BEAUFORT COUNTY S. C.	RECORDED IN BOOK
2:00		325
O'CLOCK	JUN 18 1981	PAGE
P. M.		920
CLERK OF COURT OF COMMON PLEAS		

RECORDED THIS 23rd DAY OF June 1981
 IN BOOK MD PAGE 717
 FEES \$ Mary Ann Gray
 AUDITOR, BEAUFORT COUNTY, S. C.

STATE OF SOUTH CAROLINA
COUNTY OF BEAUFORT

MODIFICATION OF LEASE AGREEMENT

WHEREAS, on June 12, 1981 a Lease Agreement was entered into by and between R.V. Resort and Yacht Club Owners' Association, Inc., a South Carolina non-profit corporation (herein and hereinafter referred to as "Lessor"), and Outdoor Resorts, R.V. Resort and Yacht Club, a South Carolina general partnership (herein and hereinafter referred to as "Lessee"), a copy of which is attached hereto as Exhibit "A" for reference; and

WHEREAS, the aforesaid Lease was recorded with the Declaration of Covenants and Restrictions for Outdoor Resorts, R.V. Resort and Yacht Club in Deed Book 125 at Page 920 in the Office of the Clerk of Court, Beaufort County, South Carolina; and

WHEREAS, the provisions of Paragraph 19 of the aforesaid Lease require that any modifications in the Lease Agreement be in writing and signed by both parties; and

WHEREAS, the Lessor and Lessee have agreed that the following modification to Paragraph 3 be made.

IN CONSIDERATION of the sum of Five and 00/100 (\$5.00) Dollars and other valuable consideration, Paragraph 3 of the aforesaid Lease is modified to read as follows:

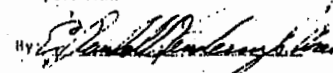
In consideration of this Lease of the Recreational Facilities to the Lessor, Lessee agrees to pay Lessor the sum of Five (\$5.00) Dollars per month per boat slip at the marina which is shown and designated on Exhibit "B" which is attached hereto and thereby made a part hereof. The payment of said rent, however, shall not begin until the improvements described as the Recreational Facilities in Paragraph 1 have been completed. Such rent shall be payable at such places as Lessor shall direct in writing. The amount of rent shall be automatically increased proportionately with any increase of assessments as determined by the Board of Directors of the Association pursuant to Article VI, Section 3 of the By-Laws of the R.V. Resort and Yacht Club Owners' Association, Inc.

WITNESS our hand and seal this 22 day of June, 1981.

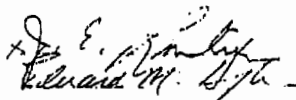
WITNESSES:

LESSOR:

R.V. Resort and Yacht Club
Owners' Association, Inc.,
a South Carolina non-profit
corporation

By: 

By: _____


Outdoor Resorts, R.V. Resort and Yacht Club

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	FOURTEENTH JUDICIAL CIRCUIT
COUNTY OF BEAUFORT	)	Case No.: 2021-CP-07-01085
TURNER'S MARINA, LLC,	)	
	)	
Plaintiff,	)	Answer to Complaint for Damages,
	)	for the Appointment of a Receiver,
	)	for a Declaration of Legal Rights and
vs.	)	for Temporary and Permanent Injunctive
	)	Relief and Counterclaim
R.V. RESORT AND YACHT CLUB	)	
OWNERS' ASSOCIATION, INC.,	)	(JURY TRIAL DEMANDED)
SECURITAS SERVICES, INC. and MIKE	)	
MORALES,	)	
	)	
Defendants.	)	
_____	)	

Defendant, R.V. Resort and Yacht Club Owners' Association, Inc. ("Defendant Association") hereby submits the following Answer, Defenses and Counterclaims to Plaintiff's Complaint dated June 11, 2021, would respectfully show and allege unto this Honorable Court as follows:

FIRST DEFENSE

1. The Plaintiff's Complaint should be dismissed pursuant S.C.R.C.P. Rule 12(b)(6) for failure to states facts sufficient to constitute a cause of action.

SECOND DEFENSE

2. Each and every allegation of the First Defense is realleged as fully as if repeated verbatim herein.

3. The Complaint shall be dismissed pursuant to S.C.R.C.P Rule 12(b)(8) the matters before this Court are pending in a prior action and therefore should be dismissed or consolidated therein.

THIRD DEFENSE

4. Each and every allegation of the First and Second Defense is realleged as fully as if repeated verbatim herein.

5. Under the Covenants, By-Laws, and Rules and Regulations which control the actions and the Defendant Association and its Board of Directors, the Board of Directors has authority to construe the provisions of the Governing Documents.

6. The Board, through the use of sound business judgment, construed the Covenants and has acted in the best interests of the Association. The Complaint should be dismissed based upon the business judgment rule.

FOURTH DEFENSE

7. Each and every allegation of the First through Third Defense is realleged as fully as if repeated verbatim herein.

8. The Plaintiff's Complaint should be dismissed in that the Plaintiff's claims are barred by Res Judicata and collateral estoppel.

FIFTH DEFENSE

9. Each and every allegation of the First through Fourth Defense is realleged as fully as if repeated verbatim herein.

10. All or a portion of Plaintiff's claims are barred by the applicable statute of limitations.

SIXTH DEFENSE

11. Each and every allegation of the First through Fifth Defense is realleged as fully as if repeated verbatim herein.

12. All or a portion of Plaintiff's claims are barred by the doctrines of unclean hands and laches.

SEVENTH DEFENSE

13. Each and every allegation of the First through Sixth Defense is realleged as fully as if repeated verbatim herein, reserving all rights pursuant to the First through Sixth defenses.

14. Each and every allegation of Plaintiff's Complaint not hereinafter specifically admitted, qualified or explained is denied and demands strict proof thereof.

15. Defendant Association admits the allegations contained in Paragraphs 1 and 2 of Plaintiff's Complaint.

16. Defendant Association lacks sufficient information to either admit or deny the allegations contained in Paragraphs 3 and 4 of Plaintiff's Complaint and demands strict proof thereof.

17. Defendant Association admits the allegations contained in Paragraphs 5 and 6 of Plaintiff's Complaint.

18. The allegations contained in Paragraphs 7, 8 and 9 of Plaintiff's Complaint speak for themselves.

19. Defendant Association admits the allegations contained in Paragraphs 10, 11, and 12 of Plaintiff's Complaint.

20. Defendant Association lacks sufficient information to either admit or deny the allegations contained in Paragraph 13 of Plaintiff's Complaint and demands strict proof thereof.

21. Defendant Association lacks sufficient information to either admit or deny the allegations contained in Paragraphs 14, 15, 16, 17, and 18 of Plaintiff's Complaint and demands strict proof thereof.

22. The allegations contained in Paragraph 19 of Plaintiff's Complaint regarding the lease speak for themselves.

23. Defendant Association denies the allegations contained in Paragraphs 20, 21, 22, 23, 24,

25, and 26 of Plaintiff's Complaint and demands strict proof thereof.

24. No answer required for Paragraph 27.

25. Defendant Association denies the allegations contained in Paragraph 28 of Plaintiff's Complaint and demands strict proof thereof.

26. No answer required for Paragraph 29.

27. Defendant Association denies the allegations contained in Paragraphs 30, 31, 32, 33, and 34 of Plaintiff's Complaint and demands strict proof thereof.

28. No answer required for Paragraph 35.

29. Defendant Association lacks sufficient information to either admit or deny the allegations contained in Paragraphs 36, 37 and 38 of Plaintiff's Complaint and demands strict proof thereof.

30. No answer required for Paragraph 39.

31. Defendant Association denies the allegations contained in Paragraphs 40 and 41 of Plaintiff's Complaint and demands strict proof thereof.

EIGHTH DEFENSE AND BY WAY OF COUNTERCLAIM

Abuse of Process

32. Each and every allegation of the First through Seventh Defense is realleged as fully as if repeated verbatim herein.

33. As this is the third lawsuit filed by the Plaintiff and is an abuse of process as well as a frivolous lawsuit, the Defendant Association is informed and believes they are entitled to an Order of the Court awarding them their attorneys fees and costs for defense of this matter.

WHEREFORE, having fully answered the Plaintiff's Complaint, that the Court inquire fully the issues raised, grant the Defendant Association a jury trial, dismiss the Complaint of

Plaintiff with prejudice, award Defendant Association attorneys fees and costs for first defense and further relief as it is just and proper.

Respectfully Submitted

s/Christopher D. Lizzi
Christopher D. Lizzi
2170 Ashley Phosphate Rd., Ste. 402
North Charleston, SC 29406
Telephone: 843-797-0222
Facsimile: 843-797-0202
Email: lizzlaw@aol.com
ATTORNEY FOR DEFENDANT
ASSOCIATION

July 12, 2021
North Charleston, South Carolina

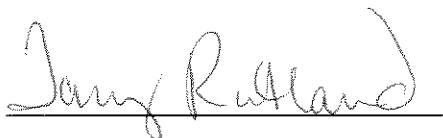
CERTIFICATE OF SERVICE

I, Tammy Rutland, an employee of the Lizzi Law Firm, LLC, served a copy of Defendant Association's Answer and Counterclaim for Case Number 2021-CP-07-01085 on the 12th day of July, 2021, by depositing same in the United States Mail, with sufficient postage to the following:

Thomas C. Taylor, Esquire

PO Box 5550

Hilton Head, SC 29938

A handwritten signature in cursive script, reading "Tammy Rutland", written over a horizontal line.

Tammy Rutland, Paralegal

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	FOURTEENTH JUDICIAL CIRCUIT
COUNTY OF BEAUFORT	)	CIVIL ACTION NO.: 2021-CP-07-01085
TURNER'S MARINA LLC.,	)	
	)	
Plaintiff,	)	
	)	
vs.	)	
	)	MOTION FOR SUNSET, INC. D/B/A
R.V. RESORT AND YACHT CLUB	)	SUNSET GRILLE TO INTERVENE
OWNERS' ASSOCIATION , INC. et. al.	)	AMD TO BE ADDED AS THIRD-
	)	PARTY DEFENDANT
	)	
Defendants.	)	
_____	)	

T0: THE PLAINTIFF, DEFENDANTS AND THEIR COUNSEL

Sunset, Inc. d/b/a Sunset Grille ("Sunset Grille"), under Rules 19 , 20, and 24 SCRCP ,will move before the Presiding Judge or the Beaufort County Master in Equity, to be allowed to intervene and be named as a Third-Party Defendant in this action. The basis and grounds of this motion are that the Plaintiff has taken recent action to unilaterally close its restaurant operation located in the Outdoor Resorts complex in connection with claims it is asserted against the Defendant, R. V. Resort and n Yacht Club Owners' Association, Inc. In order to properly protect its leasehold interest and operation of its restaurant, which has been in existence for over twenty-five (25) years, it is a necessary and essential party to this case.

SUNSET GRILLE SO MOVES.

/s/ Russell P. Patterson
 Russell P. Patterson, Esquire
 RUSSELL P. PATTERSON, P.A.
 P.O. Box 8047
 Hilton Head Island, SC 29938

(843) 341-9300

russell@russellpattersonlaw.com

*Attorneys for the Third Party Defendant
Sunset Inc*

Hilton Head Island, South Carolina
August 1 , 2021

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	FOURTEENTH JUDICIAL CIRCUIT
COUNTY OF BEAUFORT	)	CIVIL ACTION NO.: 2021-CP-07-01085
TURNER’S MARINA LLC.,	)	
	)	
Plaintiff,	)	
	)	
vs.	)	
	)	MOTION FOR TEMPORARY
R.V. RESORT AND YACHT CLUB	)	RESTRAINING ORDER OF THIRD -
OWNERS’ ASSOCIATION , INC. et. al.	)	PARTY DEFENDANT SUNSET, INC.
	)	D/B/A SUNSET GRILLE
	)	
Defendants.	)	
_____	)	

T0: **The Plaintiff and its Counsel Thomas C. Taylor**

The Third Party Defendant, Sunset, Inc. d/b/a Sunset Grille (“Sunset Grille”), under Rule 65 SCRCP, requests a Temporary Restraining Order, *pendente lite*, preventing and enjoining the Plaintiff Turner’s Marine LLC (“Turner’s Marina”) from restricting access to the Sunset Grille, its employees and patrons from using parking areas and restroom facilities needed to continue the operation of its restaurant located at the Outdoor RV Resort located on Jenkins Island, at the entrance to Hilton Head Island. (“Outdoor Resort”) Outdoor Resort consists of approximately 200 RV condominium spaces, a marina, fuel dock, pool, a two-story waterfront building(‘Building’) and related facilities. (See Google photo, attached as Ex. 1)

A. Factual Discussion

This litigation and a related lawsuit(CA No: 2020-CP-07-2433) involve a dispute ongoing for several years between Turner’s Marina and the R. V. Resort and Yacht Club Owner’s Association Inc. (“HOA”) as to the ownership, possession, and use of various portions of the Outdoor Resort. The Sunset Grille has operated a high-end restaurant on the second floor of the

Building at Outdoor Resort for approximately twenty-five (25) years, under a written lease granted to it by the HOA in February 2006 . (“Lease”- Lockman Aff. §§ 3,4, Ex. 1) . All monies due under the Lease have been paid by Sunset Grille to the HOA. The restaurant and the kitchen are located on the second floor of the Building, with the only available restroom for the patrons and employees located on the first floor. The restroom and the adjacent parking facilities has been used by Sunset Grille and its patrons for the 25 years it has been in operation without objection from any party, including Turner’s Marina.

A portion of Outdoor Resort, separate from the 200 RV condo lots, consisting of approximately 1.4 acres, has been owned by Turner’s Marina for approximately the last three (3) years. Neil A. Turner, the principal of Turner’s Marina, previously worked for approximately ten(10) years for the prior owners of the marina and related facilities. During that time, he became fully acquainted with all marina operations, including the fact that the Sunset Grille restaurant, under its Lease, was using the restroom and adjacent parking facilities.

As stated above, over the last several years, Turner’s Marina and the HOA have become embroiled in a number of disputes, resulting in litigation. The disputes center around who has the right to use, possess, and manage certain properties, as well as certain other contractual disputes, none of which involved directly or indirectly involved Sunset Grille or its operations. Thus, Sunset Grille was never made a party to said litigation.

However, on July 22, 2021, counsel for Turner’s Marina advised Sunset Grille in writing that on the **following day**, July 23, 2021, it would no longer have access to certain parking spaces and could no longer use the only restroom available to its patrons and employees located on the first floor of the Building.(Ex. 2). The original July 23, 2021, deadline was extended to **August 4, 2021**, as confirmed by Turner’s Marina’s counsel letter dated July 30, 2021(Ex. 3). As

confirmed by the affidavit of Linda Lockman, owner of the Sunset Grille, **the loss of the only restroom available to the restaurant patrons and employees, as well as the elimination of parking spaces , which have been used without objection for 25 years , will result in immediate closure of the restaurant.**(Lockman Aff. §§ 6,7,9).

Sunset Grille request a Temporary Restraining Order under Rule 65, SCRPC to prohibit Turner's Marina from interfering in any way with its continued use of the parking and restroom facilities needed for the operation of its restaurant until the various disputes between Turner's Marina and the HOA are resolved.

B. Legal Discussion

The required elements of a temporary injunction are well established in South Carolina, as explained by the Court in *Peek v. Spartanburg Regional Healthcare System*, 367 S.C. 450, 454-455, 626 S.E.2d 34, 36 (2007):

“An injunction is a drastic remedy issued by the court in its discretion to prevent irreparable harm suffered by the plaintiff.” *Scratch Golf Co. v. Dunes W. Residential Golf Props., Inc.*, 361 S.C. 117, 121, 603 S.E.2d 905, 907 (2004). To obtain an injunction, the plaintiff must allege facts sufficient to constitute a cause of action for injunction and demonstrate the injunction is reasonably necessary to protect the legal rights pending in the litigation. *County of Richland v. Simpkins*, 348 S.C. 664, 669, 560 S.E.2d 902, 904 (Ct.App. 2002). To establish a cause of action for injunction, the plaintiff must show “(1) it would suffer irreparable harm if the injunction is not granted; (2) it will likely succeed on the merits of the *455 litigation; and (3) there is an inadequate remedy at law.” *Scratch Golf*, 361 S.C. at 121, 603 S.E.2d at 908.

As discussed below, all three requirements have been met , as explained below.

1. Irreparable Harm

It is undisputed that with the loss of the parking spaces and the only restroom available for Sunset Grille's patrons and employees, that the restaurant will immediately have to close on August 4, 2021, if relief is not granted by this Court. While it is possible that some type of monetary award could be granted against Turner's Marina in the future, if it was determined that such action was without legal basis, closure of the restaurant on such short notice will irreparably harm the restaurant's goodwill and reputation in the community, and result in the loss of employment of at least eleven (11) employees directly employed by Sunset Grille. Since Sunset Grille has used of the parking spaces and restroom for approximately 25 years without objection, equity would dictate that the "status-quo" be maintained until a final decision has been made by the Court in the dispute between the HOA and Turner's Marina.

2. Likelihood of Success on the Merits

Sunset Grille has at this stage of the proceeding a very strong likelihood of success as to its claim to the continued use of the parking areas and restroom. Said facilities have been used by Sunset Grille under its February 2006 Lease with the HOA during the entirety of the 25 years of operation. It is clear that the restaurant could not have even opened, much less operated, unless it was intended that the parking facilities, and most especially the restroom, were included as part of the leased premises. It further appears that Mr. Neil Turner and his company, Turner's Marina, were well aware of the use of these facilities for a substantial period of time, including the three(3) years Turner's Marina has owned its property at Outdoor Resort. It has never previously objected to the use of these facilities until its attorney's letter of July 22, 2021. Thus, Sunset Grille has

strong, viable claims to the continued use of the facilities under its written Lease, and based upon the equitable doctrines of equitable estoppel, waiver, laches, and/or acquiescence.

In addition, as Turner's Marina asserts Sunset Grille is occupying its property outside the boundaries of the Lease, Turner's Marina is required to file an eviction action either in Magistrate Court or in Circuit Court, and cannot unilaterally terminate or shut off "essential services" to in effect evict Sunset Grille without any court involvement.

3. **Sunset Grill Has no Adequate Remedy at Law**

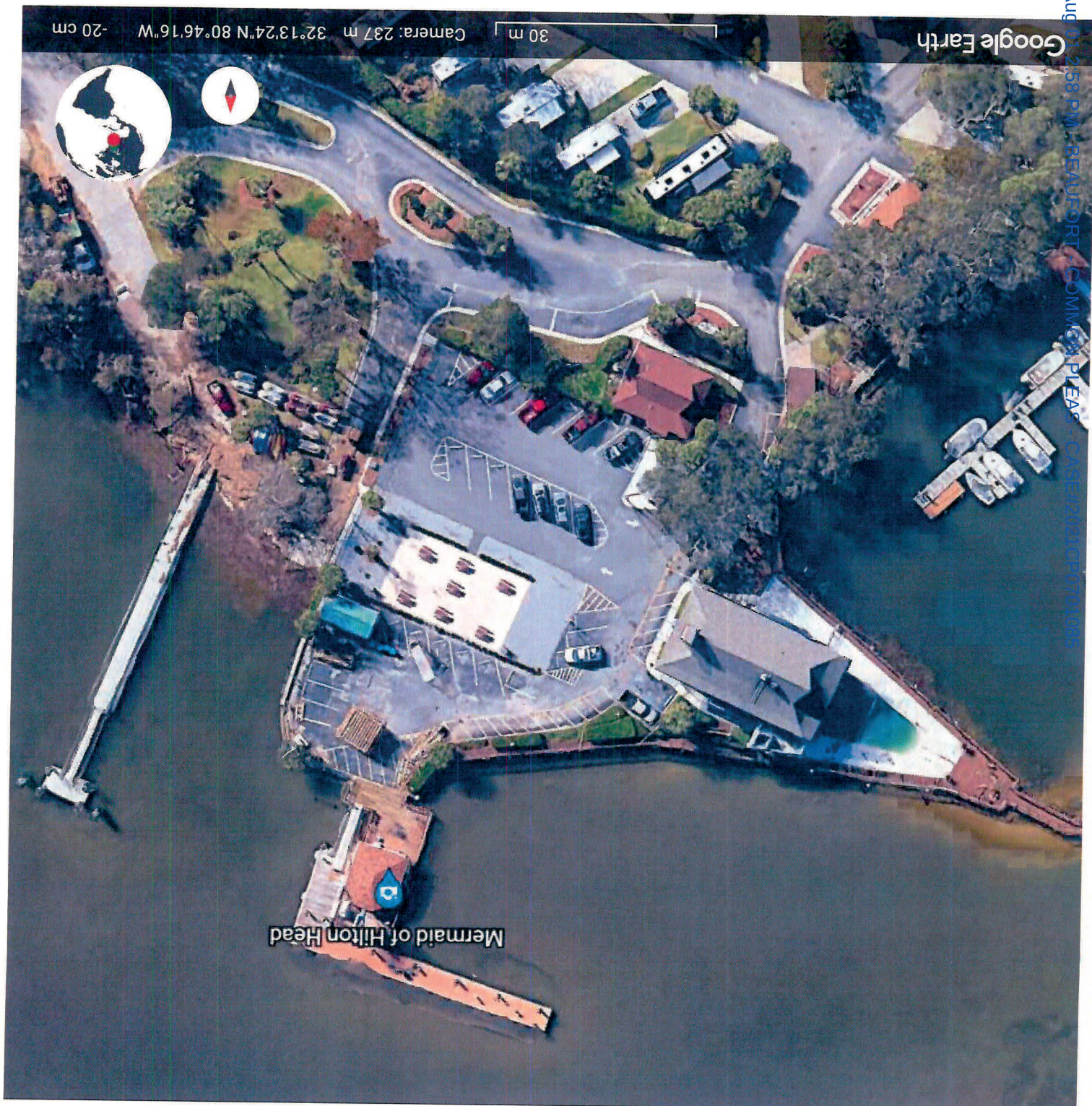
Without the assistance of the Court in ordering a temporary injunction as to the Turner Marina's plan to deny access to the parking lot and restroom, it is undisputed Sunset Grille restaurant will have to close immediately. As discussed above, no monetary award would fully compensate Sunset Grille if it determined such termination was unlawful or improper. A restraining Order is the only practical remedy available. It is clear it will take a substantial period of time for the HOA and Turner's Marina to resolve their ongoing disputes. It is also very clear that Turner's Marina is attempting to use the Sunset Grille simply as a pawn in its ongoing war with the HOA. The Court should use its equitable powers to prevent such action.

SUNSET GRILLE SO MOVES.

/s/ Russell P. Patterson
 Russell P. Patterson, Esquire
 RUSSELL P. PATTERSON, P.A.
 P.O. Box 8047
 Hilton Head Island, SC 29938
 (843) 341-9300
russell@russellpattersonlaw.com
*Attorneys for the Third Party Defendant
 Sunset Inc*

Hilton Head Island, South Carolina
 August 1, 2021

EXHIBIT 1



7-22-21

ADMITTED TO THE UNITED STATES
SUPREME COURT BAR

ADMITTED IN SOUTH CAROLINA,
COLORADO AND GEORGIA

CERTIFIED SC CIRCUIT
COURT MEDIATOR

LAW OFFICE OF
THOMAS C. TAYLOR, LLC

22 BOW CIRCLE
SUITE A
HILTON HEAD ISLAND, SC 29928

TELEPHONE 843-785-5050

TELECOPIER 843-785-5030

www.thomastaylorlaw.com • tom@thomastaylorlaw.com

MAILING ADDRESS
P.O. BOX 5550
HILTON HEAD ISLAND, SC
29938

July 22, 2021

Via Hand Delivery

Mr. Hugh Dodds Lockman
Ms. Linda Lockman
40 Old House Creek Drive
Hilton Head Island, SC 29926

Re: *Turner's Marina LLC v. R.V. Resort and Yacht Club Owners' Association, Inc. et al., 2021-CP-07-1085*

Dear Mr. and Ms. Lockman:

I represent Turner's Marina LLC in the above-referenced civil lawsuit. Chris Lizzi from Charleston, represents the condominium owner's association defendant and Jennifer Nutter of the Hood Law Firm in Charleston, represents the security company defendants. Both are copied on this letter.

I am writing today for two purposes. The first is to advise you, as the owners/agents of the Sunset Grill, that because of actions recently taken by the condominium owners association insisting upon "strict enforcement" of the terms of the June 12, 1981 Lease, and the Association's subsequent actions taken to bar the guests of Turner's Marina's lessees from the area behind the rental office (the area where the tennis courts were once located) and the restroom facilities, Turners Marina LLC will, effective tomorrow July 23, 2021, also begin to strictly enforce the terms of the Lease and will bar access to the parking areas behind the rental office (which is the subject of the June 12, 1981 Lease), to any employees or patrons of the Sunset Grill. Effective immediately, no vehicles being driven by restaurant customers or restaurant employees will be allowed access to the Turner's Marina leasehold. In addition, consistent with the association's position on "strict" adherence to Lease terms, no employees or patrons of the Sunset Grill will be allowed access to the bathhouse on Turner's Marina's leasehold.

As a courtesy, Turner's Marina LLC will allow any restaurant patrons exhibiting a valid, state issued handicapped permit, to access the leasehold property in their vehicle. All other restaurant patrons will be expected to park elsewhere on land not owned or leased by Turner's Marina.

EXHIBIT 2

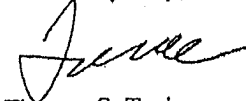
Mr. Hugh Dodds Lockman • Ms. Linda Lockman
 Re: *Turner's Marina LLC v. R.V. Resort and Yacht Club Owners' Association, Inc. et al.*, 2021-CP-07-1085
July 22, 2021 • Page 2

Also as a courtesy for the interim period until a court issues a final Order regarding the rights of Turner's Marina and the Association in and to the leasehold property of the June 12, 1981 lease, Turner's Marina will allow patrons of the Sunset Grill to walk across Turner's Marina's property from the main entrance at Jenkins Road, to the property of the defendant condominium association known as the Clubhouse Complex, where the restaurant is located, for purposes of accessing the restaurant. This grant of a temporary license for your patrons is gratuitous, revocable at will, and may be confined to a specific designated walkway area if Turner's Marina decides to locate a specific pathway. In addition, the license is given with no representations of assured safe access, and each of your guests assumes the risk of any dangers associated with walking across the land of Turner's Marina, which as you know, is a busy driveway.

Turner's Marina does not recognize any legal right of access for the Sunset Grill owners, agents, employees, or patrons, to be upon either the land or leasehold interests of Turner's Marina, because Turner's Marina contends that the portion of the Clubhouse Complex being used by the Sunset Grill is in fact, a portion of the leasehold interest conveyed to the original Developer by the June 12, 1981 Lease, of which Turner's Marina is now the assignee. And that Lease specifically prohibits the association from entering any other leases regarding the property, meaning from our perspective that the association has no legal ability to lease the property to you nor to allow any usage by any other lessee, of the property located behind the rental office. This gratuitous, revocable temporary license is given despite that legal stance in order to allow the Sunset Grill to continue operations during the pendency of this litigation. However, no waiver of our legal position should be implied by this action; Turner's Marina is simply trying in good faith to comply with the demands of the owner's association to strictly enforce the terms of the Lease in an even-handed, fair way while we await a court ruling as the legal rights set forth in the Lease. Please contact me if you have any questions about this issue.

The second purpose of this letter is to deliver to both of you, subpoenas for copies of documents that important in this litigation. You do not need to appear at 5:00 p.m. on the 16th of August. Just have the copies here by then. I believe the attached description of the documents sought is clear, but please let me know if you have any questions. Assuming not, I ask that you also execute the Certificate of Authenticity of Documents attached, which may help us avoid a deposition to authenticate the documents. Thank you.

Yours very truly,



Thomas C. Taylor

TCT/dpt
 Enclosure(s)

cc: Chris Lizzi, Esq. via email attachment with copy of subpoena
 Jennifer Nutter, Esq., via email attachment with copy of subpoena

STATE OF SOUTH CAROLINA

ISSUED BY THE COMMON PLEAS COURT IN THE COUNTY OF BEAUFORT

TURNER'S MARINA LLC, Plaintiff

v.

SUBPOENA IN A CIVIL CASE

R.V. RESORT AND YACHT CLUB OWNERS'
ASSOCIATION, INC., SECURITAS
SERVICES, INC., and MIKE MORALES,
Defendant

Case Number: 2021-CP-07-01085

Pending in Beaufort County

TO: Linda Lockman, 40 Old House Creek Drive, Hilton Head Island, SC 29926

☐ YOU ARE COMMANDED to appear in the above named court at the place, and time specified below to testify in the above case.

PLACE OF TESTIMONY	COURTROOM
	DATE AND TIME , AM

☐ YOU ARE COMMANDED to appear at the place, date, and time specified below to testify at the taking of a deposition in the above case.

PLACE OF DEPOSITION	DATE AND TIME , AM
---------------------	--------------------

☒ YOU ARE COMMANDED to produce and permit inspection and copying of the following documents or objects in your possession, custody or control at the place, date and time specified below (list documents or objects:

SEE ATTACHMENT A TO SUBPOENA

PLACE Law Office of Thomas C. Taylor, LLC., 22 Bow Circle, Suite A, Hilton Head Island, SC 29928	DATE AND TIME August 16, 2021, 5:00 PM
--	--

☐ YOU ARE COMMANDED to permit inspection of the following premises at the date and time specified below.

PREMISES	DATE AND TIME , AM
----------	--------------------

ANY SUBPOENAED ORGANIZATION NOT A PARTY TO THIS IS HEREBY DIRECTED TO RULE 30(b)(6), SOUTH CAROLINA RULES OF CIVIL PROCEDURE, TO FILE A DESIGNATION WITH THE COURT SPECIFYING ONE OR MORE OFFICERS, DIRECTORS, OR MANAGING AGENTS, OR OTHER PERSONS WHO CONSENT TO TESTIFY ON ITS BEHALF, SHALL, SET FORTH, FOR EACH PERSON DESIGNATED, THE MATTERS ON WHICH HE WILL TESTIFY OR PRODUCE DOCUMENTS OR THINGS. THE PERSON SO DESIGNATED TESTIFY AS TO MATTERS KNOWN OR REASONABLY AVAILABLE TO THE ORGANIZATION

I CERTIFY THAT THE SUBPOENA IS ISSUED IN COMPLIANCE WITH RULE 45(e)(1), AND THAT NOTICE AS REQUIRED BY RULE 45(b)(1) HAS BEEN GIVEN TO ALL PARTIES

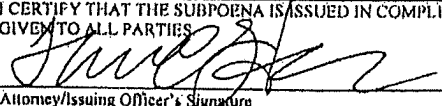
 7/22/2021 Thomas C. Taylor /Attorney for Plaintiff
Attorney/Issuing Officer's Signature Date Print Name
Indicate if Attorney for Plaintiff or Defendant
Attorney's Address and Telephone Number :
P.O. Box 5550, Hilton Head Island, SC 29938 - (843) 785-5050

EXHIBIT A
LINDA LOCKMAN SUBPOENA

July 22, 2021

1. Copies of any and all documents in your possession, custody, or control, referring to, relating to, or otherwise evidencing the relationship between you or that entity known as the "Sunset Grill," 43 Jenkins Road, and the Defendant R.V. Resort and Yacht Club Owner's Association, Inc., or any of its agents, directors, or members, created between June 12, 1981 and the date of your reply to this subpoena. The documents produced shall include, but not be limited to, emails and text messages between you or other representatives of the Sunset Grill and the Defendant's agents, directors, or members.
2. Copies of any and all documents in your possession, custody, or control, referring to, relating to, or otherwise evidencing the relationship between you or that entity known as the "Sunset Grill," 43 Jenkins Road, and Carla Jimenez, Greg Tarbutton, Chris Sibley, Keith Miller, Daniel Hyde, Sarina Bentley, Michael Bombard, Rod Phillips or Butch Puplava, created between June 12, 1981 and the date of your reply to this subpoena. The documents produced shall include, but not be limited to, emails and text messages between you or other representatives of the Sunset Grill and Carla Jimenez, Greg Tarbutton, Chris Sibley, Keith Miller, Daniel Hyde, Sarina Bentley, Michael Bombard, Rod Phillips or Butch Puplava.
3. Copies of any and all documents in your possession, custody, or control, referring to, relating to, or otherwise evidencing the relationship between you or that entity known as the "Sunset Grill," 43 Jenkins Road, and that entity now or formerly known as "BillyBob's Marinas, Inc." or any of its agents, directors, or members, created between June 12, 1981 and the date of your reply to this subpoena. The documents produced shall include, but not be limited to, emails and text messages between you or other representatives of the Sunset Grill and BillyBob's Marinas, Inc.'s agents, directors or members.
4. Copies of any and all documents in your possession, custody, or control, referring to, relating to, or otherwise evidencing any communications between you or that entity known as the "Sunset Grill," 43 Jenkins Road, and any lawyer or employee or agent of a law firm, representing the Defendant R.V. Resort and Yacht Club Owners' Association, Inc.
5. Copies of any and all documents in your possession, custody or control, referring to, relating to or otherwise evidencing any communications between you or that entity known as the "Sunset Grill," 43 Jenkins Road, and any person or individual allegedly having the right to lease or provide access to you, that property within the "Clubhouse complex" at 43 Jenkins Road, Hilton Head Island, SC 29926 where the Sunset Grill is currently operating.

6. Copies of any and all documents in your possession, custody, or control, referring to, relating to, or otherwise evidencing any lease agreements, rental agreements, or other agreements of any form, whereunder you or the Sunset Grill (or any former owners) allegedly acquired the right to operate a restaurant business in the "Clubhouse complex" at 43 Jenkins Road, Hilton Head Island, SC 29926 where the Sunset Grill is currently operating.
7. Copies of all rental checks or other documents evidencing payment(s) to the Defendant R.V. Resort and Yacht Club Owners' Association, Inc., or other Lessor, for usage of the space in the "Clubhouse complex" at 43 Jenkins Road, Hilton Head Island, SC 29926 where the Sunset Grill is currently operating, between January 1, 2010 and the date of your reply to this subpoena.
8. Copies of your or the Sunset Grill's current property insurance policy, and any evidence of "Additionally Insureds" or the like, for that property within the "Clubhouse complex" at 43 Jenkins Road, Hilton Head Island, SC 29926 where the Sunset Grill is currently operating.
9. Copies of your or the Sunset Grill's business license applications and/or business license reports to Beaufort County, SC, for the years 2015 through 2021, including copies of all supporting documents submitted with same.
10. Copies of any and all documents in your possession, custody, or control, referring to, relating to, or otherwise evidencing communications between you or other representatives of the Sunset Grill, and any other individuals regarding Turner's Marina LLC and/or Neil Turner, between January 1, 2017 and your response to this subpoena.
11. Copies of any and all documents in your possession, custody, or control, referring to, relating to, or otherwise evidencing any discussions you have had with any individuals about parking of Sunset Grill patrons, employees, or agents, at the RV Resort, on Jenkins Island Road, or on the property located behind the rental office of Turner's Marina.
12. Copies of any and all documents in your possession, custody, or control, referring to, relating to, or otherwise evidencing in any way, any right, title, or interest you or the Sunset Grill contend exists for employees, agents and/or patrons of the Sunset Grill to walk across, drive across or park on, land owned by Turner's Marina LLC.
13. Copies of any and all documents in your possession, custody, or control, referring to, relating to, or otherwise evidencing in any way, any right, title, or interest you or the Sunset Grill contend exists for employees, agents and/or patrons of the Sunset Grill to walk across, drive across or park on, the land leased by the R.V. Resort and Yacht Club Owners' Association, Inc. to the Outdoor Resort, R.V. Resort and Yacht Club on June 12, 1981. (A copy of that Lease is attached hereto.)

- 
14. Copies of any and all documents in your possession, custody or control, referring to, relating to, or otherwise evidencing any communications (including emails or texts) from any persons to you, or from you to any persons, discussing in any way, the rights (or alleged rights) of you, the Sunset Grill or any guests, employees, agents, or patrons of the Sunset Grill, to use the restroom facilities located in the Clubhouse complex.

STATE OF SOUTH CAROLINA
COUNTY OF BEAUFORT

TURNER'S MARINA LLC

Plaintiff

vs.

R.V. RESORT AND MARINE
CLUB OWNERS'
ASSOCIATION, INC.,
SECURITY SERVICES, INC.,
and MIKE MORALES,

Defendants

IN THE COURT OF COMMON PLEAS
FOURTH JUDICIAL CIRCUIT

Case Number: 2021-CP-07-01085

CERTIFICATE OF AUTHENTICITY
BY
LINDA LOCKMAN

THE UNDERSIGNED HEREBY CERTIFIES that the enclosed documents are a complete, true and accurate copy of all records relating to the above captioned matter, as called for by the Subpoena issued July 29, 2021, and are copies of the records kept in the ordinary course of business.

Signed: _____

Position: _____

Notary's Name: _____

Company Name: _____

Address: _____

Sworn to and subscribed before me:

_____ day of _____, 2021

Notary Public for South Carolina

My Commission Expires: _____

Law Office of Maria Belbas Parker, P.A.

Carolina Building, Suite 116B

21 Office Park Road

Hilton Head Island, South Carolina 29928

MAILING ADDRESS: Post Office Box 7926

Hilton Head Island, South Carolina 29938

843-341-9200

Fax 843-341-9228

E-Mail: Mariabparker@Hargray.com

6/1/06

June 1, 2006

John R.C. Bowen, Esq.

Laughlin and Bowen

P.O. Drawer 21119

Hilton Head Island, South Carolina 29925

RE: Sunset Grille: lease agreement with RV Resort and Yacht Club Owners Association
00027-1

Dear John:

In regard to the above captioned matter, enclosed please find a copy of the fully executed Lease Agreement. The lease was signed in February of this year-- my client brought me a copy earlier in the week-- so I thought you should have a copy for your file as well.

Hope life is treating you well-- and thanks again for your assistance in completing the enclosed lease.

Very truly yours,

Maria Belbas Parker

Enclosure

Signed 2-06

STATE OF SOUTH CAROLINA)

COUNTY OF BEAUFORT)

LEASE AGREEMENT

This Lease Agreement, made and entered into on this ____ day of _____, 2005, by and between RV Resort and Yacht Club Owner's Association, Inc., a South Carolina corporation, (hereinafter referred to as the "Landlord"), and Sunset, Inc., a South Carolina corporation, (hereinafter referred to as the "Tenant").

WITNESSETH:

1. Premises: The Landlord hereby leases to the Tenant, and the Tenant hereby leases from the Landlord, the premises identified as the Recreation Building Restaurant, (hereinafter referred to as the "Premises"), located at 43 Jenkins Rd., Hilton Head Island, SC, and being a portion of the second floor of the building known as the "Recreation Building."

To have and to hold the Premises upon the terms and conditions hereinafter set forth.

2. Landlord's Representations: The Landlord makes the following representations as the basis for the undertakings on its part herein contained:

- (a) Landlord is a not for profit corporation organized, existing and in good standing under the laws of the State of South Carolina and is authorized to do business in the State of South Carolina, and has the power to enter into this Agreement and by proper action has been fully authorized to execute and deliver this Agreement, to enter into the transactions contemplated hereby, and to carry out its obligations hereunder.
- (b) Landlord represents and warrants that it is vested with fee simple title to the Premises, free from all encumbrances other than zoning restrictions, Town of Hilton Head Island or Beaufort County ordinances and real estate taxes not yet due and payable. Landlord intends to, and reserves the right to, convey the Premises during the term hereof, but subject to this Lease Agreement.

3. Tenant's Representations: The Tenant makes the following representations as the basis for the undertakings on its part herein contained:

- (a) The Tenant is a for profit corporation, organized, existing and in good standing under the laws of the State of South Carolina, and by proper action has been duly authorized to execute and deliver this Agreement, to enter into the transactions contemplated hereby, and to carry out its obligations hereunder.
- (b) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the

terms and conditions of this Agreement, conflict with or result in a breach of any of the terms, conditions or provisions of any restrictions or any agreement or instrument to which the Tenant is now a party or by which it is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Tenant under the terms of any instrument or agreement.

- ©) In the making of this Lease, Tenant represents that Landlord has made no warranty, express or implied, as to the condition of the Premises or that it will be suitable for Tenant's purposes or needs. Landlord has agreed to make repairs to the outside deck off the restaurant; and, once these repairs are made, Tenant accepts the premises "as is".

4. Term: The term of this lease shall be for a period of two (2) years, beginning on May 1, 2005, and ending at midnight on April 30, 2007, unless sooner terminated as hereinafter provided. Termination shall be without the necessity of any notice from either Landlord or Tenant and Tenant hereby waives notice to vacate the Premises and agrees that Landlord shall be entitled to the benefit of all provisions of law respecting the summary recovery of possession of premises from a Tenant holding over to the same extent as if statutory notice had been given. Tenant is granted the option(s) to renew this lease subject to the rental amounts and such other terms stated in Paragraph 36 of this Lease Agreement.

5. Possession: If the Tenant accepts possession of the premises before the commencement date specified hereinabove, the term and rental shall commence on such earlier date.

6. Rent: The Tenant shall pay to the Landlord rental as follows:

- (i) For the period from May 1, 2005 to and including April 30, 2006, the Tenant shall pay to the Landlord a rental of One Thousand Eight Hundred and Nineteen Dollars and 13/100 (\$1,819.13) per month, in advance, by the first day of each and every calendar month; and
- (ii) For the period beginning May 1, 2006 and for the remainder of the term of this Lease Agreement, Tenant shall pay to Landlord a rental of One Thousand Nine Hundred and Ten Dollars and 08/100 (\$1,910.08) per month, in advance, by the first day of each and every calendar month.
- (iii) All rent payments shall be made to Landlord's office in Hilton Head Island, South Carolina, or at such other place as the Landlord may designate in writing to Tenant. All rents due hereunder which are not received by the Landlord by the tenth (10th) day of each month shall be subject to a delinquency charge of one and one-half percent (1-1/2%) per month on the unpaid balance, occurring from the first day of every month for which rental is due, whichever is the greater. Said delinquency charge shall be subject to the default provisions herein.

7. Payment of Rentals: The obligations of the Tenant to make the payments required in this Lease, and to perform the observe other agreements on its part contained herein shall be absolute and unconditional, irrespective of any defense or any rights of set-off, recoupment or counterclaim it might otherwise have against the Landlord. Any monies paid or expenses incurred by Landlord to correct violations of any of the Tenant's obligations hereunder shall be additional rent.

8. Net Lease: This Lease is a net lease, and the Rent shall be absolutely net to Landlord at all times during the term of this Lease, so that this Lease shall yield to Landlord the full amount of the Rent throughout the term of this Lease. The rent shall be paid to Landlord when due and the other charges to be borne by Tenant under this Agreement shall be paid when due, without notice or demand, and without any abatement, deduction, diminution, suspensions, interruption, deferment, or reduction by reason of any claim, set-off, counterclaim, defense, or any other reason whatsoever. Except to the extent, if any, as expressly provided in this Lease to the contrary, this Lease shall continue in full force and effect during its full term, and the obligations of Tenant under this Lease shall not be released, discharged, or otherwise affected by reason of (i) any damage to or destruction of the Premises or any part thereof or any condemnation of the Premises or any part thereof; (ii) any restriction or prevention of or interference with any use of the Premises or any part thereof; (iii) any inconvenience or interruption or loss of business caused by any present or future legal requirements or insurance requirements; (iv) any claim which Tenant has or might have against Landlord; (v) any failure on the part of Landlord to perform or comply with any of the terms of this Lease or of any other agreement with Tenant (without effect upon Tenant's right, if any, to recover against Landlord for such failure); or (vi) any other occurrence whatsoever, whether similar or dissimilar to the foregoing, and in each case, whether or not Tenant shall have notice or knowledge of any of the foregoing.

9. Use: The Tenant shall use and occupy the Premises solely for the purposes of operating a quality restaurant and lounge, which restaurant and lounge shall comply with all laws, ordinances, orders, or regulations of any lawful authority having jurisdiction over the Premises and the use thereof. Tenant shall not conduct or allow any activities by anyone to be conducted that are restricted by or in violation of the Rules and Regulations published by the Lessor from time to time.

10. Assignment and Subletting: The Tenant shall not, without the prior written consent of the Landlord, assign this Lease or any interest therein. Likewise Tenant may not sublet the Premises or any part thereof without Landlord's written consent. Landlord agrees not to unreasonably reject an Assignee of the Tenant who: a. in Landlord's judgment demonstrates a financial ability to meet all present and future obligations of Tenant b. in Landlord's judgment has a verifiable history of successfully operating a fine dining establishment c. possesses a credit rating that in Landlord's judgment warrants the approval of the Assignee d. agrees to personally guarantee the Lease if requested by Landlord e. agrees to give Landlord a rent deposit in the amount equal to three (3) months rental payment, if requested by Landlord. If Landlord agrees to accept Tenant's Assignee based on the before mentioned terms and conditions, Landlord will release Tenant from his contractual obligations as defined in this Lease Agreement.

11. Improvements: All improvements, alterations and additions to the Premises desired by Tenant shall be made only at Tenant's expense, in good and workmanlike manner and in

accordance with plans and specifications which have been previously approved in writing by the Landlord, which shall not be unreasonably withheld. Landlord reserved the right to approve any contractor, which approval shall not be unreasonably withheld, and to require adequate lien waivers, bonds, permits, licenses and insurance. All improvements and additions made by the Tenant and permanently attached to the Premises, including without limitation all partitions, carpets, ceiling lighting and ceiling fan fixtures, Ansel systems, sinks, door hardware, built-in shelving and cabinets and ceilings, shall remain in the Premises and shall be surrendered to Landlord at the expiration or earlier termination of this Lease. Landlord and Tenant agree that the items identified in Paragraph 15 shall be removed by Tenant at the end of the Lease and shall remain the property of the Tenant.

12. Utilities and Service: Tenant shall, during the term hereof, at its own expense, pay all charges for all utilities of the restaurant including electric power, sewage, propane/gas, and telephone charges. Water is to be supplied by Landlord.

13. Maintenance: Landlord shall be responsible for service and maintenance of all roofs, exterior parking, stairs, and restrooms of the Premises and shall keep the same in good repair. Tenant will be responsible for keeping the stairs and walkways clear of all spills and blockages created by its customers, employees, or agents. Landlord shall, except as hereinafter set forth, make all necessary repairs, replacements, and renewals in order to maintain such good repair and condition. Tenant is to give Landlord written notice of any deficiency and Landlord is to take appropriate action to correct the deficiency in a timely manner. Tenant is to take all prudent and available steps to protect all property and continue his business until the repairs are completed. Tenant hereby holds Landlord harmless for any consequential damages or defects arising from operations by Tenant or any such repair made by Tenant or Tenant's contractor, and agrees to make repairs to correct deficiencies at Tenant's own expense. The Tenant shall, at its own and sole expense, be responsible for all repairs, maintenance and service of heating and air conditioning systems as well as the acquisition, maintenance, cleaning, and repair of all of its personal property and restaurant equipment including, but not limited to stoves, ovens, coolers, freezers, dishwashing equipment, grease trap, kitchen equipment, refrigerators, fire suppression equipment, Ansel [sic] system, ice machines, sinks, dish machines, and all plumbing, piping and wiring associated with Tenants personal property and restaurant equipment. In the event that fire suppression equipment and/or the Ansel system must be replaced, such replacement shall be at the sole expense of the Tenant. Landlord shall not be liable for loss or damage to Tenant's property resulting from any defective condition in or about the Premises. Tenant shall surrender same to Landlord at the expiration or earlier termination of this Lease in as good condition as they were when received (or subsequently improved or altered), normal wear and tear excepted. The Tenant shall be responsible for simple repairs and ordinary maintenance including, but not limited to, painting and flooring. Lessee further agrees to change the air filters for the heating and air conditioning system for the Property on a regular basis (at the sole cost of the Lessee).

14. Operation by Tenant: In regard to use and occupancy of the Premises, Tenant shall, in the opinion of the Landlord, (a) keep all exterior surfaces of the Premises clean; (b) replace promptly, at its expense, any cracked or broken plate or window glass of the premises with glass of like kind and quality; (c) replace the entry door(s), interior doors, and all door locks with doors and locks of like kind and quality should entry or interior doors or locks be damaged; (d) maintain the Premises at its expense in a clean, orderly and sanitary condition and free of insects, rodents, vermin and other pests;

(e) keep any garbage, trash, rubbish or refuse in proper containers which containers shall be located below the outside stairway closest to the ICW and behind the building; (f) have such garbage, trash, rubbish and refuse removed at its expense on a regular basis; (g) comply with all laws, ordinances, rules and regulations of governmental authorities and all recommendations of the Fire Underwriters Rating Bureau now or hereafter in effect; and Tenant shall not (h) do or suffer to be done, or keep or suffer to be kept, anything in, upon or about the Premises which will contravene policies insuring against loss or damage by fire or other hazards (including, without limitation, public liability) or which will prevent Tenant from procuring such policies in companies acceptable to Landlord.

15. Property of Tenant: Tenant may, and at the expiration or earlier termination hereof shall remove all furniture, equipment, and other personal property including the antique bar, beveled glass mirror and shelving behind bar, stoves, ovens, dishwashers, ice maker, refrigeration equipment, tables, and chairs, window treatments, and other furnishings and equipment which Tenant shall have placed in the Premises, other than personal property or fixtures which revert to the Landlord as set forth in Section 11 of this Agreement. All such property, including the property to revert to Landlord, shall, during the term thereof, be at the risk of Tenant only, and Landlord shall not be liable for any loss thereof or damage thereto resulting from any cause whatsoever; and each policy of insurance covering such property shall contain a standard waiver of subrogation endorsement. Any such property not removed at the expiration or earlier termination of this Lease, or which cannot be removed without permanent or substantial damage to the Premises, shall be deemed abandoned and may be disposed of by the Landlord in any manner whatsoever. Tenant is to repair any damage caused by the removal of any personal property or equipment from the premises.

16. Taxes: Landlord shall pay all real estate taxes assessed on the Premises. All other taxes and assessments of every kind or nature imposed or assessed upon the restaurant operation or with respect to its furnishings, fixtures, and equipment shall be the responsibility of the Tenant.

17. Insurance Required: At its sole expense, Tenant shall keep the Tenant's trade fixtures, merchandise, operating equipment, personal property, leasehold furnishings, now or hereafter located on or about the Property insured against loss by fire and all of the risk and perils, including without limitation sprinkler damage, vandalism, malicious mischief and other such coverage usually covered by an extended coverage endorsement to a policy of fire and casualty insurance upon property comparable to the property, including plate glass insurance, especially for the interest of the Tenant, in an amount equal to not less than the full replacement cost thereof. Tenant shall further keep in force at its expense as long as this Lease Agreement remains in effect and during such other time as Tenant occupies the Premises or any part thereof the following contracts of insurance:

- (1) Comprehensive General Liability Policy with limits as follows:
 - (i) \$1,000,000 per occurrence \$2,000,000 aggregate;
 - (ii) \$100,000 Fire, Legal liability; and,
 - (iii) \$5,000 Medical payments.

RV Resort & Yacht Club Owners Association, Inc shall be endorsed on such policy as Additional Named Insured.

- (2) Liquor Legal Liability Insurance.
- (3) Workers Compensation Insurance covering all employees of the Tenant.

Tenant shall supply to Landlord on April 1st of each year a valid certificate of insurance for these policies containing provision for a thirty (30) day written notice of cancellation. Tenant agrees to waive subrogation against the Landlord for any and all losses arising out of the loss or damage to Tenant's contents, whether or not such contents are insured at the time of loss. Landlord shall deem non-compliance with any of the foregoing provisions cause for termination of this Lease upon ten days written notice to Tenant.

18. Signs and Advertising: Tenant shall not place or suffer to be placed or maintained on the Premises, any sign, advertising matter or any other thing of any kind, and will not place or maintain any decoration, lettering or advertising matter on the glass of any window or door of the Premises without first obtaining Landlord's written approval which will not be unreasonably withheld. Tenant shall maintain such sign, decoration, lettering, advertising matter or other things as may be approved by Landlord, in good condition and repair at all times and shall remove all such sign, decoration, lettering and advertising matter at the termination of this Lease Agreement.

19. Damage or Destruction by Casualty: If the Premises are partially destroyed by fire or other casualty, rental shall not abate and Tenant shall receive all insurance proceeds and, at its own expense, promptly restore the Premises to substantially the same condition as existed before; provided, however, Landlord may by notice to Tenant within thirty (30) days after the date of damage or destruction to all or substantially all of the Building on the Premises elect, at its option, not to require the restoration or repair of the Premises and Tenant may thereafter, at its option, cancel this Lease.

20. Eminent Domain: If the whole of the Premises be taken under the power of eminent domain (including any conveyance in lieu thereof), then the term hereof shall cease as of the date possession thereof is taken by the condemnor, and rental shall be accounted for as between Landlord and Tenant as of that date. If any lesser portion of the Premises is thus taken which exceeds Twenty (20%) percent of the Premises, rental shall abate in the proportion the floor area taken bears to the total floor area of the building on the Premises used at the time of taking. Tenant shall not have any right or claim to any part of any award made to or received by Landlord for such taking or right or claim against Landlord for the value of the then unexpired term of the Lease; provided, however, Tenant shall not be prevented from making a claim against the condemnor (but not against Landlord) for the depreciated value of any improvements made to the Premises by Tenant, any moving expenses, loss of profits, or taking of its personal property (other than its leasehold interest) to which Tenant may be entitled.

21. Indemnity: Tenant shall defend, indemnify and hold harmless the Landlord from and against any claims, damages or expenses, whether due to damage to the premises, claims for injuries to persons or property, or administrative or criminal action by a governmental authority, where such claims arise out of or from use or occupancy of the Premises by Tenant, its agents, employees or invitees, except where such damage, claims or penalties are caused by the gross negligence of Landlord, its employees or agents.

22. Landlord's Entry: Landlord may enter the Premises at reasonable times and in a reasonable manner to inspect or exhibit same, and to exercise Landlord's rights under this Lease

Agreement Tenant shall be given, except in an emergency, twenty-four (24) hours prior notice of such entry and an employee of Tenant shall be present at all times during such entry.

23. Events of Default: Any one or more of the following events shall amount to the Event of Default or Default under this Agreement:

- (a) Failure by the Tenant to pay the Rent agreed to be paid, including all other sums of money which may be considered as additional rent in whole or in part at the time specified herein and continuing for a period of fifteen (15) or more days there from.
- (b) Failure of Tenant to provide any certificate required hereunder within the time therein specified.
- (c) Failure of the Tenant to observe and perform any covenant, condition or agreement in this Agreement on the part of the Tenant to be observed or performed within five (5) days after written notice specifying such failure and requesting that it be rendered given to the Tenant and any Guarantor by the Landlord, unless the Landlord shall agree in writing to an extension of such time prior to its expiration.
- (d) To the extent allowed by law, the dissolution or liquidation of the Tenant or the filing by the Tenant of a voluntary petition in bankruptcy or failure by the Tenant promptly to lift any execution, garnishment or attachment of such consequence as will impair the ability of the Tenant to carry on its operations at the Premises, or the commission by the Tenant of any act of bankruptcy, or adjudication of the Tenant as a bankrupt, or assignment by the Tenant for the benefit of its creditors, or the entry by the Tenant into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Tenant in any proceeding for its reorganization instituted under the provision of the general Bankruptcy Act, as amended, or under any similar act in any domestic or foreign jurisdiction which may now be in effect or hereafter entered.

24. Remedies on Default: Whenever any Event of Default shall have happened and be subsisting, the Landlord may take any of the following remedial steps:

- (a) The Landlord, at its option, may declare all rental for the remainder of the lease Term to be immediately due and payable, whereupon the same shall become immediately due and payable.
- (b) The Landlord, with or without terminating this Agreement (at its option), may (i) exclude and remove the Tenant and all persons and contents from the Premises by force, summary proceedings, or otherwise, without being liable to Tenant therefore; (ii) reenter and take possession of the Premises; and (iii) sublease the Premises for the account of the Tenant, holding the Tenant liable for the

difference in the rent and other amounts actually paid by such sub lessee in such subleasing and other amounts payable by the Tenant hereunder, and Tenant shall remain liable for any damages sustained by Landlord, all reasonable costs, professional fees to include attorney fees, and expenses incurred by Landlord in leasing the Premises to another tenant, and in effecting collection of rentals from Tenant.

- ©) The Landlord may take whatever action at law or in equity may appear necessary or desirable to collect the rent and other amounts then due and thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant of the Tenant under this Agreement, including utilization of all provisions of applicable laws respecting the speedy recovery of lands and tenements held over by Tenant and proceedings in forcible entry and detainer. In addition, Tenant shall reimburse Landlord for all costs and expenses, including reasonable attorneys' fee, in connection with the enforcement of the terms and obligations of this Agreement.

No action taken pursuant to this Section shall relieve the Tenant from the Tenant's obligation to pay Rent, all of which shall survive any such action, and the Landlord may take whatever action at law or in equity as may appear necessary and desirable to collect the Rent and other amounts then due and thereafter to become due and/or to enforce the performance and observance of any obligations, agreement or covenant of the Tenant hereunder.

25. Remedies Cumulative Non-Waiver: No remedy herein or otherwise conferred upon or reserved to Landlord or Tenant shall be considered exclusive of any other remedy, but the same shall be distinct, separate and cumulative and shall be in addition to every other remedy given hereunder, or not or hereafter existing at law or in equity; and every power and remedy given by this Lease Agreement may be exercised from time to time as often as occasion may arise or as may be deemed expedient. No delay or omission of Landlord to exercise any right or power arising from any default on the part of Tenant shall impair any such right or power, or shall be construed to be a waiver of any such default, or an acquiescence therein. No delay or omission of Tenant to exercise any power or right arising from any default on the part of Landlord shall impair any such right or power, or shall be construed to be a waiver of any such default, or an acquiescence therein. The acceptance of rent by Landlord without knowledge of a default by Tenant hereunder shall not constitute a waiver of such default.

26. Quiet Enjoyment. If Tenant shall pay the Rent and perform and observe all of the other covenants and conditions to be performed and observed by it hereunder, Tenant shall at all times during the term hereof have the peaceable and quiet enjoyment of the Premises without interference from Landlord or any person lawfully claiming through Landlord, subject, however, to the terms of any mortgages or deeds of trust provided for in paragraph 28 hereof. Landlord shall have no responsibility or liability whatsoever for the loss of any property of Tenant resulting from theft, trespass, breaking and entering and the like.

27. Estoppel Certificate: Within ten (10) days after written request thereof by the Landlord or any mortgagee or trustee under a mortgage or deed of trust covering the Premises, Tenant shall deliver in recordable form a statement to any mortgagee, trustee or other transferee, or to Landlord, certifying any facts that are then true with respect to this Lease Agreement, including without limitation (if such be the case) that this Lease Agreement is in full force and effect, that Tenant is in possession, that Tenant has commenced the payment of Rent, and that Tenant claims no defense or set-off to the due and full performance of its obligations under this Lease Agreement.

28. Subordination and Attornment: Tenant agrees that this Lease shall be subject and subordinate to any mortgages, deeds of trust now or hereafter placed upon the Premises and to all modifications thereto, and to all present and future advances made with respect to any such mortgage or deed of trust. Tenant agrees to attorn to the mortgagee, trustee, or beneficiary under any such mortgage or deed of trust, and to the purchaser at a sale pursuant to the foreclosure thereof, and to the lessor in the event of a termination of any such prior lease. Provided, however, that so long as Tenant shall not be in default under this Lease, its rights of possession and enjoyment of the Premises shall be and remain undisturbed and unaffected by said mortgage or deed of trust or by any foreclosure proceedings thereunder, and any subordination agreement executed pursuant to this paragraph shall contain language specifically so providing.

29. Notices: All notices provided for in this Lease Agreement shall be in writing and shall be deemed to be given when sent by registered or certified mail, return receipt requested, postage prepaid, and addressed as follows:

If to the Landlord: RV Resort & Yacht Club Owners Association
P.O. Box 23874
Hilton Head Island, SC 29925

If to the Tenant: Sunset, Inc.
40 Old House Creek Drive
Hilton Head Island, SC 29928

Notice shall also be sent to the holder or holders of any mortgage or deed of trust covering the Premises at such address as such holder or holders may have given by notice as herein provided. Either party hereto, or any such holder, may from time to time, by notice as herein provided, designate a different address to which notices to it shall be sent.

30. Subordination: In no event shall Landlord's interest in the Premises, or any part thereof, be subordinate or junior to the lien of any mortgage or deed of trust covering Tenant's interest in the Premises.

31. Governing Law: This Lease Agreement shall be construed and enforced in accordance with the laws of the State of South Carolina.

32. Successors: This Lease Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors and permitted assigns, except as otherwise provided for in this Lease Agreement.

33. Short Form Memorandum: Each party agrees to execute upon request a short form of this Lease Agreement for purposes of recordation, the cost of which shall be borne by the Tenant. The Tenant shall pay all lease stamps due upon the execution of this Lease and any extension or extensions thereof.

34. Nature and Extent of Agreement: This Lease Agreement, including the exhibits attached hereto, contains the complete agreement between the parties regarding the terms and conditions of the lease of the Premises, and there are no oral or written conditions, terms or warranties, understands or other agreements pertaining thereto which have not been incorporated herein. This Lease Agreement may be modified only by written instrument duly executed by both parties or their respective successors in interest.

35. Holding Over: This Lease expires at the end of the term defined herein, but it is expressly understood that if Tenant holds over for another month at the end of said term for any purpose other than the removal of its property, and Landlord accepts rent for said month, such acceptance shall operate as a renewal of the tenancy for another month and for each additional month for which Landlord accepts rent. Should Landlord require possession of the Premises, it shall give Tenant thirty (30) days to vacate the said premises during such holdover period.

36. Renewal Term: Lessee, having first fully performed all of its obligations, terms, conditions, and covenants hereunder, and having paid all of the rent payable to Lessor under the original term is hereby granted the right and option to renew this lease for two (2) additional terms as hereinafter specified, with the annual increases in rent to be paid as set forth below. Except for the rents, all other terms and conditions set forth in this Lease shall remain unchanged and in effect for the renewal terms unless the parties shall agree in writing to a modification of the terms.

- (a) The renewal term rental amounts for Renewal Term 1 are:
 - May 1, 2007 through April 30, 2008 \$24,067.03 per annum (\$2,005.59 per mo.)
 - May 1, 2008 through April 30, 2009 \$25,270.38 per annum (\$2,105.87 per mo.)
- (b) Tenant is granted an additional three (3) year renewal option (May 1, 2009 through April 30, 2012) as Renewal Term 2. The annual rental amounts for each year of the additional three (3) year term shall not be increased by more than 5% over the preceding year's annual rent.

37. Material Change. Any transfer, sale, or change whatsoever in ownership of fifty percent or more of the outstanding shares of stock of Sunset, Inc., which at the time of signing this agreement is hereby represented by the Tenant to be owned by Hugh and Linda Lockman, will be considered a material change and will be cause for termination of this Lease Agreement if so chosen by Landlord.

38. Deposit. The Lessee has previously furnished to Landlord a deposit of one thousand dollars (\$1000). This deposit may be used by Landlord upon termination of this lease as an offset against any unpaid rent, costs incurred by Landlord for cleaning or making repairs that are the responsibility of the Tenant, replacement of any equipment or furnishings that are to remain as part of the premises upon termination of the Lease. Should Landlord use all or any portion of the security deposit as described herein, Landlord shall provide Lessee with a complete itemization of all monies deducted from the security deposit.

In Witness Whereof, the parties hereto have hereunto set their respective Hands and Seals on the day and year first hereinabove written.

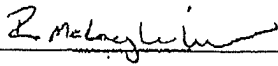
WITNESSES:

LANDLORD

RV Resort & Yacht Club Owner's Association, Inc.

By:

Its:

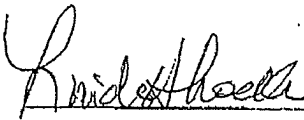


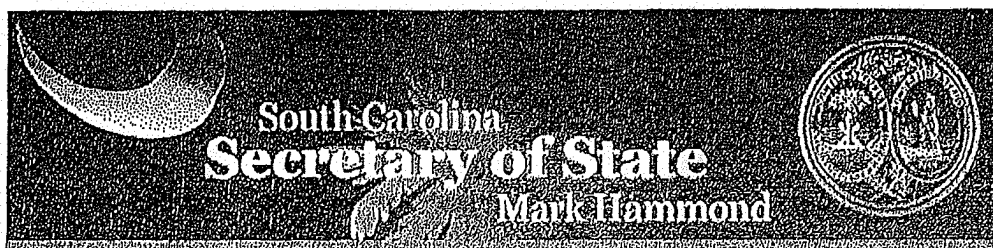
TENANT

Sunset, Inc.

By:

Its:



**SUNSET, INC.**

Note: This online database was last updated on 6/18/2014 6:02:08 PM.

See our Disclaimer.

DOMESTIC / FOREIGN:	Domestic
STATUS:	Good Standing
STATE OF INCORPORATION	SOUTH CAROLINA
/ ORGANIZATION:	Profit

REGISTERED AGENT INFORMATION

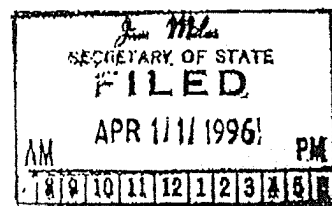
REGISTERED AGENT NAME:	LINDA H LOCKMAN
ADDRESS:	16 COMPASS POINT
CITY:	HILTON HEAD ISLAND
STATE:	SC
ZIP:	29928
SECOND ADDRESS:	
FILE DATE:	04/11/1996
EFFECTIVE DATE:	04/11/1996
DISSOLVED DATE:	//

Corporation History Records

CODE	FILE DATE	COMMENT	Document
Incorporation	04/11/1996	INCORPORATION	Image

Disclaimer: The South Carolina Secretary of State's Business Filings database is provided as a convenience to our customers to research information on business entities filed with our office. Updates are uploaded every 48 hours. Users are advised that the Secretary of State, the State of South Carolina or any agency, officer or employee of the State of South Carolina does not guarantee the accuracy, reliability or timeliness of such information, as it is the responsibility of the business entity to inform the Secretary of State of any updated information. While every effort is made to insure the reliability of this information, portions may be incorrect or not current. Any person or entity who relies on information obtained from this database does so at his own risk.

STATE OF SOUTH CAROLINA
 SECRETARY OF STATE
 ARTICLES OF INCORPORATION
 FOR A
 STATUTORY CLOSE CORPORATION



1. The name of the proposed corporation is Sunset, Inc.
2. This corporation is a statutory close corporation, pursuant to Chapter 18, Title 33 of the 1976 South Carolina Code, as amended.
3. The initial registered office of the corporation is 16 Compass Point, Hilton Head Island, Beaufort County, South Carolina 29928 and the initial registered agent at such address is Linda H. Lockman.
4. The corporation is authorized to issue shares of stock as follows. Complete a or b, whichever is applicable:
 - a. ☒ If the corporation is authorized to issue a single class of shares, the total number of shares authorized is one thousand (1,000).
 - b. ☐ The corporation is authorized to issue more than one class of shares:

Class of Shares	Authorized No. of Each Class

If shares are divided into two or more classes or if any class of shares is divided into series within a class, the relative rights, preferences, and limitations of the shares of each class, and of each series within a class, are as follows:

not applicable

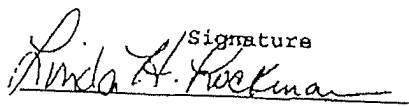
5. The existence of the corporation shall begin as of the filing date with the Secretary of State unless otherwise indicated (See §33-1-230(b)): upon incorporation.
6. Unless specified otherwise below, the transfer of shares of stock of the corporation shall be subject to the restrictions set out in §§33-18-110 through 33-18-130 of the 1976 South Carolina Code, as amended. Specify any variations in the statutory format in §§33-18-110 through 33-18-130:
 none
7. Unless otherwise specified below the corporation shall have a board of directors (See §33-18-210 of the 1976):
xxx This corporation elects not to have a board of directors.
8. Check, if applicable:

☐ This corporation elects to have the provisions of §§33-18-140 thru 33-18-170 of the 1976 Code, which give the estate of a deceased shareholder the right to compel the corporation to purchase the deceased shareholder's shares, apply. Specify any variations in the statutory format in §§33-18-140 through 33-18-170:

9. The optional provisions which the corporation elects to include in the articles of incorporation are as follows (see §33-2-102 and the applicable comments thereto; and §§33-18-330, 35-2-105, and 35-2-221 the 1976 South Carolina Code):

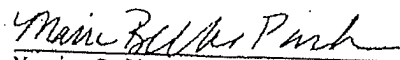
None

10. The name and address and signature of each incorporator is as follows (only one is required);

Name	Address	Signature
Linda H. Lockman	16 Compass Point Hilton Head, SC 29928	

11. I, Maria Belbas Parker, an attorney licensed to practice in the State of South Carolina, certify that the corporation, to whose articles of incorporation this certificate is attached, has complied with the requirements of Chapter 2, Title 33 of the 1976 South Carolina Code relating to the articles of incorporation.

Date: April 3, 1996


 Maria Belbas Parker, Attorney
 Law Offices of John P. Qualey, Jr.,
 P.A.
 P.O. Box 10
 Hilton Head, SC 29938
 (803) 785-3525

lockman.art

7/30/21

ADMITTED TO THE UNITED STATES
SUPREME COURT BAR

ADMITTED IN SOUTH CAROLINA
AND GEORGIA

CERTIFIED CIRCUIT
COURT MEDIATOR

LAW OFFICE OF
THOMAS C. TAYLOR, LLC

22 BOW CIRCLE
SUITE A
HILTON HEAD ISLAND, SC 29928

TELEPHONE 843-785-5050
TELECOPIER 843-785-5030
www.thomastaylorlaw.com • tom@thomastaylorlaw.com

MAILING ADDRESS
P.O. BOX 5550
HILTON HEAD ISLAND, SC
29938

July 30, 2021

Via email transmittal to russell@russellpattersonlaw.com

Russell Patterson, Esq.
Russell P. Patterson, P.A.
P.O. Box 8047
Hilton Head Island, SC 29938

Re: Turner's Marina, LLC and it's 99 year lease

Dear Russell:

I have received your letter dated July 29, 2021 on behalf of your clients, the Lockmans and Sunset, Inc., replying to my letter to the Lockmans dated July 22, 2021. I am also in receipt of your email of 1:34 p.m. today. Thank you for them both.

As my letter to the Lockmans indicated, I represent Turner's Marina LLC ("TMLLC"). TMLLC is the assignee of Lessee's interest in that 99-year Lease dated June 12, 1981, between the R.V. Resort And Yacht Club Owner's Association, Inc. ("RYCOA"), as Lessor, and Outdoor Resort, R.V. Resort and Yacht Club, as Lessee. A copy of that recorded Lease is attached for your reference.

As you will see from a review of the Lease, TMLLC is the exclusive lessee of Recreational Facilities, "which include, among other things, a swimming pool, two tennis courts, decking, bathhouse, and certain portions of the Clubhouse complex," plus the appurtenances, tenements and hereditaments, "and together with all improvements, buildings and structures now or hereafter placed thereon...." Of critical importance to your clients is the proviso of the Lease stating "This is an exclusive Lease to the Lessee, under circumstances where the Lessor shall not be entitled to enter into any other leases with any other lessees while this Lease is in effect without the prior written consent of the Lessee." The only individuals that have any right of use to the leasehold premises aside from TMLLC and its assigns, and their agents, officers, employees and guests, are Lot Owners, who have the right to use, occupy and enjoy the leasehold premises also.

TMLLC contends that the restaurant space is part of the demised premises under the Lease because it is clearly a portion of the specific property called out in the Lease description. As such, the RYCOA has no ability to lease the restaurant space to anyone under the plain wording of the Lease, absent TMLLC's written consent, which has never been given. Mr. Lizzi and the RYCOA apparently disagree with the terms of the Lease, given the fact that they have apparently leased out

EXHIBIT

3

the space and collected rent thereon for years. Thus, TMLLC has asked the circuit court for a declaration of rights and was, until May 28, 2021, prepared to await a court's resolution.

The supposed "dispute" over whether the restaurant space is a portion of the demised premises under the Lease is a completely separate issue from whether or not the asphalt "parking" area behind the rental office is a portion of the demised premises. I believe everyone is in agreement that this current "parking" area is absolutely a portion of the demised premises, and thus is the exclusive province of TMLLC subject only to the right of specific Lot Owners to "use, occupy and enjoy" the parking lot also. Your clients have no rights whatsoever to park there or have their customers park there. However, in a good faith effort to resolve these legal disputes with the least possible disruption to anyone's business, TMLLC was (until May 28, 2021) willing to allow restaurant customers to occasionally park on its leasehold premises until a court issues an order clarifying the conflicting claims. Unfortunately, the RYCOA and its counsel on May 28, 2021, notified TMLLC of its insistence that the strict terms of the 99-year Lease be applied, and notified TMLLC that as of June 5, 2021, the RYCOA was going to physically change signage in TMLLC's leasehold, deny TMLLC's guests and assigns access to the parking lot, and further deny TMLLC's assigns and guests, use of the pool facilities and restroom facilities. In reply, TMLLC advised the RYCOA that it would, reserving its claims until trial or court order, adhere to the RYCOA's demands to strictly enforce the terms of the Lease as the RYCOA reads them, and Mr. Turner went about at TMLLC's sole cost and effort, to arrange parking for its assigns and guests, and provided temporary restrooms and hand washing facilities for their use. TMLLC is being damaged on a daily basis by the RYCOA's actions, but is doing all it can to continue its business operations until trial.

So, in specific reply to your letter, TMLLC will not allow Sunset or its customers to access the parking lot behind the rental office as of August 4, 2021, because neither Sunset nor its customers have any legal right to do so, and the RYCOA has insisted that TMLLC enforce the terms of the Lease (as the RYCOA reads it) until trial or order of the court. Further to this issue, I must point out that you are mis-informed as to the history of your client's parking behind the rental office. There has not been any "25 + years of use of said facilities." The parking lot as it stands now was only created in 2014 when the RYCOA failed so miserably at maintaining the tennis courts, that they were torn down, dug up and paved over to create the parking lot. The truth of the matter is that your client's customers have historically parked along the shoulder of Jenkin's Road until the RYCOA and its agents, in deliberate actions to hurt TMLLC and Neil Turner, cajoled the County and the SCDOT to erect and enforce "no parking" zones along the shoulders of Jenkins Road. There has been no historic usage of the parking lot by your clients nor their customers, and there is no legal basis to contend that. (Of course Russell, if you have any documentation that established some legal right, please forward me copies. We couldn't even get the RYCOA to provide us with a copy of the lease your client must have for the premises.)

Further to the parking issues, you are also misinformed as to the history of your client's lunch service. In your letter, you assert that "My client has already had to discontinue serving lunch due to parking issues" in an apparent attempt to buttress a claim of damages emanating from your client's loss of lunch revenues. I am advised that, in truth, your client discontinued serving lunch during the "Covid-19 shut-down" and that it had nothing to do with alleged parking issues. I further understand that your client may have been cited during this time for operating the

restaurant in violation of the the Covid-19 shutdown, and was forced by local authorities to curtail operations. I think this would be important if there is any attempt made to convince a court in an emergency setting that parking issues allegedly created by my client somehow contributed to your client's business problems in the last year.

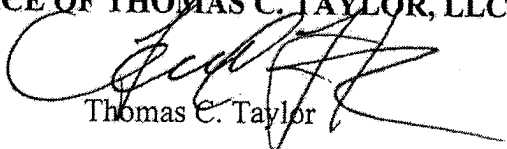
* As to restroom access, since the RYCOA has prohibited TMLLC's assigns and guests from usage of the "bathhouse" facilities called out in the exclusive 99-year Lease to TMLLC, the lessee really has no choice but to prohibit the RYCOA's assigns and guests (which seems to me to be the highest standard that your client and its customers could achieve), from using the same facilities. However, TMLLC in good faith and in hopes that it will help your clients as we move through this legal process, will at TMLCC's cost, provide your clients, their employees and their customers, use of the four temporary restroom facilities and four temporary hand-washing stations that the RYCOA's actions of May 28, 2021 have forced upon TMLLC in order to continue its business operations. These "port-a-potties" and the hand-washing stations are located on TMLLC's property near the dock, but Mr. Turner will gladly have two of them moved onto the parking lot of its demised premises if your clients would like to use them. Your clients, their employees and their customers may feel free to share the temporary facilities with TMLLC's assigns and guests until time of trial.

As a final matter since you are threatening to seek the court's intervention through a TRO, please keep in mind that TMLLC has, at no charge, previously granted your clients a temporary license/easement for pedestrian access across the private property of TMLLC located between Jenkins Road and the restaurant, and has graciously agreed, without charge, to allow your client's suppliers to cross its private property for their business interests. I remind you and your clients that they have no legal right of access across this private property of TMLLC and that the temporary license/easement may be withdrawn at any time. Finally to this point Russell, I once again note that I may be unaware of documentation in your client's possession (or yours) that establishes some legitimate legal claim of access across the private property of TMLLC, and if such exists, I ask that you kindly share it with me now and I'll discuss it with my client. Thank you.

I will be out-of-town until approximately noon on Monday, August 2, 2021, but can be reached by cell at 843-301-6900 if you need me for any type of action. Thank you. I hope you have a nice weekend.

Cordially yours,

LAW OFFICE OF THOMAS C. TAYLOR, LLC


Thomas C. Taylor

TCT/dpt

cc: Mr. Turner via E-mail attachment

STATE OF SOUTH CAROLINA)
COUNTY OF BEAUFORT)
TURNER'S MARINA LLC,)
Plaintiff,)
vs.)
R.V. RESORT AND YACHT)
CLUB OWNERS')
ASSOCIATION, INC., SECURITAS)
SERVICES, LLC, and)
MIKE MORALES,)
Defendants.)

IN THE COURT OF COMMON PLEAS
FOURTEENTH JUDICIAL CIRCUIT
CIVIL ACTION NO.: 2021-CP-07-01085

**AFFIDAVIT OF
LINDA H. LOCKMAN**

PERSONALLY APPEARED before me, Linda H. Lockman, who, being first duly sworn,
does state as follows:

1. She is an adult and competent to make this affidavit.
2. Sunset Inc. – That she and her husband own Sunset, Inc. d/b/a Sunset Grill, a high-end restaurant located at the R.V. Resort (“Outdoor Resort”) on Jenkins Island, adjacent to Hilton Head Island (“Sunset Grill”).
3. Lease – That Sunset Grill leases the second floor of the main building at Outdoor Resort pursuant to that certain Lease Agreement with RV Resort and Yacht Club Owner’s Association, Inc. (“HOA”), dated February 2006, a copy of which is attached hereto as Exhibit 1 (“Lease”). That the Sunset Grill has made all payments under the Lease.
4. Operation of Sunset Grill – That she and her husband have operated the Sunset Grill at its current location for over twenty-five (25) years.

5. Restaurant Operation/Employees – That the Sunset Grill has eleven(11) employees and on an average night serves about sixty(60) patrons. That it is open for dinner from 6:00 p.m. to 9:00 p.m. each night and offers a Sunday Brunch from 11:00 a.m. to 1:30 p.m.

6. Parking – For a substantial period of time during the e twenty-five (25) years of operation, the employees and patrons of the restaurant have parked their cars in the adjoining parking lot, including the parking areas behind the rental office (“Parking Lot”).

7. Restroom – The building where the Sunset Grill is located consists of two stories. The restaurant and kitchen are on the second floor, where there are no restroom facilities. **The only restroom facility available to the restaurant employees and patrons is a common restroom located on the first floor of the building** (“Restroom”).

8. Turner Marine LLC Threat to Prevent Sunset Grill’s Use of Parking Lot and Restroom on August 4, 2021 – By letter of July 22, 2021, Thomas C. Taylor, counsel for Turner Marine LLC (“Turner”), which apparently holds or claims certain rights to certain properties at the Outdoor Resort complex, stated that the use of the Parking Lot and Restroom must cease on the following day, July 23, 2021. (Letter attached as Exhibit 2). That she is informed and believes said deadline was extended by Turner until Wednesday, August 4, 2021. (See: Letter of Thomas C. Taylor, attached as Exhibit 3).

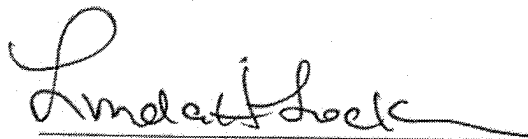
9. Impact of Closure of Parking Lot and Restroom – With the closure on August 4, 2021 of the Parking Lot and Restroom, it is obvious the Sunset Grill will **have to immediately shut down**. This is the height of the tourist season, with the restaurant already booked with reservations. In addition to the loss of revenue, the restaurant will be forced to lay-off its staff,

dispose of all food inventory and turn away all walk-in customers. The damages from such a shut down will be very, very significant, not including the loss of goodwill.

10. Historical Use – That the Sunset Grill has been in operation for over twenty-five (25) years, at all times using the Restroom. She is informed and believes Neil A. Turner (“Mr. Turner”), the principal over at Turner’s Marina LLC, prior to his purchase of the marina facility about three (3) years ago, work for about ten (10) years with the prior owner, working in all phases of the operation of said business. She is thus informed and believes that for at least the last thirteen (13) years (10 + 3), Mr. Turner has been very much aware of Sunset Grill’s operation and use of the Parking Lot and Restroom. Prior to the receipt of Thomas C. Taylor’s letter of July 22, 2021 giving her one (1) day to discontinue use of said facilities, she had never been advised by Mr. Turner or his company she was using facilities that were not included in her Lease, or that in fact the Lease she has been operating under for over twenty-five (25) years is somehow invalid.

11. Request for Protection – That the Sunset Grill has not been a party or involved in any way with the ongoing legal battles between Turner and the HOA. She is simply a restaurant operator who has faced and overcome unparalleled challenges over the last nineteen (19) months with COVID-19 and related issues. She is now being threatened with the complete shutdown of her restaurant through no fault of her own. She would request the Court allow her the continued use of the Parking Lot and Restroom until a Court issues a final decision in the numerous disputes between Turner and the HOA.

Further Sayeth Affiant Not.


Linda H. Lockman

SWORN to before me this
31 day of July, 2021.


Notary Public for South Carolina
Notary Name: Melinda B. Lee
My Commission Expires: _____



STATE OF SOUTH CAROLINA

COUNTY OF BEAUFORT

LEASE AGREEMENT

This Lease Agreement, made and entered into on this ____ day of _____, 2005, by and between RV Resort and Yacht Club Owner's Association, Inc., a South Carolina corporation, (hereinafter referred to as the "Landlord"), and Sunset, Inc., a South Carolina corporation, (hereinafter referred to as the "Tenant").

WITNESSETH:

1. Premises: The Landlord hereby leases to the Tenant, and the Tenant hereby leases from the Landlord, the premises identified as the Recreation Building Restaurant, (hereinafter referred to as the "Premises"), located at 43 Jenkins Rd., Hilton Head Island, SC, and being a portion of the second floor of the building known as the "Recreation Building."

To have and to hold the Premises upon the terms and conditions hereinafter set forth.

2. Landlord's Representations: The Landlord makes the following representations as the basis for the undertakings on its part herein contained:

- (a) Landlord is a not for profit corporation organized, existing and in good standing under the laws of the State of South Carolina and is authorized to do business in the State of South Carolina, and has the power to enter into this Agreement and by proper action has been fully authorized to execute and deliver this Agreement, to enter into the transactions contemplated hereby, and to carry out its obligations hereunder.
- (b) Landlord represents and warrants that it is vested with fee simple title to the Premises, free from all encumbrances other than zoning restrictions, Town of Hilton Head Island or Beaufort County ordinances and real estate taxes not yet due and payable. Landlord intends to, and reserves the right to, convey the Premises during the term hereof, but subject to this Lease Agreement.

3. Tenant's Representations: The Tenant makes the following representations as the basis for the undertakings on its part herein contained:

- (a) The Tenant is a for profit corporation, organized, existing and in good standing under the laws of the State of South Carolina, and by proper action has been duly authorized to execute and deliver this Agreement, to enter into the transactions contemplated hereby, and to carry out its obligations hereunder.
- (b) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the

EXHIBIT 1

terms and conditions of this Agreement, conflict with or result in a breach of any of the terms, conditions or provisions of any restrictions or any agreement or instrument to which the Tenant is now a party or by which it is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Tenant under the terms of any instrument or agreement.

- ©) In the making of this Lease, Tenant represents that Landlord has made no warranty, express or implied, as to the condition of the Premises or that it will be suitable for Tenant's purposes or needs. Landlord has agreed to make repairs to the outside deck off the restaurant; and, once these repairs are made, Tenant accepts the premises "as is".

4. Term: The term of this lease shall be for a period of two (2) years, beginning on May 1, 2005, and ending at midnight on April 30, 2007, unless sooner terminated as hereinafter provided. Termination shall be without the necessity of any notice from either Landlord or Tenant and Tenant hereby waives notice to vacate the Premises and agrees that Landlord shall be entitled to the benefit of all provisions of law respecting the summary recovery of possession of premises from a Tenant holding over to the same extent as if statutory notice had been given. Tenant is granted the option(s) to renew this lease subject to the rental amounts and such other terms stated in Paragraph 36 of this Lease Agreement.

5. Possession: If the Tenant accepts possession of the premises before the commencement date specified hereinabove, the term and rental shall commence on such earlier date.

6. Rent: The Tenant shall pay to the Landlord rental as follows:

- (i) For the period from May 1, 2005 to and including April 30, 2006, the Tenant shall pay to the Landlord a rental of One Thousand Eight Hundred and Nineteen Dollars and 13/100 (\$1,819.13) per month, in advance, by the first day of each and every calendar month; and
- (ii) For the period beginning May 1, 2006 and for the remainder of the term of this Lease Agreement, Tenant shall pay to Landlord a rental of One Thousand Nine Hundred and Ten Dollars and 08/100 (\$1,910.08) per month, in advance, by the first day of each and every calendar month.
- (iii) All rent payments shall be made to Landlord's office in Hilton Head Island, South Carolina, or at such other place as the Landlord may designate in writing to Tenant. All rents due hereunder which are not received by the Landlord by the tenth (10th) day of each month shall be subject to a delinquency charge of one and one-half percent (1-1/2%) per month on the unpaid balance, occurring from the first day of every month for which rental is due, whichever is the greater. Said delinquency charge shall be subject to the default provisions herein.

7. Payment of Rentals: The obligations of the Tenant to make the payments required in this Lease, and to perform the observe other agreements on its part contained herein shall be absolute and unconditional, irrespective of any defense or any rights of set-off, recoupment or counterclaim it might otherwise have against the Landlord. Any monies paid or expenses incurred by Landlord to correct violations of any of the Tenant's obligations hereunder shall be additional rent.

8. Net Lease: This Lease is a net lease, and the Rent shall be absolutely net to Landlord at all times during the term of this Lease, so that this Lease shall yield to Landlord the full amount of the Rent throughout the term of this Lease. The rent shall be paid to Landlord when due and the other charges to be borne by Tenant under this Agreement shall be paid when due, without notice or demand, and without any abatement, deduction, diminution, suspensions, interruption, deferment, or reduction by reason of any claim, set-off, counterclaim, defense, or any other reason whatsoever. Except to the extent, if any, as expressly provided in this Lease to the contrary, this Lease shall continue in full force and effect during its full term, and the obligations of Tenant under this Lease shall not be released, discharged, or otherwise affected by reason of (i) any damage to or destruction of the Premises or any part thereof or any condemnation of the Premises or any part thereof; (ii) any restriction or prevention of or interference with any use of the Premises or any part thereof; (iii) any inconvenience or interruption or loss of business caused by any present or future legal requirements or insurance requirements; (iv) any claim which Tenant has or might have against Landlord; (v) any failure on the part of Landlord to perform or comply with any of the terms of this Lease or of any other agreement with Tenant (without effect upon Tenant's right, if any, to recover against Landlord for such failure); or (vi) any other occurrence whatsoever, whether similar or dissimilar to the foregoing, and in each case, whether or not Tenant shall have notice or knowledge of any of the foregoing.

9. Use: The Tenant shall use and occupy the Premises solely for the purposes of operating a quality restaurant and lounge, which restaurant and lounge shall comply with all laws, ordinances, orders, or regulations of any lawful authority having jurisdiction over the Premises and the use thereof. Tenant shall not conduct or allow any activities by anyone to be conducted that are restricted by or in violation of the Rules and Regulations published by the Lessor from time to time.

10. Assignment and Subletting: The Tenant shall not, without the prior written consent of the Landlord, assign this Lease or any interest therein. Likewise Tenant may not sublet the Premises or any part thereof without Landlord's written consent. Landlord agrees not to unreasonably reject an Assignee of the Tenant who: a. in Landlord's judgment demonstrates a financial ability to meet all present and future obligations of Tenant b. in Landlord's judgment has a verifiable history of successfully operating a fine dining establishment c. possesses a credit rating that in Landlord's judgment warrants the approval of the Assignee d. agrees to personally guarantee the Lease if requested by Landlord e. agrees to give Landlord a rent deposit in the amount equal to three (3) months rental payment, if requested by Landlord. If Landlord agrees to accept Tenant's Assignee based on the before mentioned terms and conditions, Landlord will release Tenant from his contractual obligations as defined in this Lease Agreement.

11. Improvements: All Improvements, alterations and additions to the Premises desired by Tenant shall be made only at Tenant's expense, in good and workmanlike manner and in

accordance with plans and specifications which have been previously approved in writing by the Landlord, which shall not be unreasonably withheld. Landlord reserved the right to approve any contractor, which approval shall not be unreasonably withheld, and to require adequate lien waivers, bonds, permits, licenses and insurance. All improvements and additions made by the Tenant and permanently attached to the Premises, including without limitation all partitions, carpets, ceiling lighting and ceiling fan fixtures, Ansel systems, sinks, door hardware, built-in shelving and cabinets and ceilings, shall remain in the Premises and shall be surrendered to Landlord at the expiration or earlier termination of this Lease. Landlord and Tenant agree that the items identified in Paragraph 15 shall be removed by Tenant at the end of the Lease and shall remain the property of the Tenant.

12. Utilities and Service: Tenant shall, during the term hereof, at its own expense, pay all charges for all utilities of the restaurant including electric power, sewage, propane/gas, and telephone charges. Water is to be supplied by Landlord.

13. Maintenance: Landlord shall be responsible for service and maintenance of all roofs, exterior parking, stairs, and restrooms of the Premises and shall keep the same in good repair. Tenant will be responsible for keeping the stairs and walkways clear of all spills and blockages created by its customers, employees, or agents. Landlord shall, except as hereinafter set forth, make all necessary repairs, replacements, and renewals in order to maintain such good repair and condition. Tenant is to give Landlord written notice of any deficiency and Landlord is to take appropriate action to correct the deficiency in a timely manner. Tenant is to take all prudent and available steps to protect all property and continue his business until the repairs are completed. Tenant hereby holds Landlord harmless for any consequential damages or defects arising from operations by Tenant or any such repair made by Tenant or Tenant's contractor, and agrees to make repairs to correct deficiencies at Tenant's own expense. The Tenant shall, at its own and sole expense, be responsible for all repairs, maintenance and service of heating and air conditioning systems as well as the acquisition, maintenance, cleaning, and repair of all of its personal property and restaurant equipment including, but not limited to stoves, ovens, coolers, freezers, dishwashing equipment, grease trap, kitchen equipment, refrigerators, fire suppression equipment, Ansel [sic] system, ice machines, sinks, dish machines, and all plumbing, piping and wiring associated with Tenant's personal property and restaurant equipment. In the event that fire suppression equipment and/or the Ansel system must be replaced, such replacement shall be at the sole expense of the Tenant. Landlord shall not be liable for loss or damage to Tenant's property resulting from any defective condition in or about the Premises. Tenant shall surrender same to Landlord at the expiration or earlier termination of this Lease in as good condition as they were when received (or subsequently improved or altered), normal wear and tear excepted. The Tenant shall be responsible for simple repairs and ordinary maintenance including, but not limited to, painting and flooring. Lessee further agrees to change the air filters for the heating and air conditioning system for the Property on a regular basis (at the sole cost of the Lessee).

14. Operation by Tenant: In regard to use and occupancy of the Premises, Tenant shall, in the opinion of the Landlord, (a) keep all exterior surfaces of the Premises clean; (b) replace promptly, at its expense, any cracked or broken plate or window glass of the premises with glass of like kind and quality; (c) replace the entry door(s), interior doors, and all door locks with doors and locks of like kind and quality should entry or interior doors or locks be damaged; (d) maintain the Premises at its expense in a clean, orderly and sanitary condition and free of insects, rodents, vermin and other pests;

(e) keep any garbage, trash, rubbish or refuse in proper containers which containers shall be located below the outside stairway closest to the ICW and behind the building; (f) have such garbage, trash, rubbish and refuse removed at its expense on a regular basis; (g) comply with all laws, ordinances, rules and regulations of governmental authorities and all recommendations of the Fire Underwriters Rating Bureau now or hereafter in effect; and Tenant shall not (h) do or suffer to be done, or keep or suffer to be kept, anything in, upon or about the Premises which will contravene policies insuring against loss or damage by fire or other hazards (including, without limitation, public liability) or which will prevent Tenant from procuring such policies in companies acceptable to Landlord.

15. Property of Tenant: Tenant may, and at the expiration or earlier termination hereof shall remove all furniture, equipment, and other personal property including the antique bar, beveled glass mirror and shelving behind bar, stoves, ovens, dishwashers, ice maker, refrigeration equipment, tables, and chairs, window treatments, and other furnishings and equipment which Tenant shall have placed in the Premises, other than personal property or fixtures which revert to the Landlord as set forth in Section 11 of this Agreement. All such property, including the property to revert to Landlord, shall, during the term thereof, be at the risk of Tenant only, and Landlord shall not be liable for any loss thereof or damage thereto resulting from any cause whatsoever; and each policy of insurance covering such property shall contain a standard waiver of subrogation endorsement. Any such property not removed at the expiration or earlier termination of this Lease, or which cannot be removed without permanent or substantial damage to the Premises, shall be deemed abandoned and may be disposed of by the Landlord in any manner whatsoever. Tenant is to repair any damage caused by the removal of any personal property or equipment from the premises.

16. Taxes: Landlord shall pay all real estate taxes assessed on the Premises. All other taxes and assessments of every kind or nature imposed or assessed upon the restaurant operation or with respect to its furnishings, fixtures, and equipment shall be the responsibility of the Tenant.

17. Insurance Required: At its sole expense, Tenant shall keep the Tenant's trade fixtures, merchandise, operating equipment, personal property, leasehold furnishings, now or hereafter located on or about the Property insured against loss by fire and all of the risk and perils, including without limitation sprinkler damage, vandalism, malicious mischief and other such coverage usually covered by an extended coverage endorsement to a policy of fire and casualty insurance upon property comparable to the property, including plate glass insurance, especially for the interest of the Tenant, in an amount equal to not less than the full replacement cost thereof. Tenant shall further keep in force at its expense as long as this Lease Agreement remains in effect and during such other time as Tenant occupies the Premises or any part thereof the following contracts of insurance:

- (1) Comprehensive General Liability Policy with limits as follows:
 - (i) \$1,000,000 per occurrence \$2,000,000 aggregate;
 - (ii) \$100,000 Fire, Legal liability; and,
 - (iii) \$5,000 Medical payments.

RV Resort & Yacht Club Owners Association, Inc. shall be endorsed on such policy as Additional Named Insured.

- (2) Liquor Legal Liability Insurance.
- (3) Workers Compensation Insurance covering all employees of the Tenant.

Tenant shall supply to Landlord on April 1st of each year a valid certificate of insurance for these policies containing provision for a thirty (30) day written notice of cancellation. Tenant agrees to waive subrogation against the Landlord for any and all losses arising out of the loss or damage to Tenant's contents, whether or not such contents are insured at the time of loss. Landlord shall deem non-compliance with any of the foregoing provisions cause for termination of this Lease upon ten days written notice to Tenant.

18. Signs and Advertising: Tenant shall not place or suffer to be placed or maintained on the Premises, any sign, advertising matter or any other thing of any kind, and will not place or maintain any decoration, lettering or advertising matter on the glass of any window or door of the Premises without first obtaining Landlord's written approval which will not be unreasonably withheld. Tenant shall maintain such sign, decoration, lettering, advertising matter or other things as may be approved by Landlord, in good condition and repair at all times and shall remove all such sign, decoration, lettering and advertising matter at the termination of this Lease Agreement.

19. Damage or Destruction by Casualty: If the Premises are partially destroyed by fire or other casualty, rental shall not abate and Tenant shall receive all insurance proceeds and, at its own expense, promptly restore the Premises to substantially the same condition as existed before; provided, however, Landlord may by notice to Tenant within thirty (30) days after the date of damage or destruction to all or substantially all of the Building on the Premises elect, at its option, not to require the restoration or repair of the Premises and Tenant may thereafter, at its option, cancel this Lease.

20. Eminent Domain: If the whole of the Premises be taken under the power of eminent domain (including any conveyance in lieu thereof), then the term hereof shall cease as of the date possession thereof is taken by the condemnor, and rental shall be accounted for as between Landlord and Tenant as of that date. If any lesser portion of the Premises is thus taken which exceeds Twenty (20%) percent of the Premises, rental shall abate in the proportion the floor area taken bears to the total floor area of the building on the Premises used at the time of taking. Tenant shall not have any right or claim to any part of any award made to or received by Landlord for such taking or right or claim against Landlord for the value of the then unexpired term of the Lease; provided, however, Tenant shall not be prevented from making a claim against the condemnor (but not against Landlord) for the depreciated value of any improvements made to the Premises by Tenant, any moving expenses, loss of profits, or taking of its personal property (other than its leasehold interest) to which Tenant may be entitled.

21. Indemnity: Tenant shall defend, indemnify and hold harmless the Landlord from and against any claims, damages or expenses, whether due to damage to the premises, claims for injuries to persons or property, or administrative or criminal action by a governmental authority, where such claims arise out of or from use or occupancy of the Premises by Tenant, its agents, employees or invitees, except where such damage, claims or penalties are caused by the gross negligence of Landlord, its employees or agents.

22. Landlord's Entry: Landlord may enter the Premises at reasonable times and in a reasonable manner to inspect or exhibit same, and to exercise Landlord's rights under this Lease

Agreement Tenant shall be given, except in an emergency, twenty-four (24) hours prior notice of such entry and an employee of Tenant shall be present at all times during such entry.

23. Events of Default: Any one or more of the following events shall amount to the Event of Default or Default under this Agreement:

- (a) Failure by the Tenant to pay the Rent agreed to be paid, including all other sums of money which may be considered as additional rent in whole or in part at the time specified herein and continuing for a period of fifteen (15) or more days there from.
- (b) Failure of Tenant to provide any certificate required hereunder within the time therein specified.
- (c) Failure of the Tenant to observe and perform any covenant, condition or agreement in this Agreement on the part of the Tenant to be observed or performed within five (5) days after written notice specifying such failure and requesting that it be rendered given to the Tenant and any Guarantor by the Landlord, unless the Landlord shall agree in writing to an extension of such time prior to its expiration.
- (d) To the extent allowed by law, the dissolution or liquidation of the Tenant or the filing by the Tenant of a voluntary petition in bankruptcy or failure by the Tenant promptly to lift any execution, garnishment or attachment of such consequence as will impair the ability of the Tenant to carry on its operations at the Premises, or the commission by the Tenant of any act of bankruptcy, or adjudication of the Tenant as a bankrupt, or assignment by the Tenant for the benefit of its creditors, or the entry by the Tenant into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Tenant in any proceeding for its reorganization instituted under the provision of the general Bankruptcy Act, as amended, or under any similar act in any domestic or foreign jurisdiction which may now be in effect or hereafter entered.

24. Remedies on Default: Whenever any Event of Default shall have happened and be subsisting, the Landlord may take any of the following remedial steps:

- (a) The Landlord, at its option, may declare all rental for the remainder of the lease Term to be immediately due and payable, whereupon the same shall become immediately due and payable.
- (b) The Landlord, with or without terminating this Agreement (at its option), may (i) exclude and remove the Tenant and all persons and contents from the Premises by force, summary proceedings, or otherwise, without being liable to Tenant therefore; (ii) reenter and take possession of the Premises; and (iii) sublease the Premises for the account of the Tenant, holding the Tenant liable for the

difference in the rent and other amounts actually paid by such sub lessee in such subleasing and other amounts payable by the Tenant hereunder, and Tenant shall remain liable for any damages sustained by Landlord, all reasonable costs, professional fees to include attorney fees, and expenses incurred by Landlord in leasing the Premises to another tenant, and in effecting collection of rentals from Tenant.

- ©) The Landlord may take whatever action at law or in equity may appear necessary or desirable to collect the rent and other amounts then due and thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant of the Tenant under this Agreement, including utilization of all provisions of applicable laws respecting the speedy recovery of lands and tenements held over by Tenant and proceedings in forcible entry and detainer. In addition, Tenant shall reimburse Landlord for all costs and expenses, including reasonable attorneys' fee, in connection with the enforcement of the terms and obligations of this Agreement.

No action taken pursuant to this Section shall relieve the Tenant from the Tenant's obligation to pay Rent, all of which shall survive any such action, and the Landlord may take whatever action at law or in equity as may appear necessary and desirable to collect the Rent and other amounts then due and thereafter to become due and/or to enforce the performance and observance of any obligations, agreement or covenant of the Tenant hereunder.

25. Remedies Cumulative Non-Waiver: No remedy herein or otherwise conferred upon or reserved to Landlord or Tenant shall be considered exclusive of any other remedy, but the same shall be distinct, separate and cumulative and shall be in addition to every other remedy given hereunder, or now or hereafter existing at law or in equity; and every power and remedy given by this Lease Agreement may be exercised from time to time as often as occasion may arise or as may be deemed expedient. No delay or omission of Landlord to exercise any right or power arising from any default on the part of Tenant shall impair any such right or power, or shall be construed to be a waiver of any such default, or an acquiescence therein. No delay or omission of Tenant to exercise any power or right arising from any default on the part of Landlord shall impair any such right or power, or shall be construed to be a waiver of any such default, or an acquiescence therein. The acceptance of rent by Landlord without knowledge of a default by Tenant hereunder shall not constitute a waiver of such default.

26. Quiet Enjoyment. If Tenant shall pay the Rent and perform and observe all of the other covenants and conditions to be performed and observed by it hereunder, Tenant shall at all times during the term hereof have the peaceable and quiet enjoyment of the Premises without interference from Landlord or any person lawfully claiming through Landlord, subject, however, to the terms of any mortgages or deeds of trust provided for in paragraph 28 hereof. Landlord shall have no responsibility or liability whatsoever for the loss of any property of Tenant resulting from theft, trespass, breaking and entering and the like.

27. Estoppel Certificate: Within ten (10) days after written request thereof by the Landlord or any mortgagee or trustee under a mortgage or deed of trust covering the Premises, Tenant shall deliver in recordable form a statement to any mortgagee, trustee or other transferee, or to Landlord, certifying any facts that are then true with respect to this Lease Agreement, including without limitation (if such be the case) that this Lease Agreement is in full force and effect, that Tenant is in possession, that Tenant has commenced the payment of Rent, and that Tenant claims no defense or set-off to the due and full performance of its obligations under this Lease Agreement.

28. Subordination and Attornment: Tenant agrees that this Lease shall be subject and subordinate to any mortgages, deeds of trust now or hereafter placed upon the Premises and to all modifications thereto, and to all present and future advances made with respect to any such mortgage or deed of trust. Tenant agrees to attorn to the mortgagee, trustee, or beneficiary under any such mortgage or deed of trust, and to the purchaser at a sale pursuant to the foreclosure thereof, and to the lessor in the event of a termination of any such prior lease. Provided, however, that so long as Tenant shall not be in default under this Lease, its rights of possession and enjoyment of the Premises shall be and remain undisturbed and unaffected by said mortgage or deed of trust or by any foreclosure proceedings thereunder, and any subordination agreement executed pursuant to this paragraph shall contain language specifically so providing.

29. Notices: All notices provided for in this Lease Agreement shall be in writing and shall be deemed to be given when sent by registered or certified mail, return receipt requested, postage prepaid, and addressed as follows:

If to the Landlord: RV Resort & Yacht Club Owners Association
P.O. Box 23874
Hilton Head Island, SC 29925

If to the Tenant: Sunset, Inc.
40 Old House Creek Drive
Hilton Head Island, SC 29928

Notice shall also be sent to the holder or holders of any mortgage or deed of trust covering the Premises at such address as such holder or holders may have given by notice as herein provided. Either party hereto, or any such holder, may from time to time, by notice as herein provided, designate a different address to which notices to it shall be sent.

30. Subordination: In no event shall Landlord's interest in the Premises, or any part thereof, be subordinate or junior to the lien of any mortgage or deed of trust covering Tenant's interest in the Premises.

31. Governing Law: This Lease Agreement shall be construed and enforced in accordance with the laws of the State of South Carolina.

32. Successors: This Lease Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors and permitted assigns, except as otherwise provided for in this Lease Agreement.

33. Short Form Memorandum: Each party agrees to execute upon request a short form of this Lease Agreement for purposes of recordation, the cost of which shall be borne by the Tenant. The Tenant shall pay all lease stamps due upon the execution of this Lease and any extension or extensions thereof.

34. Nature and Extent of Agreement: This Lease Agreement, including the exhibits attached hereto, contains the complete agreement between the parties regarding the terms and conditions of the lease of the Premises, and there are no oral or written conditions, terms or warranties, understands or other agreements pertaining thereto which have not been incorporated herein. This Lease Agreement may be modified only by written instrument duly executed by both parties or their respective successors in interest.

35. Holding Over: This Lease expires at the end of the term defined herein, but it is expressly understood that if Tenant holds over for another month at the end of said term for any purpose other than the removal of its property, and Landlord accepts rent for said month, such acceptance shall operate as a renewal of the tenancy for another month and for each additional month for which Landlord accepts rent. Should Landlord require possession of the Premises, it shall give Tenant thirty (30) days to vacate the said premises during such holdover period.

36. Renewal Term: Lessee, having first fully performed all of its obligations, terms, conditions, and covenants hereunder, and having paid all of the rent payable to Lessor under the original term is hereby granted the right and option to renew this lease for two (2) additional terms as hereinafter specified, with the annual increases in rent to be paid as set forth below. Except for the rents, all other terms and conditions set forth in this Lease shall remain unchanged and in effect for the renewal terms unless the parties shall agree in writing to a modification of the terms.

- (a) The renewal term rental amounts for Renewal Term 1 are:
 - May 1, 2007 through April 30, 2008 \$24,067.03 per annum (\$2,005.59 per mo.)
 - May 1, 2008 through April 30, 2009 \$25,270.38 per annum (\$2,105.87 per mo.)
- (b) Tenant is granted an additional three (3) year renewal option (May 1, 2009 through April 30, 2012) as Renewal Term 2. The annual rental amounts for each year of the additional three (3) year term shall not be increased by more than 5% over the preceding year's annual rent.

37. Material Change. Any transfer, sale, or change whatsoever in ownership of fifty percent or more of the outstanding shares of stock of Sunset, Inc., which at the time of signing this agreement is hereby represented by the Tenant to be owned by Hugh and Linda Lockman, will be considered a material change and will be cause for termination of this Lease Agreement if so chosen by Landlord.

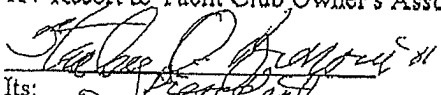
38. Deposit. The Lessee has previously furnished to Landlord a deposit of one thousand dollars (\$1000). This deposit may be used by Landlord upon termination of this lease as an offset against any unpaid rent, costs incurred by Landlord for cleaning or making repairs that are the responsibility of the Tenant, replacement of any equipment or furnishings that are to remain as part of the premises upon termination of the Lease. Should Landlord use all or any portion of the security deposit as described herein, Landlord shall provide Lessee with a complete itemization of all monies deducted from the security deposit.

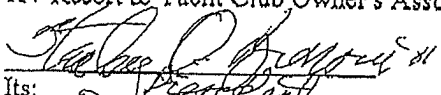
In Witness Whereof, the parties hereto have hereunto set their respective Hands and Seals on the day and year first hereinabove written.

WITNESSES:

LANDLORD

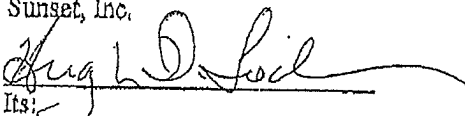
RV Resort & Yacht Club Owner's Association, Inc.

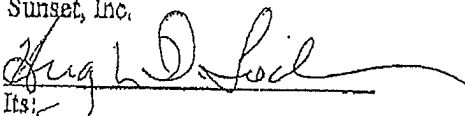
By: 

Its: 

TENANT

Sunset, Inc.

By: 

Its: 

7-22-21

ADMITTED TO THE UNITED STATES
SUPREME COURT BAR

ADMITTED IN SOUTH CAROLINA,
COLORADO AND GEORGIA

CERTIFIED SC CIRCUIT
COURT MEDIATOR

LAW OFFICE OF
THOMAS C. TAYLOR, LLC

22 BOW CIRCLE
SUITE A
HILTON HEAD ISLAND, SC 29928

TELEPHONE 843-785-5050

TELECOPIER 843-785-5030

www.thomastaylorlaw.com • tom@thomastaylorlaw.com

MAILING ADDRESS
P.O. BOX 5550
HILTON HEAD ISLAND, SC
29938

July 22, 2021

Via Hand Delivery

Mr. Hugh Dodds Lockman
Ms. Linda Lockman
40 Old House Creek Drive
Hilton Head Island, SC 29926

Re: *Turner's Marina LLC v. R.V. Resort and Yacht Club Owners' Association, Inc. et al., 2021-CP-07-1085*

Dear Mr. and Ms. Lockman:

I represent Turner's Marina LLC in the above-referenced civil lawsuit. Chris Lizzi from Charleston, represents the condominium owner's association defendant and Jennifer Nutter of the Hood Law Firm in Charleston, represents the security company defendants. Both are copied on this letter.

I am writing today for two purposes. The first is to advise you, as the owners/agents of the Sunset Grill, that because of actions recently taken by the condominium owners association insisting upon "strict enforcement" of the terms of the June 12, 1981 Lease, and the Association's subsequent actions taken to bar the guests of Turner's Marina's lessees from the area behind the rental office (the area where the tennis courts were once located) and the restroom facilities, Turners Marina LLC will, effective tomorrow July 23, 2021, also begin to strictly enforce the terms of the Lease and will bar access to the parking areas behind the rental office (which is the subject of the June 12, 1981 Lease), to any employees or patrons of the Sunset Grill. Effective immediately, no vehicles being driven by restaurant customers or restaurant employees will be allowed access to the Turner's Marina leasehold. In addition, consistent with the association's position on "strict" adherence to Lease terms, no employees or patrons of the Sunset Grill will be allowed access to the bathhouse on Turner's Marina's leasehold.

As a courtesy, Turner's Marina LLC will allow any restaurant patrons exhibiting a valid, state issued handicapped permit, to access the leasehold property in their vehicle. All other restaurant patrons will be expected to park elsewhere on land not owned or leased by Turner's Marina.

EXHIBIT 2

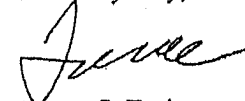
Mr. Hugh Dodds Lockman • Ms. Linda Lockman
 Re: *Turner's Marina LLC v. R.V. Resort and Yacht Club Owners' Association, Inc. et al.*, 2021-CP-07-1085
July 22, 2021 • Page 2

Also as a courtesy for the interim period until a court issues a final Order regarding the rights of Turner's Marina and the Association in and to the leasehold property of the June 12, 1981 lease, Turner's Marina will allow patrons of the Sunset Grill to walk across Turner's Marina's property from the main entrance at Jenkins Road, to the property of the defendant condominium association known as the Clubhouse Complex, where the restaurant is located, for purposes of accessing the restaurant. This grant of a temporary license for your patrons is gratuitous, revocable at will, and may be confined to a specific designated walkway area if Turner's Marina decides to locate a specific pathway. In addition, the license is given with no representations of assured safe access, and each of your guests assumes the risk of any dangers associated with walking across the land of Turner's Marina, which as you know, is a busy driveway.

Turner's Marina does not recognize any legal right of access for the Sunset Grill owners, agents, employees, or patrons, to be upon either the land or leasehold interests of Turner's Marina, because Turner's Marina contends that the portion of the Clubhouse Complex being used by the Sunset Grill is in fact, a portion of the leasehold interest conveyed to the original Developer by the June 12, 1981 Lease, of which Turner's Marina is now the assignee. And that Lease specifically prohibits the association from entering any other leases regarding the property, meaning from our perspective that the association has no legal ability to lease the property to you nor to allow any usage by any other lessee, of the property located behind the rental office. This gratuitous, revocable temporary license is given despite that legal stance in order to allow the Sunset Grill to continue operations during the pendency of this litigation. However, no waiver of our legal position should be implied by this action; Turner's Marina is simply trying in good faith to comply with the demands of the owner's association to strictly enforce the terms of the Lease in an even-handed, fair way while we await a court ruling as the legal rights set forth in the Lease. Please contact me if you have any questions about this issue.

The second purpose of this letter is to deliver to both of you, subpoenas for copies of documents that important in this litigation. You do not need to appear at 5:00 p.m. on the 16th of August. Just have the copies here by then. I believe the attached description of the documents sought is clear, but please let me know if you have any questions. Assuming not, I ask that you also execute the Certificate of Authenticity of Documents attached, which may help us avoid a deposition to authenticate the documents. Thank you.

Yours very truly,


 Thomas C. Taylor

TCT/dpt
 Enclosure(s)

cc: Chris Lizzi, Esq. via email attachment with copy of subpoena
 Jennifer Nutter, Esq., via email attachment with copy of subpoena

STATE OF SOUTH CAROLINA

ISSUED BY THE COMMON PLEAS COURT IN THE COUNTY OF BEAUFORT

TURNER'S MARINA LLC, Plaintiff

v.

SUBPOENA IN A CIVIL CASE

R.V. RESORT AND YACHT CLUB OWNERS'
ASSOCIATION, INC., SECURITAS
SERVICES, INC., and MIKE MORALES,
Defendant

Case Number: 2021-CP-07-01085

Pending in Beaufort County

TO: Linda Lockman, 40 Old House Creek Drive, Hilton Head Island, SC 29926

☐ YOU ARE COMMANDED to appear in the above named court at the place, and time specified below to testify in the above case.

PLACE OF TESTIMONY	COURTROOM
	DATE AND TIME , AM

☐ YOU ARE COMMANDED to appear at the place, date, and time specified below to testify at the taking of a deposition in the above case.

PLACE OF DEPOSITION	DATE AND TIME , AM
---------------------	--------------------

☒ YOU ARE COMMANDED to produce and permit inspection and copying of the following documents or objects in your possession, custody or control at the place, date and time specified below (list documents or objects:

SEE ATTACHMENT A TO SUBPOENA

PLACE Law Office of Thomas C. Taylor, LLC., 22 Bow Circle, Suite A, Hilton Head Island, SC 29928	DATE AND TIME August 16, 2021, 5:00 PM
--	--

☐ YOU ARE COMMANDED to permit inspection of the following premises at the date and time specified below.

PREMISES	DATE AND TIME , AM
----------	--------------------

ANY SUBPOENAED ORGANIZATION NOT A PARTY TO THIS IS HEREBY DIRECTED TO RULE 30(b)(6), SOUTH CAROLINA RULES OF CIVIL PROCEDURE, TO FILE A DESIGNATION WITH THE COURT SPECIFYING ONE OR MORE OFFICERS, DIRECTORS, OR MANAGING AGENTS, OR OTHER PERSONS WHO CONSENT TO TESTIFY ON ITS BEHALF, SHALL, SET FORTH, FOR EACH PERSON DESIGNATED, THE MATTERS ON WHICH HE WILL TESTIFY OR PRODUCE DOCUMENTS OR THINGS. THE PERSON SO DESIGNATED TESTIFY AS TO MATTERS KNOWN OR REASONABLY AVAILABLE TO THE ORGANIZATION

I CERTIFY THAT THE SUBPOENA IS ISSUED IN COMPLIANCE WITH RULE 45(e)(1), AND THAT NOTICE AS REQUIRED BY RULE 45(b)(1) HAS BEEN GIVEN TO ALL PARTIES

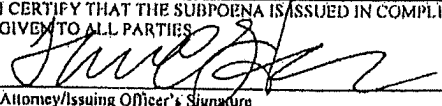
 7/22/2021 Thomas C. Taylor /Attorney for Plaintiff
Attorney/Issuing Officer's Signature Date Print Name
Indicate if Attorney for Plaintiff or Defendant
Attorney's Address and Telephone Number :
P.O. Box 5550, Hilton Head Island, SC 29938 - (843) 785-5050

EXHIBIT A
LINDA LOCKMAN SUBPOENA
July 22, 2021

1. Copies of any and all documents in your possession, custody, or control, referring to, relating to, or otherwise evidencing the relationship between you or that entity known as the "Sunset Grill," 43 Jenkins Road, and the Defendant R.V. Resort and Yacht Club Owner's Association, Inc., or any of its agents, directors, or members, created between June 12, 1981 and the date of your reply to this subpoena. The documents produced shall include, but not be limited to, emails and text messages between you or other representatives of the Sunset Grill and the Defendant's agents, directors, or members.
2. Copies of any and all documents in your possession, custody, or control, referring to, relating to, or otherwise evidencing the relationship between you or that entity known as the "Sunset Grill," 43 Jenkins Road, and Carla Jimenez, Greg Tarbutton, Chris Sibley, Keith Miller, Daniel Hyde, Sarina Bentley, Michael Bombard, Rod Phillips or Butch Puplava, created between June 12, 1981 and the date of your reply to this subpoena. The documents produced shall include, but not be limited to, emails and text messages between you or other representatives of the Sunset Grill and Carla Jimenez, Greg Tarbutton, Chris Sibley, Keith Miller, Daniel Hyde, Sarina Bentley, Michael Bombard, Rod Phillips or Butch Puplava.
3. Copies of any and all documents in your possession, custody, or control, referring to, relating to, or otherwise evidencing the relationship between you or that entity known as the "Sunset Grill," 43 Jenkins Road, and that entity now or formerly known as "BillyBob's Marinas, Inc." or any of its agents, directors, or members, created between June 12, 1981 and the date of your reply to this subpoena. The documents produced shall include, but not be limited to, emails and text messages between you or other representatives of the Sunset Grill and BillyBob's Marinas, Inc.'s agents, directors or members.
4. Copies of any and all documents in your possession, custody, or control, referring to, relating to, or otherwise evidencing any communications between you or that entity known as the "Sunset Grill," 43 Jenkins Road, and any lawyer or employee or agent of a law firm, representing the Defendant R.V. Resort and Yacht Club Owners' Association, Inc.
5. Copies of any and all documents in your possession, custody or control, referring to, relating to or otherwise evidencing any communications between you or that entity known as the "Sunset Grill," 43 Jenkins Road, and any person or individual allegedly having the right to lease or provide access to you, that property within the "Clubhouse complex" at 43 Jenkins Road, Hilton Head Island, SC 29926 where the Sunset Grill is currently operating.

6. Copies of any and all documents in your possession, custody, or control, referring to, relating to, or otherwise evidencing any lease agreements, rental agreements, or other agreements of any form, whereunder you or the Sunset Grill (or any former owners) allegedly acquired the right to operate a restaurant business in the "Clubhouse complex" at 43 Jenkins Road, Hilton Head Island, SC 29926 where the Sunset Grill is currently operating.
7. Copies of all rental checks or other documents evidencing payment(s) to the Defendant R.V. Resort and Yacht Club Owners' Association, Inc., or other Lessor, for usage of the space in the "Clubhouse complex" at 43 Jenkins Road, Hilton Head Island, SC 29926 where the Sunset Grill is currently operating, between January 1, 2010 and the date of your reply to this subpoena.
8. Copies of your or the Sunset Grill's current property insurance policy, and any evidence of "Additionally Insureds" or the like, for that property within the "Clubhouse complex" at 43 Jenkins Road, Hilton Head Island, SC 29926 where the Sunset Grill is currently operating.
9. Copies of your or the Sunset Grill's business license applications and/or business license reports to Beaufort County, SC, for the years 2015 through 2021, including copies of all supporting documents submitted with same.
10. Copies of any and all documents in your possession, custody, or control, referring to, relating to, or otherwise evidencing communications between you or other representatives of the Sunset Grill, and any other individuals regarding Turner's Marina LLC and/or Neil Turner, between January 1, 2017 and your response to this subpoena.
11. Copies of any and all documents in your possession, custody, or control, referring to, relating to, or otherwise evidencing any discussions you have had with any individuals about parking of Sunset Grill patrons, employees, or agents, at the RV Resort, on Jenkins Island Road, or on the property located behind the rental office of Turner's Marina.
12. Copies of any and all documents in your possession, custody, or control, referring to, relating to, or otherwise evidencing in any way, any right, title, or interest you or the Sunset Grill contend exists for employees, agents and/or patrons of the Sunset Grill to walk across, drive across or park on, land owned by Turner's Marina LLC.
13. Copies of any and all documents in your possession, custody, or control, referring to, relating to, or otherwise evidencing in any way, any right, title, or interest you or the Sunset Grill contend exists for employees, agents and/or patrons of the Sunset Grill to walk across, drive across or park on, the land leased by the R.V. Resort and Yacht Club Owners' Association, Inc. to the Outdoor Resort, R.V. Resort and Yacht Club on June 12, 1981. (A copy of that Lease is attached hereto.)

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14. Copies of any and all documents in your possession, custody or control, referring to, relating to, or otherwise evidencing any communications (including emails or texts) from any persons to you, or from you to any persons, discussing in any way, the rights (or alleged rights) of you, the Sunset Grill or any guests, employees, agents, or patrons of the Sunset Grill, to use the restroom facilities located in the Clubhouse complex.

STATE OF SOUTH CAROLINA
COUNTY OF BEAUFORT

TURNER'S MARINA LLC

Plaintiff

vs.

R.V. RESORT AND MARINE
CLUB OWNERS'
ASSOCIATION, INC.,
SECURITY SERVICES, INC.,
and MIKE MORALES

Defendants

IN THE COURT OF COMMON PLEAS
FOURTH JUDICIAL CIRCUIT

Case Number: 2021-CP-07-01085

CERTIFICATE OF AUTHENTICITY
BY
LINDA LOCKMAN

THE UNDERSIGNED HEREBY CERTIFIES that the enclosed documents are a complete, true and accurate copy of all records relating to the above captioned matter, as called for by the Subpoena issued July 29, 2021, and are copies of the records kept in the ordinary course of business.

Signed: _____

Position: _____

Notary's Name: _____

Company Name: _____

Address: _____

Sworn to and subscribed before me:

_____ day of _____, 2021

Notary Public for South Carolina

My Commission Expires: _____

Law Office of Maria Belbas Parker, P.A.

Carolina Building, Suite 116B

21 Office Park Road

Hilton Head Island, South Carolina 29928

MAILING ADDRESS: Post Office Box 7926

Hilton Head Island, South Carolina 29938

843-341-9200

Fax 843-341-9228

E-Mail: Mariabparker@Hargray.com

6/1/06

June 1, 2006

John R.C. Bowen, Esq.

Laughlin and Bowen

P.O. Drawer 21119

Hilton Head Island, South Carolina 29925

RE: Sunset Grille: lease agreement with RV Resort and Yacht Club Owners Association
00027-1

Dear John:

In regard to the above captioned matter, enclosed please find a copy of the fully executed Lease Agreement. The lease was signed in February of this year-- my client brought me a copy earlier in the week-- so I thought you should have a copy for your file as well.

Hope life is treating you well-- and thanks again for your assistance in completing the enclosed lease.

Very truly yours,

Maria Belbas Parker

Enclosure

Signed 2-06

STATE OF SOUTH CAROLINA)

COUNTY OF BEAUFORT)

LEASE AGREEMENT

This Lease Agreement, made and entered into on this ____ day of _____, 2005, by and between RV Resort and Yacht Club Owner's Association, Inc., a South Carolina corporation, (hereinafter referred to as the "Landlord"), and Sunset, Inc., a South Carolina corporation, (hereinafter referred to as the "Tenant").

WITNESSETH:

1. Premises: The Landlord hereby leases to the Tenant, and the Tenant hereby leases from the Landlord, the premises identified as the Recreation Building Restaurant, (hereinafter referred to as the "Premises"), located at 43 Jenkins Rd., Hilton Head Island, SC, and being a portion of the second floor of the building known as the "Recreation Building."

To have and to hold the Premises upon the terms and conditions hereinafter set forth.

2. Landlord's Representations: The Landlord makes the following representations as the basis for the undertakings on its part herein contained:

- (a) Landlord is a not for profit corporation organized, existing and in good standing under the laws of the State of South Carolina and is authorized to do business in the State of South Carolina, and has the power to enter into this Agreement and by proper action has been fully authorized to execute and deliver this Agreement, to enter into the transactions contemplated hereby, and to carry out its obligations hereunder.
- (b) Landlord represents and warrants that it is vested with fee simple title to the Premises, free from all encumbrances other than zoning restrictions, Town of Hilton Head Island or Beaufort County ordinances and real estate taxes not yet due and payable. Landlord intends to, and reserves the right to, convey the Premises during the term hereof, but subject to this Lease Agreement.

3. Tenant's Representations: The Tenant makes the following representations as the basis for the undertakings on its part herein contained:

- (a) The Tenant is a for profit corporation, organized, existing and in good standing under the laws of the State of South Carolina, and by proper action has been duly authorized to execute and deliver this Agreement, to enter into the transactions contemplated hereby, and to carry out its obligations hereunder.
- (b) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the

terms and conditions of this Agreement, conflict with or result in a breach of any of the terms, conditions or provisions of any restrictions or any agreement or instrument to which the Tenant is now a party or by which it is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Tenant under the terms of any instrument or agreement.

- ©) In the making of this Lease, Tenant represents that Landlord has made no warranty, express or implied, as to the condition of the Premises or that it will be suitable for Tenant's purposes or needs. Landlord has agreed to make repairs to the outside deck off the restaurant; and, once these repairs are made, Tenant accepts the premises "as is".

4. Term: The term of this lease shall be for a period of two (2) years, beginning on May 1, 2005, and ending at midnight on April 30, 2007, unless sooner terminated as hereinafter provided. Termination shall be without the necessity of any notice from either Landlord or Tenant and Tenant hereby waives notice to vacate the Premises and agrees that Landlord shall be entitled to the benefit of all provisions of law respecting the summary recovery of possession of premises from a Tenant holding over to the same extent as if statutory notice had been given. Tenant is granted the option(s) to renew this lease subject to the rental amounts and such other terms stated in Paragraph 36 of this Lease Agreement.

5. Possession: If the Tenant accepts possession of the premises before the commencement date specified hereinabove, the term and rental shall commence on such earlier date.

6. Rent: The Tenant shall pay to the Landlord rental as follows:

- (i) For the period from May 1, 2005 to and including April 30, 2006, the Tenant shall pay to the Landlord a rental of One Thousand Eight Hundred and Nineteen Dollars and 13/100 (\$1,819.13) per month, in advance, by the first day of each and every calendar month; and
- (ii) For the period beginning May 1, 2006 and for the remainder of the term of this Lease Agreement, Tenant shall pay to Landlord a rental of One Thousand Nine Hundred and Ten Dollars and 08/100 (\$1,910.08) per month, in advance, by the first day of each and every calendar month.
- (iii) All rent payments shall be made to Landlord's office in Hilton Head Island, South Carolina, or at such other place as the Landlord may designate in writing to Tenant. All rents due hereunder which are not received by the Landlord by the tenth (10th) day of each month shall be subject to a delinquency charge of one and one-half percent (1-1/2%) per month on the unpaid balance, occurring from the first day of every month for which rental is due, whichever is the greater. Said delinquency charge shall be subject to the default provisions herein.

7. Payment of Rentals: The obligations of the Tenant to make the payments required in this Lease, and to perform the observe other agreements on its part contained herein shall be absolute and unconditional, irrespective of any defense or any rights of set-off, recoupment or counterclaim it might otherwise have against the Landlord. Any monies paid or expenses incurred by Landlord to correct violations of any of the Tenant's obligations hereunder shall be additional rent.

8. Net Lease: This Lease is a net lease, and the Rent shall be absolutely net to Landlord at all times during the term of this Lease, so that this Lease shall yield to Landlord the full amount of the Rent throughout the term of this Lease. The rent shall be paid to Landlord when due and the other charges to be borne by Tenant under this Agreement shall be paid when due, without notice or demand, and without any abatement, deduction, diminution, suspensions, interruption, deferment, or reduction by reason of any claim, set-off, counterclaim, defense, or any other reason whatsoever. Except to the extent, if any, as expressly provided in this Lease to the contrary, this Lease shall continue in full force and effect during its full term, and the obligations of Tenant under this Lease shall not be released, discharged, or otherwise affected by reason of (i) any damage to or destruction of the Premises or any part thereof or any condemnation of the Premises or any part thereof; (ii) any restriction or prevention of or interference with any use of the Premises or any part thereof; (iii) any inconvenience or interruption or loss of business caused by any present or future legal requirements or insurance requirements; (iv) any claim which Tenant has or might have against Landlord; (v) any failure on the part of Landlord to perform or comply with any of the terms of this Lease or of any other agreement with Tenant (without effect upon Tenant's right, if any, to recover against Landlord for such failure); or (vi) any other occurrence whatsoever, whether similar or dissimilar to the foregoing, and in each case, whether or not Tenant shall have notice or knowledge of any of the foregoing.

9. Use: The Tenant shall use and occupy the Premises solely for the purposes of operating a quality restaurant and lounge, which restaurant and lounge shall comply with all laws, ordinances, orders, or regulations of any lawful authority having jurisdiction over the Premises and the use thereof. Tenant shall not conduct or allow any activities by anyone to be conducted that are restricted by or in violation of the Rules and Regulations published by the Lessor from time to time.

10. Assignment and Subletting: The Tenant shall not, without the prior written consent of the Landlord, assign this Lease or any interest therein. Likewise Tenant may not sublet the Premises or any part thereof without Landlord's written consent. Landlord agrees not to unreasonably reject an Assignee of the Tenant who: a. in Landlord's judgment demonstrates a financial ability to meet all present and future obligations of Tenant b. in Landlord's judgment has a verifiable history of successfully operating a fine dining establishment c. possesses a credit rating that in Landlord's judgment warrants the approval of the Assignee d. agrees to personally guarantee the Lease if requested by Landlord e. agrees to give Landlord a rent deposit in the amount equal to three (3) months rental payment, if requested by Landlord. If Landlord agrees to accept Tenant's Assignee based on the before mentioned terms and conditions, Landlord will release Tenant from his contractual obligations as defined in this Lease Agreement.

11. Improvements: All improvements, alterations and additions to the Premises desired by Tenant shall be made only at Tenant's expense, in good and workmanlike manner and in

accordance with plans and specifications which have been previously approved in writing by the Landlord, which shall not be unreasonably withheld. Landlord reserved the right to approve any contractor, which approval shall not be unreasonably withheld, and to require adequate lien waivers, bonds, permits, licenses and insurance. All improvements and additions made by the Tenant and permanently attached to the Premises, including without limitation all partitions, carpets, ceiling lighting and ceiling fan fixtures, Ansel systems, sinks, door hardware, built-in shelving and cabinets and ceilings, shall remain in the Premises and shall be surrendered to Landlord at the expiration or earlier termination of this Lease. Landlord and Tenant agree that the items identified in Paragraph 15 shall be removed by Tenant at the end of the Lease and shall remain the property of the Tenant.

12. Utilities and Service: Tenant shall, during the term hereof, at its own expense, pay all charges for all utilities of the restaurant including electric power, sewage, propane/gas, and telephone charges. Water is to be supplied by Landlord.

13. Maintenance: Landlord shall be responsible for service and maintenance of all roofs, exterior parking, stairs, and restrooms of the Premises and shall keep the same in good repair. Tenant will be responsible for keeping the stairs and walkways clear of all spills and blockages created by its customers, employees, or agents. Landlord shall, except as hereinafter set forth, make all necessary repairs, replacements, and renewals in order to maintain such good repair and condition. Tenant is to give Landlord written notice of any deficiency and Landlord is to take appropriate action to correct the deficiency in a timely manner. Tenant is to take all prudent and available steps to protect all property and continue his business until the repairs are completed. Tenant hereby holds Landlord harmless for any consequential damages or defects arising from operations by Tenant or any such repair made by Tenant or Tenant's contractor, and agrees to make repairs to correct deficiencies at Tenant's own expense. The Tenant shall, at its own and sole expense, be responsible for all repairs, maintenance and service of heating and air conditioning systems as well as the acquisition, maintenance, cleaning, and repair of all of its personal property and restaurant equipment including, but not limited to stoves, ovens, coolers, freezers, dishwashing equipment, grease trap, kitchen equipment, refrigerators, fire suppression equipment, Ansel [sic] system, ice machines, sinks, dish machines, and all plumbing, piping and wiring associated with Tenant's personal property and restaurant equipment. In the event that fire suppression equipment and/or the Ansel system must be replaced, such replacement shall be at the sole expense of the Tenant. Landlord shall not be liable for loss or damage to Tenant's property resulting from any defective condition in or about the Premises. Tenant shall surrender same to Landlord at the expiration or earlier termination of this Lease in as good condition as they were when received (or subsequently improved or altered), normal wear and tear excepted. The Tenant shall be responsible for simple repairs and ordinary maintenance including, but not limited to, painting and flooring. Lessee further agrees to change the air filters for the heating and air conditioning system for the Property on a regular basis (at the sole cost of the Lessee).

14. Operation by Tenant: In regard to use and occupancy of the Premises, Tenant shall, in the opinion of the Landlord, (a) keep all exterior surfaces of the Premises clean; (b) replace promptly, at its expense, any cracked or broken plate or window glass of the premises with glass of like kind and quality; (c) replace the entry door(s), interior doors, and all door locks with doors and locks of like kind and quality should entry or interior doors or locks be damaged; (d) maintain the Premises at its expense in a clean, orderly and sanitary condition and free of insects, rodents, vermin and other pests;

(e) keep any garbage, trash, rubbish or refuse in proper containers which containers shall be located below the outside stairway closest to the ICW and behind the building; (f) have such garbage, trash, rubbish and refuse removed at its expense on a regular basis; (g) comply with all laws, ordinances, rules and regulations of governmental authorities and all recommendations of the Fire Underwriters Rating Bureau now or hereafter in effect; and Tenant shall not (h) do or suffer to be done, or keep or suffer to be kept, anything in, upon or about the Premises which will contravene policies insuring against loss or damage by fire or other hazards (including, without limitation, public liability) or which will prevent Tenant from procuring such policies in companies acceptable to Landlord.

15. Property of Tenant: Tenant may, and at the expiration or earlier termination hereof shall remove all furniture, equipment, and other personal property including the antique bar, beveled glass mirror and shelving behind bar, stoves, ovens, dishwashers, ice maker, refrigeration equipment, tables, and chairs, window treatments, and other furnishings and equipment which Tenant shall have placed in the Premises, other than personal property or fixtures which revert to the Landlord as set forth in Section 11 of this Agreement. All such property, including the property to revert to Landlord, shall, during the term thereof, be at the risk of Tenant only, and Landlord shall not be liable for any loss thereof or damage thereto resulting from any cause whatsoever; and each policy of insurance covering such property shall contain a standard waiver of subrogation endorsement. Any such property not removed at the expiration or earlier termination of this Lease, or which cannot be removed without permanent or substantial damage to the Premises, shall be deemed abandoned and may be disposed of by the Landlord in any manner whatsoever. Tenant is to repair any damage caused by the removal of any personal property or equipment from the premises.

16. Taxes: Landlord shall pay all real estate taxes assessed on the Premises. All other taxes and assessments of every kind or nature imposed or assessed upon the restaurant operation or with respect to its furnishings, fixtures, and equipment shall be the responsibility of the Tenant.

17. Insurance Required: At its sole expense, Tenant shall keep the Tenant's trade fixtures, merchandise, operating equipment, personal property, leasehold furnishings, now or hereafter located on or about the Property insured against loss by fire and all of the risk and perils, including without limitation sprinkler damage, vandalism, malicious mischief and other such coverage usually covered by an extended coverage endorsement to a policy of fire and casualty insurance upon property comparable to the property, including plate glass insurance, especially for the interest of the Tenant, in an amount equal to not less than the full replacement cost thereof. Tenant shall further keep in force at its expense as long as this Lease Agreement remains in effect and during such other time as Tenant occupies the Premises or any part thereof the following contracts of insurance:

- (1) Comprehensive General Liability Policy with limits as follows:
 - (i) \$1,000,000 per occurrence \$2,000,000 aggregate;
 - (ii) \$100,000 Fire, Legal liability; and,
 - (iii) \$5,000 Medical payments.

RV Resort & Yacht Club Owners Association, Inc shall be endorsed on such policy as Additional Named Insured.

- (2) Liquor Legal Liability Insurance.
- (3) Workers Compensation Insurance covering all employees of the Tenant.

Tenant shall supply to Landlord on April 1st of each year a valid certificate of insurance for these policies containing provision for a thirty (30) day written notice of cancellation. Tenant agrees to waive subrogation against the Landlord for any and all losses arising out of the loss or damage to Tenant's contents, whether or not such contents are insured at the time of loss. Landlord shall deem non-compliance with any of the foregoing provisions cause for termination of this Lease upon ten days written notice to Tenant.

18. Signs and Advertising: Tenant shall not place or suffer to be placed or maintained on the Premises, any sign, advertising matter or any other thing of any kind, and will not place or maintain any decoration, lettering or advertising matter on the glass of any window or door of the Premises without first obtaining Landlord's written approval which will not be unreasonably withheld. Tenant shall maintain such sign, decoration, lettering, advertising matter or other things as may be approved by Landlord, in good condition and repair at all times and shall remove all such sign, decoration, lettering and advertising matter at the termination of this Lease Agreement.

19. Damage or Destruction by Casualty: If the Premises are partially destroyed by fire or other casualty, rental shall not abate and Tenant shall receive all insurance proceeds and, at its own expense, promptly restore the Premises to substantially the same condition as existed before; provided, however, Landlord may by notice to Tenant within thirty (30) days after the date of damage or destruction to all or substantially all of the Building on the Premises elect, at its option, not to require the restoration or repair of the Premises and Tenant may thereafter, at its option, cancel this Lease.

20. Eminent Domain: If the whole of the Premises be taken under the power of eminent domain (including any conveyance in lieu thereof), then the term hereof shall cease as of the date possession thereof is taken by the condemnor, and rental shall be accounted for as between Landlord and Tenant as of that date. If any lesser portion of the Premises is thus taken which exceeds Twenty (20%) percent of the Premises, rental shall abate in the proportion the floor area taken bears to the total floor area of the building on the Premises used at the time of taking. Tenant shall not have any right or claim to any part of any award made to or received by Landlord for such taking or right or claim against Landlord for the value of the then unexpired term of the Lease; provided, however, Tenant shall not be prevented from making a claim against the condemnor (but not against Landlord) for the depreciated value of any improvements made to the Premises by Tenant, any moving expenses, loss of profits, or taking of its personal property (other than its leasehold interest) to which Tenant may be entitled.

21. Indemnity: Tenant shall defend, indemnify and hold harmless the Landlord from and against any claims, damages or expenses, whether due to damage to the premises, claims for injuries to persons or property, or administrative or criminal action by a governmental authority, where such claims arise out of or from use or occupancy of the Premises by Tenant, its agents, employees or invitees, except where such damage, claims or penalties are caused by the gross negligence of Landlord, its employees or agents.

22. Landlord's Entry: Landlord may enter the Premises at reasonable times and in a reasonable manner to inspect or exhibit same, and to exercise Landlord's rights under this Lease

Agreement Tenant shall be given, except in an emergency, twenty-four (24) hours prior notice of such entry and an employee of Tenant shall be present at all times during such entry.

23. Events of Default: Any one or more of the following events shall amount to the Event of Default or Default under this Agreement:

- (a) Failure by the Tenant to pay the Rent agreed to be paid, including all other sums of money which may be considered as additional rent in whole or in part at the time specified herein and continuing for a period of fifteen (15) or more days there from.
- (b) Failure of Tenant to provide any certificate required hereunder within the time therein specified.
- (c) Failure of the Tenant to observe and perform any covenant, condition or agreement in this Agreement on the part of the Tenant to be observed or performed within five (5) days after written notice specifying such failure and requesting that it be rendered given to the Tenant and any Guarantor by the Landlord, unless the Landlord shall agree in writing to an extension of such time prior to its expiration.
- (d) To the extent allowed by law, the dissolution or liquidation of the Tenant or the filing by the Tenant of a voluntary petition in bankruptcy or failure by the Tenant promptly to lift any execution, garnishment or attachment of such consequence as will impair the ability of the Tenant to carry on its operations at the Premises, or the commission by the Tenant of any act of bankruptcy, or adjudication of the Tenant as a bankrupt, or assignment by the Tenant for the benefit of its creditors, or the entry by the Tenant into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Tenant in any proceeding for its reorganization instituted under the provision of the general Bankruptcy Act, as amended, or under any similar act in any domestic or foreign jurisdiction which may now be in effect or hereafter entered.

24. Remedies on Default: Whenever any Event of Default shall have happened and be subsisting, the Landlord may take any of the following remedial steps:

- (a) The Landlord, at its option, may declare all rental for the remainder of the lease Term to be immediately due and payable, whereupon the same shall become immediately due and payable.
- (b) The Landlord, with or without terminating this Agreement (at its option), may (i) exclude and remove the Tenant and all persons and contents from the Premises by force, summary proceedings, or otherwise, without being liable to Tenant therefore; (ii) reenter and take possession of the Premises; and (iii) sublease the Premises for the account of the Tenant, holding the Tenant liable for the

difference in the rent and other amounts actually paid by such sub lessee in such subleasing and other amounts payable by the Tenant hereunder, and Tenant shall remain liable for any damages sustained by Landlord, all reasonable costs, professional fees to include attorney fees, and expenses incurred by Landlord in leasing the Premises to another tenant, and in effecting collection of rentals from Tenant.

- ©) The Landlord may take whatever action at law or in equity may appear necessary or desirable to collect the rent and other amounts then due and thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant of the Tenant under this Agreement, including utilization of all provisions of applicable laws respecting the speedy recovery of lands and tenements held over by Tenant and proceedings in forcible entry and detainer. In addition, Tenant shall reimburse Landlord for all costs and expenses, including reasonable attorneys' fee, in connection with the enforcement of the terms and obligations of this Agreement.

No action taken pursuant to this Section shall relieve the Tenant from the Tenant's obligation to pay Rent, all of which shall survive any such action, and the Landlord may take whatever action at law or in equity as may appear necessary and desirable to collect the Rent and other amounts then due and thereafter to become due and/or to enforce the performance and observance of any obligations, agreement or covenant of the Tenant hereunder.

25. Remedies Cumulative Non-Waiver: No remedy herein or otherwise conferred upon or reserved to Landlord or Tenant shall be considered exclusive of any other remedy, but the same shall be distinct, separate and cumulative and shall be in addition to every other remedy given hereunder, or not or hereafter existing at law or in equity; and every power and remedy given by this Lease Agreement may be exercised from time to time as often as occasion may arise or as may be deemed expedient. No delay or omission of Landlord to exercise any right or power arising from any default on the part of Tenant shall impair any such right or power, or shall be construed to be a waiver of any such default, or an acquiescence therein. No delay or omission of Tenant to exercise any power or right arising from any default on the part of Landlord shall impair any such right or power, or shall be construed to be a waiver of any such default, or an acquiescence therein. The acceptance of rent by Landlord without knowledge of a default by Tenant hereunder shall not constitute a waiver of such default.

26. Quiet Enjoyment. If Tenant shall pay the Rent and perform and observe all of the other covenants and conditions to be performed and observed by it hereunder, Tenant shall at all times during the term hereof have the peaceable and quiet enjoyment of the Premises without interference from Landlord or any person lawfully claiming through Landlord, subject, however, to the terms of any mortgages or deeds of trust provided for in paragraph 28 hereof. Landlord shall have no responsibility or liability whatsoever for the loss of any property of Tenant resulting from theft, trespass, breaking and entering and the like.

27. Estoppel Certificate: Within ten (10) days after written request thereof by the Landlord or any mortgagee or trustee under a mortgage or deed of trust covering the Premises, Tenant shall deliver in recordable form a statement to any mortgagee, trustee or other transferee, or to Landlord, certifying any facts that are then true with respect to this Lease Agreement, including without limitation (if such be the case) that this Lease Agreement is in full force and effect, that Tenant is in possession, that Tenant has commenced the payment of Rent, and that Tenant claims no defense or set-off to the due and full performance of its obligations under this Lease Agreement.

28. Subordination and Attornment: Tenant agrees that this Lease shall be subject and subordinate to any mortgages, deeds of trust now or hereafter placed upon the Premises and to all modifications thereto, and to all present and future advances made with respect to any such mortgage or deed of trust. Tenant agrees to attorn to the mortgagee, trustee, or beneficiary under any such mortgage or deed of trust, and to the purchaser at a sale pursuant to the foreclosure thereof, and to the lessor in the event of a termination of any such prior lease. Provided, however, that so long as Tenant shall not be in default under this Lease, its rights of possession and enjoyment of the Premises shall be and remain undisturbed and unaffected by said mortgage or deed of trust or by any foreclosure proceedings thereunder, and any subordination agreement executed pursuant to this paragraph shall contain language specifically so providing.

29. Notices: All notices provided for in this Lease Agreement shall be in writing and shall be deemed to be given when sent by registered or certified mail, return receipt requested, postage prepaid, and addressed as follows:

If to the Landlord: RV Resort & Yacht Club Owners Association
P.O. Box 23874
Hilton Head Island, SC 29925

If to the Tenant: Sunset, Inc.
40 Old House Creek Drive
Hilton Head Island, SC 29928

Notice shall also be sent to the holder or holders of any mortgage or deed of trust covering the Premises at such address as such holder or holders may have given by notice as herein provided. Either party hereto, or any such holder, may from time to time, by notice as herein provided, designate a different address to which notices to it shall be sent.

30. Subordination: In no event shall Landlord's interest in the Premises, or any part thereof, be subordinate or junior to the lien of any mortgage or deed of trust covering Tenant's interest in the Premises.

31. Governing Law: This Lease Agreement shall be construed and enforced in accordance with the laws of the State of South Carolina.

32. Successors: This Lease Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors and permitted assigns, except as otherwise provided for in this Lease Agreement.

33. Short Form Memorandum: Each party agrees to execute upon request a short form of this Lease Agreement for purposes of recordation, the cost of which shall be borne by the Tenant. The Tenant shall pay all lease stamps due upon the execution of this Lease and any extension or extensions thereof.

34. Nature and Extent of Agreement: This Lease Agreement, including the exhibits attached hereto, contains the complete agreement between the parties regarding the terms and conditions of the lease of the Premises, and there are no oral or written conditions, terms or warranties, understands or other agreements pertaining thereto which have not been incorporated herein. This Lease Agreement may be modified only by written instrument duly executed by both parties or their respective successors in interest.

35. Holding Over: This Lease expires at the end of the term defined herein, but it is expressly understood that if Tenant holds over for another month at the end of said term for any purpose other than the removal of its property, and Landlord accepts rent for said month, such acceptance shall operate as a renewal of the tenancy for another month and for each additional month for which Landlord accepts rent. Should Landlord require possession of the Premises, it shall give Tenant thirty (30) days to vacate the said premises during such holdover period.

36. Renewal Term: Lessee, having first fully performed all of its obligations, terms, conditions, and covenants hereunder, and having paid all of the rent payable to Lessor under the original term is hereby granted the right and option to renew this lease for two (2) additional terms as hereinafter specified, with the annual increases in rent to be paid as set forth below. Except for the rents, all other terms and conditions set forth in this Lease shall remain unchanged and in effect for the renewal terms unless the parties shall agree in writing to a modification of the terms.

- (a) The renewal term rental amounts for Renewal Term 1 are:
May 1, 2007 through April 30, 2008 \$24,067.03 per annum (\$2,005.59 per mo.)
May 1, 2008 through April 30, 2009 \$25,270.38 per annum (\$2,105.87 per mo.)
- (b) Tenant is granted an additional three (3) year renewal option (May 1, 2009 through April 30, 2012) as Renewal Term 2. The annual rental amounts for each year of the additional three (3) year term shall not be increased by more than 5% over the preceding year's annual rent.

37. Material Change. Any transfer, sale, or change whatsoever in ownership of fifty percent or more of the outstanding shares of stock of Sunset, Inc., which at the time of signing this agreement is hereby represented by the Tenant to be owned by Hugh and Linda Lockman, will be considered a material change and will be cause for termination of this Lease Agreement if so chosen by Landlord.

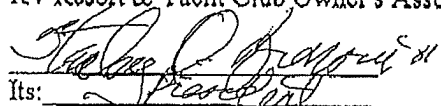
38. Deposit. The Lessee has previously furnished to Landlord a deposit of one thousand dollars (\$1000). This deposit may be used by Landlord upon termination of this lease as an offset against any unpaid rent, costs incurred by Landlord for cleaning or making repairs that are the responsibility of the Tenant, replacement of any equipment or furnishings that are to remain as part of the premises upon termination of the Lease. Should Landlord use all or any portion of the security deposit as described herein, Landlord shall provide Lessee with a complete itemization of all monies deducted from the security deposit.

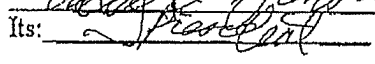
In Witness Whereof, the parties hereto have hereunto set their respective Hands and Seals on the day and year first hereinabove written.

WITNESSES:

LANDLORD

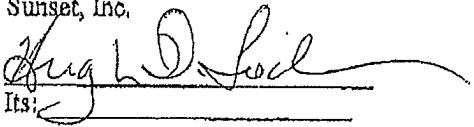
RV Resort & Yacht Club Owner's Association, Inc.

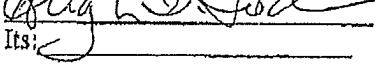
By: 

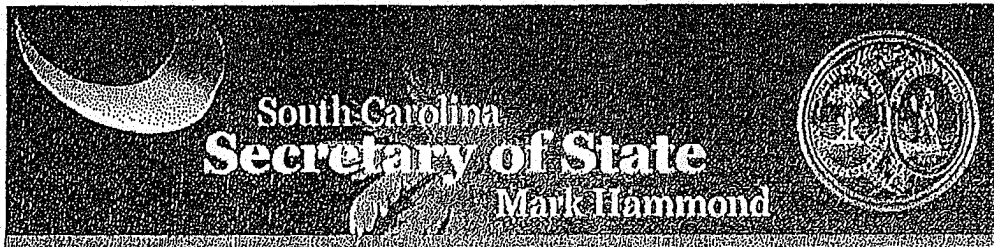
Its: 

TENANT

Sunset, Inc.

By: 

Its: 

**SUNSET, INC.**

*Note: This online database was last updated on 6/18/2014 6:02:08 PM.
See our Disclaimer.*

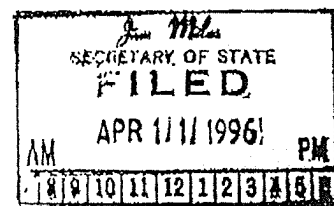
DOMESTIC / FOREIGN:	Domestic
STATUS:	Good Standing
STATE OF INCORPORATION	SOUTH CAROLINA
/ ORGANIZATION:	Profit
REGISTERED AGENT INFORMATION	
REGISTERED AGENT NAME:	LINDA H LOCKMAN
ADDRESS:	16 COMPASS POINT
CITY:	HILTON HEAD ISLAND
STATE:	SC
ZIP:	29928
SECOND ADDRESS:	
FILE DATE:	04/11/1996
EFFECTIVE DATE:	04/11/1996
DISSOLVED DATE:	//

Corporation History Records

CODE	FILE DATE	COMMENT	Document
Incorporation	04/11/1996	INCORPORATION	Image

Disclaimer: The South Carolina Secretary of State's Business Filings database is provided as a convenience to our customers to research information on business entities filed with our office. Updates are uploaded every 48 hours. Users are advised that the Secretary of State, the State of South Carolina or any agency, officer or employee of the State of South Carolina does not guarantee the accuracy, reliability or timeliness of such information, as it is the responsibility of the business entity to inform the Secretary of State of any updated information. While every effort is made to insure the reliability of this information, portions may be incorrect or not current. Any person or entity who relies on information obtained from this database does so at his own risk.

STATE OF SOUTH CAROLINA
 SECRETARY OF STATE
 ARTICLES OF INCORPORATION
 FOR A
 STATUTORY CLOSE CORPORATION



1. The name of the proposed corporation is Sunset, Inc.
2. This corporation is a statutory close corporation, pursuant to Chapter 18, Title 33 of the 1976 South Carolina Code, as amended.
3. The initial registered office of the corporation is 16 Compass Point, Hilton Head Island, Beaufort County, South Carolina 29928 and the initial registered agent at such address is Linda H. Lockman.
4. The corporation is authorized to issue shares of stock as follows. Complete a or b, whichever is applicable:
 - a. XXX If the corporation is authorized to issue a single class of shares, the total number of shares authorized is one thousand (1,000).
 - b. The corporation is authorized to issue more than one class of shares:

Class of Shares	Authorized No. of Each Class
_____	_____
_____	_____
_____	_____

If shares are divided into two or more classes or if any class of shares is divided into series within a class, the relative rights, preferences, and limitations of the shares of each class, and of each series within a class, are as follows:

not applicable

5. The existence of the corporation shall begin as of the filing date with the Secretary of State unless otherwise indicated (See §33-1-230(b)): upon incorporation.
6. Unless specified otherwise below, the transfer of shares of stock of the corporation shall be subject to the restrictions set out in §§33-18-110 through 33-18-130 of the 1976 South Carolina Code, as amended. Specify any variations in the statutory format in §§33-18-110 through 33-18-130:
 none
7. Unless otherwise specified below the corporation shall have a board of directors (See §33-18-210 of the 1976):
xxx This corporation elects not to have a board of directors.
8. Check, if applicable:

 This corporation elects to have the provisions of §§33-18-140 thru 33-18-170 of the 1976 Code, which give the estate of a deceased shareholder the right to compel the corporation to purchase the deceased shareholder's shares, apply. Specify any variations in the statutory format in §§33-18-140 through 33-18-170:

9. The optional provisions which the corporation elects to include in the articles of incorporation are as follows (see §33-2-102 and the applicable comments thereto; and §§33-18-330, 35-2-105, and 35-2-221 the 1976 South Carolina Code):

None

10. The name and address and signature of each incorporator is as follows (only one is required);

Name	Address	Signature
Linda H. Lockman	16 Compass Point Hilton Head, SC 29928	<u><i>Linda H. Lockman</i></u>

11. I, Maria Belbas Parker, an attorney licensed to practice in the State of South Carolina, certify that the corporation, to whose articles of incorporation this certificate is attached, has complied with the requirements of Chapter 2, Title 33 of the 1976 South Carolina Code relating to the articles of incorporation.

Date: April 3, 1996

Maria Belbas Parker
 Maria Belbas Parker, Attorney
 Law Offices of John P. Qualey, Jr.,
 P.A.
 P.O. Box 10
 Hilton Head, SC 29938
 (803) 785-3525

lockman.art

7/30/21

ADMITTED TO THE UNITED STATES
SUPREME COURT BAR

ADMITTED IN SOUTH CAROLINA
AND GEORGIA

CERTIFIED CIRCUIT
COURT MEDIATOR

LAW OFFICE OF
THOMAS C. TAYLOR, LLC

22 BOW CIRCLE
SUITE A
HILTON HEAD ISLAND, SC 29928

TELEPHONE 843-785-5050
TELECOPIER 843-785-5030
www.thomastaylorlaw.com • tom@thomastaylorlaw.com

MAILING ADDRESS
P.O. BOX 5550
HILTON HEAD ISLAND, SC
29938

July 30, 2021

Via email transmittal to russell@russellpattersonlaw.com

Russell Patterson, Esq.
Russell P. Patterson, P.A.
P.O. Box 8047
Hilton Head Island, SC 29938

Re: Turner's Marina, LLC and it's 99 year lease

Dear Russell:

I have received your letter dated July 29, 2021 on behalf of your clients, the Lockmans and Sunset, Inc., replying to my letter to the Lockmans dated July 22, 2021. I am also in receipt of your email of 1:34 p.m. today. Thank you for them both.

As my letter to the Lockmans indicated, I represent Turner's Marina LLC ("TMLLC"). TMLLC is the assignee of Lessee's interest in that 99-year Lease dated June 12, 1981, between the R.V. Resort And Yacht Club Owner's Association, Inc. ("RYCOA"), as Lessor, and Outdoor Resort, R.V. Resort and Yacht Club, as Lessee. A copy of that recorded Lease is attached for your reference.

As you will see from a review of the Lease, TMLLC is the exclusive lessee of Recreational Facilities, "which include, among other things, a swimming pool, two tennis courts, decking, bathhouse, and certain portions of the Clubhouse complex," plus the appurtenances, tenements and hereditaments, "and together with all improvements, buildings and structures now or hereafter placed thereon...." Of critical importance to your clients is the proviso of the Lease stating "This is an exclusive Lease to the Lessee, under circumstances where the Lessor shall not be entitled to enter into any other leases with any other lessees while this Lease is in effect without the prior written consent of the Lessee." The only individuals that have any right of use to the leasehold premises aside from TMLLC and its assigns, and their agents, officers, employees and guests, are Lot Owners, who have the right to use, occupy and enjoy the leasehold premises also.

TMLLC contends that the restaurant space is part of the demised premises under the Lease because it is clearly a portion of the specific property called out in the Lease description. As such, the RYCOA has no ability to lease the restaurant space to anyone under the plain wording of the Lease, absent TMLLC's written consent, which has never been given. Mr. Lizzi and the RYCOA apparently disagree with the terms of the Lease, given the fact that they have apparently leased out

EXHIBIT

3

the space and collected rent thereon for years. Thus, TMLLC has asked the circuit court for a declaration of rights and was, until May 28, 2021, prepared to await a court's resolution.

The supposed "dispute" over whether the restaurant space is a portion of the demised premises under the Lease is a completely separate issue from whether or not the asphalt "parking" area behind the rental office is a portion of the demised premises. I believe everyone is in agreement that this current "parking" area is absolutely a portion of the demised premises, and thus is the exclusive province of TMLLC subject only to the right of specific Lot Owners to "use, occupy and enjoy" the parking lot also. Your clients have no rights whatsoever to park there or have their customers park there. However, in a good faith effort to resolve these legal disputes with the least possible disruption to anyone's business, TMLLC was (until May 28, 2021) willing to allow restaurant customers to occasionally park on its leasehold premises until a court issues an order clarifying the conflicting claims. Unfortunately, the RYCOA and its counsel on May 28, 2021, notified TMLLC of its insistence that the strict terms of the 99-year Lease be applied, and notified TMLLC that as of June 5, 2021, the RYCOA was going to physically change signage in TMLLC's leasehold, deny TMLLC's guests and assigns access to the parking lot, and further deny TMLLC's assigns and guests, use of the pool facilities and restroom facilities. In reply, TMLLC advised the RYCOA that it would, reserving its claims until trial or court order, adhere to the RYCOA's demands to strictly enforce the terms of the Lease as the RYCOA reads them, and Mr. Turner went about at TMLLC's sole cost and effort, to arrange parking for its assigns and guests, and provided temporary restrooms and hand washing facilities for their use. TMLLC is being damaged on a daily basis by the RYCOA's actions, but is doing all it can to continue its business operations until trial.

So, in specific reply to your letter, TMLLC will not allow Sunset or its customers to access the parking lot behind the rental office as of August 4, 2021, because neither Sunset nor its customers have any legal right to do so, and the RYCOA has insisted that TMLLC enforce the terms of the Lease (as the RYCOA reads it) until trial or order of the court. Further to this issue, I must point out that you are mis-informed as to the history of your client's parking behind the rental office. There has not been any "25 + years of use of said facilities." The parking lot as it stands now was only created in 2014 when the RYCOA failed so miserably at maintaining the tennis courts, that they were torn down, dug up and paved over to create the parking lot. The truth of the matter is that your client's customers have historically parked along the shoulder of Jenkin's Road until the RYCOA and its agents, in deliberate actions to hurt TMLLC and Neil Turner, cajoled the County and the SCDOT to erect and enforce "no parking" zones along the shoulders of Jenkins Road. There has been no historic usage of the parking lot by your clients nor their customers, and there is no legal basis to contend that. (Of course Russell, if you have any documentation that established some legal right, please forward me copies. We couldn't even get the RYCOA to provide us with a copy of the lease your client must have for the premises.)

Further to the parking issues, you are also misinformed as to the history of your client's lunch service. In your letter, you assert that "My client has already had to discontinue serving lunch due to parking issues" in an apparent attempt to buttress a claim of damages emanating from your client's loss of lunch revenues. I am advised that, in truth, your client discontinued serving lunch during the "Covid-19 shut-down" and that it had nothing to do with alleged parking issues. I further understand that your client may have been cited during this time for operating the

restaurant in violation of the the Covid-19 shutdown, and was forced by local authorities to curtail operations. I think this would be important if there is any attempt made to convince a court in an emergency setting that parking issues allegedly created by my client somehow contributed to your client's business problems in the last year.

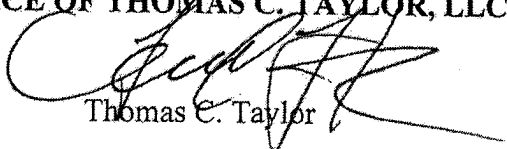
* As to restroom access, since the RYCOA has prohibited TMLLC's assigns and guests from usage of the "bathhouse" facilities called out in the exclusive 99-year Lease to TMLLC, the lessee really has no choice but to prohibit the RYCOA's assigns and guests (which seems to me to be the highest standard that your client and its customers could achieve), from using the same facilities. However, TMLLC in good faith and in hopes that it will help your clients as we move through this legal process, will at TMLCC's cost, provide your clients, their employees and their customers, use of the four temporary restroom facilities and four temporary hand-washing stations that the RYCOA's actions of May 28, 2021 have forced upon TMLLC in order to continue its business operations. These "port-a-potties" and the hand-washing stations are located on TMLLC's property near the dock, but Mr. Turner will gladly have two of them moved onto the parking lot of its demised premises if your clients would like to use them. Your clients, their employees and their customers may feel free to share the temporary facilities with TMLLC's assigns and guests until time of trial.

As a final matter since you are threatening to seek the court's intervention through a TRO, please keep in mind that TMLLC has, at no charge, previously granted your clients a temporary license/easement for pedestrian access across the private property of TMLLC located between Jenkins Road and the restaurant, and has graciously agreed, without charge, to allow your client's suppliers to cross its private property for their business interests. I remind you and your clients that they have no legal right of access across this private property of TMLLC and that the temporary license/easement may be withdrawn at any time. Finally to this point Russell, I once again note that I may be unaware of documentation in your client's possession (or yours) that establishes some legitimate legal claim of access across the private property of TMLLC, and if such exists, I ask that you kindly share it with me now and I'll discuss it with my client. Thank you.

I will be out-of-town until approximately noon on Monday, August 2, 2021, but can be reached by cell at 843-301-6900 if you need me for any type of action. Thank you. I hope you have a nice weekend.

Cordially yours,

LAW OFFICE OF THOMAS C. TAYLOR, LLC


Thomas C. Taylor

TCT/dpt

cc: Mr. Turner via E-mail attachment

STATE OF SOUTH CAROLINA
COUNTY OF BEAUFORT

TURNER'S MARINA LLC,

Plaintiff,

vs.

R.V. RESORT AND YACHT
CLUB OWNERS'
ASSOCIATION, INC.,
SECURITAS SERVICES, INC.,
MIKE MORALES, and
SUNSET, INC.,

Defendants.

IN THE COURT OF COMMON PLEAS
FOURTEENTH JUDICIAL CIRCUIT

Case Number: 2021-CP-07-1085

SUMMONS

TO THE DEFENDANTS ABOVE NAMED:

YOU ARE HEREBY SUMMONED and required to answer the **Amended Complaint** herein, a copy of which is herewith served upon you, and to serve a copy of your Answer to this Amended Complaint upon Thomas C. Taylor, Esquire, at Post Office Box 5550, Hilton Head Island, South Carolina 29938, within thirty (30) days after service hereof, exclusive of the day of such service, and if you fail to answer the Amended Complaint within the time aforesaid, judgment by default may be rendered against you for the relief demanded in the Amended Complaint.

Law Office of Thomas C. Taylor, LLC

s/ Thomas C. Taylor, Esq.

Thomas C. Taylor (S.C. Bar 5499)

P.O. Box 5550, Hilton Head Isl., SC 29938

Telephone:(843)785-5050-Fax:(843)785-5030

Email: tom@thomastaylorlaw.com

ATTORNEY FOR PLAINTIFF

TURNER'S MARINA LLC

Hilton Head Island, South Carolina
August 25, 2021

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
COUNTY OF BEAUFORT	)	FOURTEENTH JUDICIAL CIRCUIT
	)	
TURNER'S MARINA LLC,	)	Case Number: 2021-CP-07-1085
	)	
Plaintiff,	)	
	)	
vs.	)	Amended
	)	Complaint for Damages, for the
	)	Appointment of a Receiver, for a
	)	Declaration of Legal Rights and for
R.V. RESORT AND YACHT	)	Temporary and Permanent
CLUB OWNERS'	)	Injunctive Relief
ASSOCIATION, INC.,	)	
SECURITAS SERVICES, INC.,	)	(Jury Trial Requested)
MIKE MORALES, and	)	
SUNSET, INC.,	)	
	)	
Defendants.	)	
	)	
	)	

Pursuant to the Order of the Honorable Robert Bonds filed August 5, 2021, the Plaintiff hereby files this Amended Complaint, and alleges as follows:

PARTIES AND JURISDICTION

1. That the Plaintiff Turner's Marina LLC (hereinafter sometimes referred to as "Turner's Marina") is a South Carolina limited liability company organized and existing under the laws of the State of South Carolina. Its principal place of business is in Beaufort County, in the State of South Carolina, and it is authorized to do business in the State of South Carolina.

2. That the Defendant R.V. Resort and Yacht Club Owners' Association, Inc. (hereinafter sometimes referred to as the "YCOA,") is a not-for-profit corporation, organized and existing pursuant to the laws of the State of South Carolina with its principal place of business in Beaufort County, in the State of South Carolina. The YCOA is a condominium owners association and is authorized to do business in the State of South Carolina.

3. That the Defendant Securitas Services, Inc. (hereinafter sometimes referred to as

“Securitas”) is a for-profit corporation, organized and existing pursuant to the laws of the State of Delaware, conducting business in Beaufort County, S.C. As is set forth below, Securitas’ agent and employee, Mike Morales, on June 11, 2021 acting within the scope of his employment and assigned duties, committed a tortious act within the County of Beaufort, State of South Carolina, and Securitas is therefore subject to the jurisdiction of this court under South Carolina’s Long Arm Statute, S.C. Code Annot. Section 36-2-803.

4. That the Defendant Mike Morales is, on information and belief, a resident of Beaufort County, SC, and an employee and agent of Defendant Securitas.

5. That the Defendant Sunset, Inc. (hereinafter sometimes referred to as “Sunset”) is a for-profit corporation, organized and existing pursuant to the laws of the State of South Carolina, with its principal place of business in Beaufort County, South Carolina.

6. That this Court has jurisdiction over all the parties under the South Carolina Rules of Civil Procedure, the South Carolina Code Annotated, and the common law.

7. That venue for all causes of action stated herein lies in Beaufort County.

FACTS

8. That on June 12, 1981, a Declaration of Condominium entitled “Declaration of Covenants and Restrictions for Outdoor Resorts RV Resort and Yacht Club and Provisions for the RV Resort and Yacht Club Owner’s Association, Inc.” (hereinafter sometimes referred to as the “Covenants”) was executed and subsequently recorded in the Office of the Beaufort County Register of Mesne Conveyances at Book 325, Page 920.

9. That the Covenants are applicable to certain property on Hilton Head Island, South Carolina commonly known as the “Outdoor Resorts Marina,” consisting of approximately 200

individually owned lots and certain common areas and amenities as are more fully described in Deed Book 325 at Page 939 in the Office of the Clerk of Court for Beaufort County (hereinafter sometimes referred to as the “Property”), and the Covenants contain restrictions, easements, affirmative obligations, charges, liens and leases affecting the Property. The individually owned lots are arranged in an oval pattern along roads surrounding recreational facilities including a swimming pool and a tennis court. Adjacent to the oval area are additional recreational facilities and common areas belonging to the YCOA, including roads, a recreational building and swimming pool adjacent to the marina basin, and a parking lot where two tennis courts were originally built. All property owned by the Defendant YCOA is subject to the Covenants.

10. That the marina described in Article XII, Section 12.5 of the Covenants as an “adjacent but totally separate development” is now owned by the Plaintiff Turner’s Marina, and consists primarily of a marina basin and docks, rental office, boat launching ramp, marina bath house, fuel dock, marina office, parking spaces with a parking lot, and certain roads.

11. That the Covenants also contain and incorporate By-Laws, Rules and Regulations for Owners, a 99-year lease dated June 12, 1981 of certain portions of the Property, and they set forth the rights and obligations of owners and members to enforce the Covenants and recover attorney’s fees and expenses incurred in doing so if they prevail.

12. That the June 12, 1981 99-year Lease (hereinafter referred to as the “Lease”) identified in paragraph 11 above, is attached to the original recorded Declaration of Covenants as Exhibit C, and a true and correct copy of same is attached hereto as Exhibit 1. That further, the June 12, 1981 Lease was recorded in the Office of the Beaufort County Register of Mesne Conveyances at Book 325, Page 953 as an attachment to the original Declaration of Covenants.

13. That the original Developer of the Property was O.R.A. of Carolina, Inc. and that the original Lessee under the Lease was Outdoor Resort, R.V. Resort and Yacht Club, a South Carolina General Partnership, that was a subsidiary of O.R.A. of Carolina, Inc.

14. That the entity known as Billybob's Marinas, Inc., a South Carolina corporation, validly acquired that certain real property and all improvements thereon referred to above as the "Outdoor Resorts Marina," consisting of 1.41 acres, more or less. That in addition Billybob's Marinas, Inc. validly acquired that certain dock extending from the 1.41 acres into and on the marshes and waters of Skull Creek subject to certain permits including OCRM permits numbered 91-3D-324-P, 97-IT-0280P-C, and 2009-1417-1IQ. That in addition, Billybob's Marinas, Inc. validly acquired that certain marina and dock extending from the 1.41 acres into the waters of Blue Heron Creek and that certain harbor located to the east of the 1.41 acres, as is subject to OCRM permits numbered 83-3C-062 and 91-3D-324-P.

15. That in addition, Billybob's Marina, Inc. validly acquired certain tangible personal property located in, on and about the 1.41 acres and certain intangible property, including, without limitation, contract rights and rights under the Covenants, and the internet domain www.hiltonheadharbor.com.

16. That in addition, Billybob's Marina, Inc. validly acquired all rights of the Lessee under the 99-year Lease.

17. That on or about December 21, 2017, Billybob's Marinas, Inc., for the consideration of \$4,600,000, conveyed to the Plaintiff Turner's Marina LLC all of its right, title, and interest in and to the afore-described tangible and intangible property, and the 99-year Lease.

18. That the Plaintiff Turner's Marina is the valid owner of all currently existing

“Declarant Rights” as are set forth in the Covenants and that Turner’s Marina is the valid owner of all rights of the Lessee set forth in the June 12, 1981 Lease attached as Exhibit 1. The Lease runs until June 11, 2080.

19. That pursuant to the specific terms of the Lease, Turner’s Marina is the exclusive lessee of that real property identified and specifically described in the Lease as follows:

The premises described in the above legal description are hereinafter referred to as the recreational Facilities which include, among other things, a swimming pool, two tennis courts, decking, bathhouse, and certain portions of the Clubhouse complex. The lease of the above described Recreational Facilities shall be together with its appurtenances, tenements and hereditaments, and together with all improvements, buildings and structures now or hereafter placed thereon, and all furniture, furnishings, fixtures, machinery and equipment now thereon and hereafter brought or placed thereon or intended for the use thereon and all additions thereto.

See Paragraph 1 of the Lease.

20. That Turner’s Marina is entitled to the exclusive possession of the leased premises and to have “quiet and undisturbed and continued possession of the premises” for the 99-year lease term, subject “only to the rights of Lot Owners to use, occupy and enjoy the same along with such other persons as provided in the Declaration of Covenants and Restrictions.” See Paragraph 9 of the Lease.

21. That the above description of the leased premises includes that portion of the second floor of the “Clubhouse Complex” commonly referred to as the restaurant area and that first-floor office space commonly referred to as the marina building or “Ship’s Store.”

22. That the restaurant area and the marina building area of the Clubhouse complex is a part of the 99-year leasehold interest assigned to BillyBob’s Marina, Inc., and then assigned to

Turner's Marina LLC as set forth above.

23. That the Lease specifically provides that the Lessee's, or any of its assigns', agents, officers, employees, or guests, may use and enjoy the demised premises of the Recreation Facilities. See Paragraph 4 of Exhibit 1.

24. That the Defendant YCOA has no legal right to occupy, use or sublet the demised premises set forth in the Lease, except to perform the required maintenance or repairs called for under the Lease.

25. That in or around February 2006, the Defendant YCOA entered into a "Lease Agreement" with the Defendant Sunset, in which the YCOA purported to lease to Sunset the restaurant area of the Clubhouse complex to Sunset for an initial period of two (2) years, with certain rights of renewal. A true and correct copy of that Lease Agreement is attached hereto as Exhibit 2.

26. That notwithstanding the YCOA's actual knowledge of the existence of the recorded 99-year Lease giving exclusive possession to Outdoor Resort, R.V. Resort and Yacht Club and its then successor-in-interest, BillyBob's Marina, Inc., the Defendant YCOA in February 2006 represented and warranted to Sunset that the YCOA was "vested with fee simple title to the Premises, free from all encumbrances other than zoning restrictions, Town of Hilton Head Island or Beaufort County ordinances and real estate taxes not yet due and payable" and further advised that the YCOA was reserving "the right to convey the Premises during the term hereof, but subject to this Lease Agreement." See paragraph 2(a) of Exhibit 2.

27. That pursuant to that February 2006 Lease, the Defendant YCOA began to charge and accept rent from Sunset, emanating from Sunset's occupation of property that was and is

subject to the 99-year Lease attached as Exhibit 1, such rent having been the equitable and legal property of first BillyBob's Marina, Inc., and since December 21, 2017, the equitable and legal property of Turner's Marina LLC,

28. That the Lease attached as Exhibit 2 expired by its terms, at the latest, on April 30, 2012.

29. That the Defendant Sunset has no written lease agreement with the YCOA, nor Turner's Marina LLC, nor any other entity holding the right to lease the property, at the present time.

30. That the Defendant Sunset is a trespasser after notice by its continuing use and occupation of the restaurant premises.

31. That the Defendant YCOA has wrongfully converted Sunset's rental payments for property that the YCOA had no legal right to lease, to the detriment of the rightful entity that should have received the rental payment, Turner's Marina LLC. On information and belief, Turner's Marina LLC asserts that the YCOA has wrongfully converted rental payments in excess of \$360,000 since the initiation of the Lease to Sunset in February 2006.

32. That the Defendant YCOA has, since at least August 30, 2018, also leased out that portion of the Plaintiff's leasehold known as the marina building or Ship's Store.

33. That on or about June 4, 2021, the YCOA threatened, through its legal counsel, to impede and interfere with Turner's Marina's exclusive leasehold possession of that portion of the demised premises commonly referred to as the parking lot and bathhouse, and in reply, the YCOA was advised that it had no such rights, and that any interference would cause damage to Turner's Marina and / or its assigns.

34. That at a presently unknown time between June 4, 2021 and June 11, 2021, the YCOA hired and directed Securitas to enter upon the demised premises of Turner's Marina and interfere with the rights of Turner's Marina and its assigns, guests, agents, officers, and employees to use and access the parking lot and bathhouse on the demised premises.

35. That at the specific direction of the YCOA, on June 11, 2021, Securitas, acting through its agent and employee Mike Morales, wrongfully entered upon the demised premises of Turner's Marina as identified in the Lease, and then and there at the direction of the YCOA, interfered with and violated the right of Turner's Marina to the quiet and undisturbed use and enjoyment of the demised premises.

36. That the interference by the YCOA and its agents (Defendants Securitas and Mike Morales) with Turner's Marina's use and quiet enjoyment of the demised premises of the parking lot and bathhouse, was intentional, and was committed in bad faith with the knowledge that the YCOA had no right to so interfere.

37. That the actions of the YCOA, Securitas and Mike Morales on June 11, 2021, caused damages to Turner's Marina LLC by interfering with its business operations.

38. That on August 3, 2021, the Defendant Sunset through its counsel in open court, represented it had somehow acquired and claimed the right to permanent use of certain parking spaces in the demised premises of Turner's Marina.

39. That Defendant Sunset and its owners, agents, and customers, routinely and continuously trespass over and about the property of Turner's Marina LLC. without right or permission.

40. That pursuant to Article 8.10 of the Covenants, the Plaintiff Turner's Marina LLC

is entitled to recover its reasonable attorney's fees and costs of this suit.

FOR A FIRST CAUSE OF ACTION
(Declaratory Judgment)

41. That the allegations contained in Paragraphs 1 through 40 are re-alleged as fully as if repeated verbatim herein.

42. That the Plaintiff Turner's Marina LLC brings this action pursuant to South Carolina Code Annot. Sections 15-53-10 through 15-53-140 and the South Carolina Rule of Civil Procedure 57, for judicial declarations:

- a. That the Plaintiff is the valid and lawful owner of the original Developer's "Declarant Rights" under the Covenants;
- b. That the Plaintiff is the valid and lawful owner of all existing rights under the Lease dated June 12, 1981 that were formerly enjoyed by the Outdoor Resort, R.V. Resort and Yacht Club (a South Carolina General Partnership);
- c. That the Plaintiff is legally entitled to the use and quiet enjoyment of the Recreational Facilities described in the Lease, which include, among other things, the restaurant, the marina building, a swimming pool, the parking lot where two tennis courts were formally located, decking, bathhouse, and certain other portions of the Clubhouse complex;
- d. That the Plaintiff is the exclusive lessee of the demised premises set forth in the 99-year Lease;
- e. That the YCOA has and had no legal right to rent and/or sublet the restaurant, or the marina building / Ship's Store to any other entity during the term of the 99-year recorded Lease;
- f. That the Defendant YCOA, unless providing maintenance or repairs as required under the Lease, has no legal right to enter upon the demised

premises during the terms of the Lease;

- g. That the Defendant Sunset has no legal right to use or occupy the premises known as the restaurant portion of the Clubhouse complex; and,
- h. That neither the Defendant Sunset, nor any of its agents, owners, employees, or guests, have the legal right to be upon or cross over Turner's Marina LLC's private property located adjacent to the Clubhouse Complex.

FOR A SECOND CAUSE OF ACTION
(Injunctive Relief)

43. That the allegations contained in Paragraphs 1 through 42 are re-alleged as fully as if repeated verbatim herein.

44. That the Defendants YCOA, Securitas and Morales' intentional acts as set forth above, violate the Lease and the Covenants, and are causing the Plaintiff immediate, irreparable harm for which there is no monetary remedy.

45. That the Plaintiff is informed and believes, and on the basis of that information and belief alleges, that unless restrained by Order of this Court, Defendants YCOA, Securitas and Mike Morales will continue to violate the Lease as described above, causing the Plaintiff continuing damages.

46. That such conduct will result in irreparable harm to Plaintiff in that Plaintiff will continue to be damaged due to the interference with its business.

47. That the threat of such irreparable and permanent damage justifies the issuance by this Court of a temporary injunction and a permanent injunction, as well as an award of attorney's fees.

48. That the Plaintiff has no adequate remedy at law for the injuries that the Plaintiff is suffering and will continue to suffer in the future.

FOR A THIRD CAUSE OF ACTION
(Interference With A Contractual Relationship)

49. That the allegations contained in Paragraphs 1 through 48 are re-alleged as fully as if repeated verbatim herein.

50. That the Plaintiff Turner's Marina LLC entered into a Commercial Lease Agreement with Sea Monkeys, LLC on December 20, 2017, under which Turner's Marina LLC agreed to lease Sea Monkeys, LLC, 150 feet of dock space, the fuel dock, and all other common facilities at Hilton Head Harbor Marina, including restrooms and parking facilities.

51. That a portion of the leased premises to Sea Monkeys includes access to portions of the demised premises to Turner's Marina LLC under the 99-year Lease agreement.

52. That the Defendant YCOA, Securitas and Morales' actions on June 11, 2021 as alleged above, were intentional, were done with the intended purpose of interfering with the lease agreement between Turner's Marina LLC and Sea Monkeys, LLC, were without justification, and caused damages to Turner's Marina LLC.

FOR A FOURTH CAUSE OF ACTION
(Appointment of a Receiver)

53. That the allegations contained in Paragraphs 1 through 52 are re-alleged as fully as if repeated verbatim herein.

54. That the 99-year Lease provides at Paragraph 14, that in the event of a breach of the Lease agreement by the Defendant YCOA, the Lessee (or its assign as here), may request this court

appoint a receiver “to stand in the place and stead of the Lessor (the YCOA) and to operate the Recreational Facilities.”

55. That the actions of the YCOA are so egregious that the appointment of a receiver in these circumstances is warranted.

FOR A FIFTH CAUSE OF ACTION
(Trespass as to Sunset)

56. That the allegations contained in Paragraphs 1 through 55 are re-alleged as fully as if repeated verbatim herein.

57. That the actions of Sunset and its agents, owners, and employees, in occupying and using that portion of the demised premises under the 99-year Lease commonly referred to as the restaurant, is an interference with Turner’s Marina LLC’s right to exclusive, peaceable possession of its leasehold interests under the 99-year lease, and amounts to a legal trespass.

58. That Sunset’s entry upon Turner’s Marina LLC’s leasehold interest was and is without permission.

59. That Sunset’s occupation of the leasehold premises has caused Turner’s Marina LLC actual damages in the form of lost profits and/or lost rental revenue from the restaurant property.

FOR A SIXTH CAUSE OF ACTION
(Conversion as to the YCOA)

60. That the allegations contained in Paragraphs 1 through 59 are re-alleged as fully as if repeated verbatim herein.

61. That the YCOA's actions in purportedly renting and/or subletting the restaurant premises to Sunset and accepting more than \$2,000 a month in rental for more than 15 years, in the face of the recorded 99-year Lease providing the restaurant is a portion of the exclusive leasehold owned by Turner's Marina LLC, amounts to conversion of the rental income due Turner's Marina, Inc.

62. That the rental payments made by Sunset were legally and equitably the property of Turner's Marina LLC as the successor to the Lessee's interests in the 99-year Lease.

63. That the Defendant YCOA converted the rental payments to its own use.

64. That the YCOA's actions in accepting and keeping the rental payments from Sunset was without Turner's Marina LLC's permission.

WHEREFORE, the Plaintiff Turner's Marina LLC prays that this Honorable Court inquire into the matters set forth herein, and that the Plaintiff have the declarations as sought:

- a. That the Plaintiff is the valid and lawful owner of the original Developer's "Declarant Rights" under the Covenants;
- b. That the Plaintiff is the valid and lawful owner of all existing rights under the Lease dated June 12, 1981 that were formerly enjoyed by the Outdoor Resort, R.V. Resort and Yacht Club (a South Carolina General Partnership);
- c. That the Plaintiff is legally entitled to the use and quiet enjoyment of the Recreational Facilities described in the Lease, which include, among other things, a swimming pool, the marina building / ship's store, the land where two tennis courts were formally located, decking, bathhouse, and certain portions of the Clubhouse complex;
- d. That the Defendant YCOA, unless providing maintenance or repairs as required under the Lease, has no legal right to enter upon the demised

premises during the terms of the Lease.

- e. That the YCOA has and had no legal right to rent and/or sublet the restaurant to any other entity during the term of the 99-year recorded Lease;
- f. That the Defendant YCOA, unless providing maintenance or repairs as required under the Lease, has no legal right to enter upon the demised premises during the terms of the Lease;
- g. That the Defendant Sunset has no legal right to use or occupy the premises known as the restaurant portion of the Clubhouse complex; and,
- h. That neither the Defendant Sunset, nor any of its agents, owners, employees, or guests, have the legal right to be upon or cross over Turner's Marina LLC's private property located adjacent to the Clubhouse complex.

Further, the Plaintiff requests this Court enter a temporary and permanent injunction prohibiting the Defendants from interfering with the Plaintiff's use and quiet enjoyment of its leasehold premises during the term of the 99-year lease. Further, the Plaintiff requests an entry of a monetary judgment against the Defendants YCOA, Securitas and Morales jointly and severally for the interference with contractual relations, and further, the Plaintiff requests the appointment of a receiver to stand in the place and stead of the Defendant YCOA for the remainder of the 99-year Lease agreement. In addition, the Plaintiff requests the Court enter its Order finding that the continuing use and occupation of the restaurant property is a trespass as to the Plaintiff's rights, and that the Defendant YCOA has wrongfully converted the rental payments made by Sunset to the detriment of Turner's Marina LLC, and awarding monetary damages against the YCOA and to the Plaintiff for that conversion. In addition, the Plaintiff requests this court award it recovery of

its attorney fees and costs as per the Covenants, and for any and all further declarations as this Court deems just and proper.

Law Office of Thomas C. Taylor, LLC

s/ Thomas C. Taylor, Esq.

Thomas C. Taylor (S.C. Bar 5499)

P.O. Box 5550, Hilton Head Isl., SC 29938

Telephone:(843)785-5050-Fax:(843)785-5030

Email: tom@thomastaylorlaw.com

Attorney For Plaintiff Turner's Marina LLC

Plaintiff requests trial by a jury.

s/ Thomas C. Taylor, Esq./

Thomas C. Taylor

Hilton Head Island, South Carolina

August 25, 2021

EXHIBIT C

953

STATE OF SOUTH CAROLINA)
COUNTY OF BEAUFORT)

LEASE

THIS LEASE is made this 12 of JUNE, 1981,
by and between R.V. RESORT AND YACHT CLUB OWNERS' ASSOCIATION,
INC., a South Carolina non-profit corporation (hereinafter
referred to as "Lessor"), and OUTDOOR RESORT, R.V. RESORT
AND YACHT CLUB, a South Carolina general partnership (herein-
after referred to as "Lessee").

WHEREAS, Lessor is a non-profit corporation organized
and existing under the laws of the State of South Carolina
for the purpose of administering and maintaining certain
real property known as OUTDOOR RESORT, R.V. RESORT AND YACHT
CLUB; and

WHEREAS, Lessee is the developer of said property and
also the owner and developer of a marina adjacent and contig-
uous to the property; and

WHEREAS, Lessor and Lessee desire that certain common
properties of OUTDOOR RESORT, R.V. RESORT AND CAMPGROUND,
owned by the Lessor, shall be entitled to be used by OUTDOOR
RESORTS, R.V. RESORT AND YACHT CLUB, a South Carolina partner-
ship, its successors, assigns, guests and invitees.

NOW, THEREFORE, in consideration of the agreements
to be performed by each other, Lessor and Lessee agree as
follows:

1. Upon the terms and conditions herein set forth
and in consideration of the prompt and continuous performance
by the Lessee of each and every of its covenants and promises
herein made, Lessor does hereby let, lease and demise unto
the Lessee and Lessee does hereby lease of and from the Lessor
property situate in Beaufort County, South Carolina, and
described on EXHIBIT "A" which is attached hereto and thereby
made a part hereof.

The premises described in the above legal description are hereinafter referred to as the Recreational Facilities which include, among other things, a swimming pool, two tennis courts, decking, bathhouse, and certain portions of the Clubhouse complex. The lease of the above described Recreational Facilities shall be together with its appurtenances, tenements and hereditaments, and together with all improvements, buildings and structures now or hereafter placed thereon, and all furniture, furnishings, fixtures, machinery and equipment now thereon and hereafter brought or placed thereon or intended for the use thereon and all additions thereto.

2. The term of this Lease shall commence on the date first above mentioned and shall end on JUNE 12, 2080. This is an exclusive Lease to the Lessee, under circumstances where the Lessor shall not be entitled to enter into any other leases with any other lessees while this Lease is in effect without the prior written consent of the Lessee. Lessee, however, may at any time assign any and all of its interest in this Lease and upon such assignment taking place, the Lessee shall be relieved of any and all liability under this Lease subject to the Lessee's complying with all terms and conditions of the Lease at the time of said assignment.

3. In consideration of this Lease of the Recreational Facilities to the Lessee, Lessee agrees to pay Lessor the sum of FIVE (\$5.00) DOLLARS per month per boat slip at the marina which is shown and designated on EXHIBIT "B" which is attached hereto and thereby made a part hereof. The payment of said rent, however, shall not begin until the improvements described as the Recreational Facilities in Paragraph 1 have been completed. Such rent shall be payable at such places as Lessor shall direct in writing. The amount of rent shall not in any way be increased through the term of this Lease without the prior written consent of Lessee.

4. Use of the Recreational Facilities shall be subject to all laws, statutes, ordinances, rules and regulations of all appropriate governmental authorities and agencies, covenants and restrictions of record, as well as all rules and regulations adopted by the Association from time to time pursuant to the Declaration of Covenants and Restrictions; however, which rules and regulations shall not discriminate in any manner whatsoever against the Lessee or the invitees of the Lessee.

The persons who may use and enjoy the Recreation Facilities through and under the Lessee shall be limited to agents, officers, employees and guests of the Lessee or its assigns.

5. If any part of the Recreational Facilities is taken pursuant to the law of eminent domain of the State of South Carolina during the term of this Lease, the rent herein provided for shall continue unaffected as to amount unless such taking materially destroys the usefulness of the Recreational Facilities for all purposes leased. In such event, the Lessee shall have the right to terminate this Lease by written notice to the Lessor within thirty (30) days after such taking or to continue in possession of an undivided interest in the remainder of the leased premises under all the terms and conditions hereof. All damages awarded such taking shall belong to and be the property of Lessor whether such damages shall be awarded as compensation for the diminution of the value to the Lease or to the fee of the Recreational Facilities.

6. Lessor shall, throughout the term of this Lease, keep enforced insurance policies as follows: (a) insurance against loss or damage to the buildings and improvements now of hereafter located upon the Recreational Facilities and all of the personal property, including pictures, furniture, machinery, equipment and furnishings located upon the Recreational Facilities. All insurance shall provide against any

and all loss or damage to the Recreational Facilities by fire, windstorm or causes insured by extended coverage; (b) comprehensive general public liability insurance in which the Lessor and Lessee shall be named insureds against claims of bodily injury, sickness or disease, including death, at any time resulting therefrom and for injury to or destruction of property, including the loss or use thereof arising out of ownership, maintenance, use or operation of the Recreational Facilities or any building or improvement or personalty located thereon with a minimum limitation of \$200,000/\$500,000/\$10,000; and (c) in the event that Lessor shall undertake any construction upon the premises, Lessor shall maintain and pay for a builders risk insurance policy in such amounts and with such companies as Lessor determines proper.

The Lessor shall also pay for and maintain such further and additional insurance policies, including but not limited to workmen's compensation insurance. The amount of the required insurance shall be equal to the maximum insurable replacement value as determined annually by Lessor. The Lessee may require the Lessor to provide proof of existence of insurance coverage required herein as Lessee may reasonably request from time to time. All insurance required to be carried shall be under policies written in such form and issued by such companies as shall be approved by the Lessee, said Lessee, said approval, shall not be unreasonably withheld.

7. In the event of damage or destruction of the Recreational Facilities or the buildings and improvements located thereon by any casualty for which insurance is payable, the Lessor shall promptly make application for the benefits under the insurance policy, which benefits shall be deposited in a bank account and be available to the Lessor for the reconstruction or repair of the Recreational Facilities or that portion thereof which was damaged. Such insurance money shall

be paid from the account in amounts based upon the estimate of a licensed architect in the State of South Carolina having supervision of such construction work or repair. Said architect shall certify that the amount of such estimate is being applied to the payment for reconstruction or repair and at a reasonable cost. It is the intent hereunder that reconstruction or repair shall take place if covered by insurance, but it is the further intent that Lessor shall not assume the burden of reconstruction or repair if not covered by insurance, unless Lessor chooses to do so. In the event the cost of repair or reconstruction exceeds the insurance benefits, Lessor shall reconstruct or repair those items for which insurance is available; but only at its option must Lessor do any further reconstruction or repair for which there is not adequate insurance proceeds. If Lessor chooses not to reconstruct or repair due to inadequate insurance proceeds, then Lessee, at its option, may either continue this Lease in full force and effect or cancel this Lease upon fifteen (15) days' notice in writing to Lessor, at which time Lessee shall be obligated to perform its covenants and promises hereunder up to the date of notification. For reconstruction or repair for which there are adequate insurance proceeds, or with which Lessor desires to proceed despite the lack of insurance proceeds, it shall be the obligation and duty of Lessor to cause such showing to be made and such to be accomplished as often as said Recreational Facilities, including buildings, improvements or personal property may be destroyed, damaged or lost; and all of such work shall be completed and paid for as promptly as the exercise by the Lessor of due diligence makes possible. The work when completed shall restore the Recreational Facilities substantially to the condition in which it existed before such destruction, damage or loss took place, and in

any event, the premises as restored shall have a value which is not less than the value which the Recreational Facilities had or possessed prior to the loss or damage which made such reconstruction or repair necessary. Lessee shall have the right to require Lessor to obtain a completion, performance and payment bond in amount and in form and with a company licensed to do business in the State of South Carolina, approved by Lessee. When after the payment of repair or replacement of damage there shall remain any surplus of insurance proceeds, said surplus shall belong to the Lessor.

8. Any demolition or new construction on the Recreational Facilities or major alteration in the buildings located in the Recreational Facilities shall be at the sole expense of the Lessor; nothing in this Paragraph 8 shall ever be construed to relieve Lessor of its obligation to maintain and repair the improvements located upon the Recreational Facilities. The Lessor shall, during the term of this Lease, keep the Recreational Facilities in a good state of repair and shall maintain all of the buildings and other improvements located thereon for the normal and customary use thereof. Lessor shall not suffer or permit any waste, neglect or deterioration of any of the premises, buildings or improvements of the Recreational Facilities and shall replace, renovate and repair the Recreational Facilities and improvements thereon as often as may be necessary in order to keep the Recreational Facilities and such buildings and improvements in a good state of repair and for the use and enjoyment of the Lessor and Lessee.

9. Lessor covenants and agrees with Lessee that so long as the Lessee keeps and performs all of its covenants herein made the Lessee shall have quiet and undisturbed and continued possession of the premises subject only to the rights of Lot Owners to use, occupy and enjoy the same along with

such other persons as provided in the Declaration of Covenants and Restrictions.

10. Subject to Paragraph 7 hereinabove, no damage or destruction to buildings, structures, improvements or furniture, furnishings, fixtures, machinery or equipment now or hereafter located upon the Recreational Facilities by fire, windstorm, or any other casualty, shall entitle the Lessee to surrender possession or to terminate this Lease or to violate any of its provisions or cause any rebate, abatement or adjustment in the rent then due or that thereafter becoming due under the terms hereof.

11. The Lessor and its agents shall have the right of entry upon the Recreational Facilities at all reasonable times to examine the condition and use thereof; provided that only such rights shall be exercised in such a manner as to not interfere with the conduct of the operation of said Recreational Facilities; and if said premises are damaged by any casualty which causes the premises to be exposed to the elements, then the Lessor may enter upon the premises to make emergency repairs.

12. Where not otherwise provided in this Lease, all sums of money coming due from the Lessee to the Lessor shall bear interest at the rate of one and one-half (1 1/2%) percent per month, commencing fifteen (15) days from the date the same shall become due until the date the same shall be paid.

13. Lessee shall not do or suffer any waste or damage, disfigurement or injury to the Recreational Facilities or any property now or hereafter placed or brought thereon.

14. Except for non-payment of rent which is discussed below, if default shall be made by the Lessee in the performance of any covenants herein set forth, which default is not cured by Lessee within thirty (30) days after receiving written

notice of such default by Lessor, then in addition to any other rights or remedies which Lessor may have, the Lessor shall have the right to declare this Lease cancelled and terminated and re-enter upon the Recreational Facilities, in which case the Lessee shall peacefully surrender and deliver the Recreational Facilities to Lessor. However, nothing in this Lease shall be construed as authorizing the Lessor to declare this Lease in default where the default consists solely of non-payment of rent, until such non-payment is in violation of Paragraphs 4 or 5 hereinabove.

In the event that Lessor defaults in the terms of this Lease, Lessee shall have all rights or remedies provided by law which shall include but not be limited to specific performance of this Lease by Lessor, and/or recovery of damages due to the default of Lessor.

Any and each remedy available to the Lessor or Lessee for the enforcement of any term or provision hereof shall be construed as cumulative and no single such remedy shall be construed as being exclusive or as preventing the parties from electing such other or additional remedies. In addition to all the remedies set forth above, the Lessee, at its option, may request of a court of competent jurisdiction and receive therefrom the appointment of a receiver to stand in the place and stead of the Lessor and to operate the Recreational Facilities. Said receiver shall fully perform and keep all of the covenants, terms and conditions of this Lease. In connection with any litigation arising from this Lease, the prevailing party shall be entitled to recover all costs incurred including a reasonable attorney's fee.

15. The Recreational Facilities are subject to such easements for public utilities as now appear in public records and Lessor shall have, at all times, the right to create upon

or over such of the Recreational Facilities for any and all public utilities, easements from time to time as the Lessor, in its discretion, shall deem appropriate, free and clear of this Lease.

16. At the termination of this Lease by lapse of time or otherwise, the Lessee will peacefully and quietly deliver possession of the Recreational Facilities and all improvements situated thereon, including all personal property therein and thereon, to the Lessor and all buildings, improvements and personal property then situated upon the premises shall become and remain the property of the Lessor.

17. Time is of the essence in every particular and especially where the obligation to pay money is involved.

18. No waiver, extension or indulgence granted by either party to the other on any one occasion as to any breach shall be construed as a waiver, extension or indulgence of any succeeding breach of the same covenant.

19. This is the entire Lease and there shall be no modification, release or discharge or waiver of any provision hereof unless in writing signed by both parties.

20. Whenever a provision is made for notice of any kind under this Lease, it shall be deemed sufficient notice and service thereof if such notice to either party is in writing, addressed to such party at its last known address and sent by certified mail with postage prepaid.

21. This Lease is to be construed in accordance with the laws of the State of South Carolina. The invalidity in whole or in part of any covenant, promise or undertaking or any section, subsection, sentence, clause, phrase or word or any of the provisions of this Lease shall not affect the validity of the remaining portions thereof. Whenever the context so permits, the use of the plural shall include the

singular, and the singular the plural, and the use of any gender shall be deemed to include all genders.

22. It is specifically recognized and understood that some or all of the persons comprising the original Board of Directors and the officers of the Lessor, and the partners of the Lessee, are also officers, directors, employees and/or partners of the Lessor and Lessee under this Lease, and that such circumstances of interlocking Boards of Directors, officers, employees, stockholders and/or partners shall not and cannot be considered as a breach of their duties nor as a conflict of interest between the Lessor and Lessee, nor as possible grounds to invalidate this Lease in whole or in part. Each and every person, whether real or corporate, who shall take any interest whatsoever in or to the Lot or any of the Property, or in or to any Lot in the Property, after the recording of this Lease, by acceptance, delivery or the recording of the deed, contract, grant, assignment or such other instrument granting, conveying or providing for such interests, or by the exercise of the rights or uses granted herein, shall be deemed to specifically consent to and ratify without further act being required, the provisions of this Lease to the same effect and extent as if such person or persons had executed this Lease with the formalities required in deeds, for the purpose of subordinating and/or subjecting such person's or persons' interest, in full, to the terms of this Lease and granting the rights to the parties provided for herein, absolutely without exception.

WITNESSES:

[Signature]
Edward M. Hyde

LESSOR:
R.V. RESORT AND YACHT CLUB
OWNERS' ASSOCIATION

By: *[Signature]*

By: _____

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WITNESSES:

A. Sullivan
Edward M. [Signature]

LESSEE:

OUTDOOR RESORT, R.V. RESORT
 AND YACHT CLUB

By: *[Signature]*

By: _____

FILED AT	BEAUFORT COUNTY S. C.	RECORDED IN BOOK
2:00		325
O'CLOCK	JUN 18 1981	PAGE
P. M.		920
CLERK OF COURT OF COMMON PLEAS		

RECORDED THIS 23rd DAY OF June 1981
 IN BOOK MD PAGE 717
 FEES \$ Mary Ann Gray
 AUDITOR, BEAUFORT COUNTY, S. C.

STATE OF SOUTH CAROLINA
COUNTY OF BEAUFORT

MODIFICATION OF LEASE AGREEMENT

WHEREAS, on June 17, 1981 a Lease Agreement was entered into by and between R.V. Resort and Yacht Club Owners' Association, Inc., a South Carolina non-profit corporation (herein and hereinafter referred to as "Lessor"), and Outdoor Resorts, R.V. Resort and Yacht Club, a South Carolina general partnership (herein and hereinafter referred to as "Lessee"), a copy of which is attached hereto as Exhibit "A" for reference; and

WHEREAS, the aforesaid Lease was recorded with the Declaration of Covenants and Restrictions for Outdoor Resorts, R.V. Resort and Yacht Club in Deed Book 125 at Page 970 in the Office of the Clerk of Court, Beaufort County, South Carolina; and

WHEREAS, the provisions of Paragraph 19 of the aforesaid Lease require that any modifications in the Lease Agreement be in writing and signed by both parties; and

WHEREAS, the Lessor and Lessee have agreed that the following modification to Paragraph 3 be made.

IN CONSIDERATION of the sum of Five and 00/100 (\$5.00) Dollars and other valuable consideration, Paragraph 3 of the aforesaid Lease is modified to read as follows:

In consideration of this Lease of the Recreational Facilities to the Lessor, Lessee agrees to pay Lessor the sum of Five (\$5.00) Dollars per month per boat slip at the marina which is shown and designated on Exhibit "B" which is attached hereto and thereby made a part hereof. The payment of said rent, however, shall not begin until the improvements described as the Recreational Facilities in Paragraph 1 have been completed. Such rent shall be payable at such places as Lessor shall direct in writing. The amount of rent shall be automatically increased proportionately with any increase of assessments as determined by the Board of Directors of the Association pursuant to Article VI, Section 3 of the By-Laws of the R.V. Resort and Yacht Club Owners' Association, Inc.

WITNESS our hand and seal this 25 day of June, 1981.

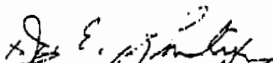
WITNESSES:

LESSOR:

R.V. Resort and Yacht Club
Owners' Association, Inc.,
a South Carolina non-profit
corporation

By: 

By: _____


Edward M. Smith

Signed 2-06

2/06

STATE OF SOUTH CAROLINA

COUNTY OF BEAUFORT

LEASE AGREEMENT

This Lease Agreement, made and entered into on this ____ day of _____, 2005, by and between RV Resort and Yacht Club Owner's Association, Inc., a South Carolina corporation, (hereinafter referred to as the "Landlord"), and Sunset, Inc., a South Carolina corporation, (hereinafter referred to as the "Tenant").

WITNESSETH:

1. Premises: The Landlord hereby leases to the Tenant, and the Tenant hereby leases from the Landlord, the premises identified as the Recreation Building Restaurant, (hereinafter referred to as the "Premises"), located at 43 Jenkins Rd., Hilton Head Island, SC, and being a portion of the second floor of the building known as the "Recreation Building."

To have and to hold the Premises upon the terms and conditions hereinafter set forth.

2. Landlord's Representations: The Landlord makes the following representations as the basis for the undertakings on its part herein contained:

- (a) Landlord is a not for profit corporation organized, existing and in good standing under the laws of the State of South Carolina and is authorized to do business in the State of South Carolina, and has the power to enter into this Agreement and by proper action has been fully authorized to execute and deliver this Agreement, to enter into the transactions contemplated hereby, and to carry out its obligations hereunder.
- (b) Landlord represents and warrants that it is vested with fee simple title to the Premises, free from all encumbrances other than zoning restrictions, Town of Hilton Head Island or Beaufort County ordinances and real estate taxes not yet due and payable. Landlord intends to, and reserves the right to, convey the Premises during the term hereof, but subject to this Lease Agreement.

3. Tenant's Representations: The Tenant makes the following representations as the basis for the undertakings on its part herein contained:

- (a) The Tenant is a for profit corporation, organized, existing and in good standing under the laws of the State of South Carolina, and by proper action has been duly authorized to execute and deliver this Agreement, to enter into the transactions contemplated hereby, and to carry out its obligations hereunder.
- (b) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the

terms and conditions of this Agreement, conflict with or result in a breach of any of the terms, conditions or provisions of any restrictions or any agreement or instrument to which the Tenant is now a party or by which it is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Tenant under the terms of any instrument or agreement.

- ©) In the making of this Lease, Tenant represents that Landlord has made no warranty, express or implied, as to the condition of the Premises or that it will be suitable for Tenant's purposes or needs. Landlord has agreed to make repairs to the outside deck off the restaurant; and, once these repairs are made, Tenant accepts the premises "as is".

4. Term: The term of this lease shall be for a period of two (2) years, beginning on May 1, 2005, and ending at midnight on April 30, 2007, unless sooner terminated as hereinafter provided. Termination shall be without the necessity of any notice from either Landlord or Tenant and Tenant hereby waives notice to vacate the Premises and agrees that Landlord shall be entitled to the benefit of all provisions of law respecting the summary recovery of possession of premises from a Tenant holding over to the same extent as if statutory notice had been given. Tenant is granted the option(s) to renew this lease subject to the rental amounts and such other terms stated in Paragraph 36 of this Lease Agreement.

5. Possession: If the Tenant accepts possession of the premises before the commencement date specified hereinabove, the term and rental shall commence on such earlier date.

6. Rent: The Tenant shall pay to the Landlord rental as follows:

- (i) For the period from May 1, 2005 to and including April 30, 2006, the Tenant shall pay to the Landlord a rental of One Thousand Eight Hundred and Nineteen Dollars and 13/100 (\$1,819.13) per month, in advance, by the first day of each and every calendar month; and
- (ii) For the period beginning May 1, 2006 and for the remainder of the term of this Lease Agreement, Tenant shall pay to Landlord a rental of One Thousand Nine Hundred and Ten Dollars and 08/100 (\$1,910.08) per month, in advance, by the first day of each and every calendar month.
- (iii) All rent payments shall be made to Landlord's office in Hilton Head Island, South Carolina, or at such other place as the Landlord may designate in writing to Tenant. All rents due hereunder which are not received by the Landlord by the tenth (10th) day of each month shall be subject to a delinquency charge of one and one-half percent (1-1/2%) per month on the unpaid balance, occurring from the first day of every month for which rental is due, whichever is the greater. Said delinquency charge shall be subject to the default provisions herein.

7. Payment of Rentals: The obligations of the Tenant to make the payments required in this Lease, and to perform the observe other agreements on its part contained herein shall be absolute and unconditional, irrespective of any defense or any rights of set-off, recoupment or counterclaim it might otherwise have against the Landlord. Any monies paid or expenses incurred by Landlord to correct violations of any of the Tenant's obligations hereunder shall be additional rent.

8. Net Lease: This Lease is a net lease, and the Rent shall be absolutely net to Landlord at all times during the term of this Lease, so that this Lease shall yield to Landlord the full amount of the Rent throughout the term of this Lease. The rent shall be paid to Landlord when due and the other charges to be borne by Tenant under this Agreement shall be paid when due, without notice or demand, and without any abatement, deduction, diminution, suspensions, interruption, deferment, or reduction by reason of any claim, set-off, counterclaim, defense, or any other reason whatsoever. Except to the extent, if any, as expressly provided in this Lease to the contrary, this Lease shall continue in full force and effect during its full term, and the obligations of Tenant under this Lease shall not be released, discharged, or otherwise affected by reason of (i) any damage to or destruction of the Premises or any part thereof or any condemnation of the Premises or any part thereof; (ii) any restriction or prevention of or interference with any use of the Premises or any part thereof; (iii) any inconvenience or interruption or loss of business caused by any present or future legal requirements or insurance requirements; (iv) any claim which Tenant has or might have against Landlord; (v) any failure on the part of Landlord to perform or comply with any of the terms of this Lease or of any other agreement with Tenant (without effect upon Tenant's right, if any, to recover against Landlord for such failure); or (vi) any other occurrence whatsoever, whether similar or dissimilar to the foregoing, and in each case, whether or not Tenant shall have notice or knowledge of any of the foregoing.

9. Use: The Tenant shall use and occupy the Premises solely for the purposes of operating a quality restaurant and lounge, which restaurant and lounge shall comply with all laws, ordinances, orders, or regulations of any lawful authority having jurisdiction over the Premises and the use thereof. Tenant shall not conduct or allow any activities by anyone to be conducted that are restricted by or in violation of the Rules and Regulations published by the Lessor from time to time.

10. Assignment and Subletting: The Tenant shall not, without the prior written consent of the Landlord, assign this Lease or any interest therein. Likewise Tenant may not sublet the Premises or any part thereof without Landlord's written consent. Landlord agrees not to unreasonably reject an Assignee of the Tenant who: a. in Landlord's judgment demonstrates a financial ability to meet all present and future obligations of Tenant b. in Landlord's judgment has a verifiable history of successfully operating a fine dining establishment c. possesses a credit rating that in Landlord's judgment warrants the approval of the Assignee d. agrees to personally guarantee the Lease if requested by Landlord e. agrees to give Landlord a rent deposit in the amount equal to three (3) months rental payment, if requested by Landlord. If Landlord agrees to accept Tenant's Assignee based on the before mentioned terms and conditions, Landlord will release Tenant from his contractual obligations as defined in this Lease Agreement.

11. Improvements: All Improvements, alterations and additions to the Premises desired by Tenant shall be made only at Tenant's expense, in good and workmanlike manner and in

accordance with plans and specifications which have been previously approved in writing by the Landlord, which shall not be unreasonably withheld. Landlord reserved the right to approve any contractor, which approval shall not be unreasonably withheld, and to require adequate lien waivers, bonds, permits, licenses and insurance. All improvements and additions made by the Tenant and permanently attached to the Premises, including without limitation all partitions, carpets, ceiling lighting and ceiling fan fixtures, Ansel systems, sinks, door hardware, built-in shelving and cabinets and ceilings, shall remain in the Premises and shall be surrendered to Landlord at the expiration or earlier termination of this Lease. Landlord and Tenant agree that the items identified in Paragraph 15 shall be removed by Tenant at the end of the Lease and shall remain the property of the Tenant.

12. Utilities and Service: Tenant shall, during the term hereof, at its own expense, pay all charges for all utilities of the restaurant including electric power, sewage, propane/gas, and telephone charges. Water is to be supplied by Landlord.

13. Maintenance: Landlord shall be responsible for service and maintenance of all roofs, exterior parking, stairs, and restrooms of the Premises and shall keep the same in good repair. Tenant will be responsible for keeping the stairs and walkways clear of all spills and blockages created by its customers, employees, or agents. Landlord shall, except as hereinafter set forth, make all necessary repairs, replacements, and renewals in order to maintain such good repair and condition. Tenant is to give Landlord written notice of any deficiency and Landlord is to take appropriate action to correct the deficiency in a timely manner. Tenant is to take all prudent and available steps to protect all property and continue his business until the repairs are completed. Tenant hereby holds Landlord harmless for any consequential damages or defects arising from operations by Tenant or any such repair made by Tenant or Tenant's contractor, and agrees to make repairs to correct deficiencies at Tenant's own expense. The Tenant shall, at its own and sole expense, be responsible for all repairs, maintenance and service of heating and air conditioning systems as well as the acquisition, maintenance, cleaning, and repair of all of its personal property and restaurant equipment including, but not limited to stoves, ovens, coolers, freezers, dishwashing equipment, grease trap, kitchen equipment, refrigerators, fire suppression equipment, Ansel [sic] system, ice machines, sinks, dish machines, and all plumbing, piping and wiring associated with Tenant's personal property and restaurant equipment. In the event that fire suppression equipment and/or the Ansel system must be replaced, such replacement shall be at the sole expense of the Tenant. Landlord shall not be liable for loss or damage to Tenant's property resulting from any defective condition in or about the Premises. Tenant shall surrender same to Landlord at the expiration or earlier termination of this Lease in as good condition as they were when received (or subsequently improved or altered), normal wear and tear excepted. The Tenant shall be responsible for simple repairs and ordinary maintenance including, but not limited to, painting and flooring. Lessee further agrees to change the air filters for the heating and air conditioning system for the Property on a regular basis (at the sole cost of the Lessee).

14. Operation by Tenant: In regard to use and occupancy of the Premises, Tenant shall, in the opinion of the Landlord, (a) keep all exterior surfaces of the Premises clean; (b) replace promptly, at its expense, any cracked or broken plate or window glass of the premises with glass of like kind and quality; (c) replace the entry door(s), interior doors, and all door locks with doors and locks of like kind and quality should entry or interior doors or locks be damaged; (d) maintain the Premises at its expense in a clean, orderly and sanitary condition and free of insects, rodents, vermin and other pests;

(e) keep any garbage, trash, rubbish or refuse in proper containers which containers shall be located below the outside stairway closest to the ICW and behind the building; (f) have such garbage, trash, rubbish and refuse removed at its expense on a regular basis; (g) comply with all laws, ordinances, rules and regulations of governmental authorities and all recommendations of the Fire Underwriters Rating Bureau now or hereafter in effect; and Tenant shall not (h) do or suffer to be done, or keep or suffer to be kept, anything in, upon or about the Premises which will contravene policies insuring against loss or damage by fire or other hazards (including, without limitation, public liability) or which will prevent Tenant from procuring such policies in companies acceptable to Landlord.

15. Property of Tenant: Tenant may, and at the expiration or earlier termination hereof shall remove all furniture, equipment, and other personal property including the antique bar, beveled glass mirror and shelving behind bar, stoves, ovens, dishwashers, ice maker, refrigeration equipment, tables, and chairs, window treatments, and other furnishings and equipment which Tenant shall have placed in the Premises, other than personal property or fixtures which revert to the Landlord as set forth in Section 11 of this Agreement. All such property, including the property to revert to Landlord, shall, during the term thereof, be at the risk of Tenant only, and Landlord shall not be liable for any loss thereof or damage thereto resulting from any cause whatsoever; and each policy of insurance covering such property shall contain a standard waiver of subrogation endorsement. Any such property not removed at the expiration or earlier termination of this Lease, or which cannot be removed without permanent or substantial damage to the Premises, shall be deemed abandoned and may be disposed of by the Landlord in any manner whatsoever. Tenant is to repair any damage caused by the removal of any personal property or equipment from the premises.

16. Taxes: Landlord shall pay all real estate taxes assessed on the Premises. All other taxes and assessments of every kind or nature imposed or assessed upon the restaurant operation or with respect to its furnishings, fixtures, and equipment shall be the responsibility of the Tenant.

17. Insurance Required: At its sole expense, Tenant shall keep the Tenant's trade fixtures, merchandise, operating equipment, personal property, leasehold furnishings, now or hereafter located on or about the Property insured against loss by fire and all of the risk and perils, including without limitation sprinkler damage, vandalism, malicious mischief and other such coverage usually covered by an extended coverage endorsement to a policy of fire and casualty insurance upon property comparable to the property, including plate glass insurance, especially for the interest of the Tenant, in an amount equal to not less than the full replacement cost thereof. Tenant shall further keep in force at its expense as long as this Lease Agreement remains in effect and during such other time as Tenant occupies the Premises or any part thereof the following contracts of insurance:

- (1) Comprehensive General Liability Policy with limits as follows:
 - (i) \$1,000,000 per occurrence \$2,000,000 aggregate;
 - (ii) \$100,000 Fire, Legal liability; and,
 - (iii) \$5,000 Medical payments.

RV Resort & Yacht Club Owners Association, Inc. shall be endorsed on such policy as Additional Named Insured.

- (2) Liquor Legal Liability Insurance.
- (3) Workers Compensation Insurance covering all employees of the Tenant.

Tenant shall supply to Landlord on April 1st of each year a valid certificate of insurance for these policies containing provision for a thirty (30) day written notice of cancellation. Tenant agrees to waive subrogation against the Landlord for any and all losses arising out of the loss or damage to Tenant's contents, whether or not such contents are insured at the time of loss. Landlord shall deem non-compliance with any of the foregoing provisions cause for termination of this Lease upon ten days written notice to Tenant.

18. Signs and Advertising: Tenant shall not place or suffer to be placed or maintained on the Premises, any sign, advertising matter or any other thing of any kind, and will not place or maintain any decoration, lettering or advertising matter on the glass of any window or door of the Premises without first obtaining Landlord's written approval which will not be unreasonably withheld. Tenant shall maintain such sign, decoration, lettering, advertising matter or other things as may be approved by Landlord, in good condition and repair at all times and shall remove all such sign, decoration, lettering and advertising matter at the termination of this Lease Agreement.

19. Damage or Destruction by Casualty: If the Premises are partially destroyed by fire or other casualty, rental shall not abate and Tenant shall receive all insurance proceeds and, at its own expense, promptly restore the Premises to substantially the same condition as existed before; provided, however, Landlord may by notice to Tenant within thirty (30) days after the date of damage or destruction to all or substantially all of the Building on the Premises elect, at its option, not to require the restoration or repair of the Premises and Tenant may thereafter, at its option, cancel this Lease.

20. Eminent Domain: If the whole of the Premises be taken under the power of eminent domain (including any conveyance in lieu thereof), then the term hereof shall cease as of the date possession thereof is taken by the condemnor, and rental shall be accounted for as between Landlord and Tenant as of that date. If any lesser portion of the Premises is thus taken which exceeds Twenty (20%) percent of the Premises, rental shall abate in the proportion the floor area taken bears to the total floor area of the building on the Premises used at the time of taking. Tenant shall not have any right or claim to any part of any award made to or received by Landlord for such taking or right or claim against Landlord for the value of the then unexpired term of the Lease; provided, however, Tenant shall not be prevented from making a claim against the condemnor (but not against Landlord) for the depreciated value of any improvements made to the Premises by Tenant, any moving expenses, loss of profits, or taking of its personal property (other than its leasehold interest) to which Tenant may be entitled.

21. Indemnity: Tenant shall defend, indemnify and hold harmless the Landlord from and against any claims, damages or expenses, whether due to damage to the premises, claims for injuries to persons or property, or administrative or criminal action by a governmental authority, where such claims arise out of or from use or occupancy of the Premises by Tenant, its agents, employees or invitees, except where such damage, claims or penalties are caused by the gross negligence of Landlord, its employees or agents.

22. Landlord's Entry: Landlord may enter the Premises at reasonable times and in a reasonable manner to inspect or exhibit same, and to exercise Landlord's rights under this Lease

Agreement Tenant shall be given, except in an emergency, twenty-four (24) hours prior notice of such entry and an employee of Tenant shall be present at all times during such entry.

23. Events of Default: Any one or more of the following events shall amount to the Event of Default or Default under this Agreement:

- (a) Failure by the Tenant to pay the Rent agreed to be paid, including all other sums of money which may be considered as additional rent in whole or in part at the time specified herein and continuing for a period of fifteen (15) or more days there from.
- (b) Failure of Tenant to provide any certificate required hereunder within the time therein specified.
- (c) Failure of the Tenant to observe and perform any covenant, condition or agreement in this Agreement on the part of the Tenant to be observed or performed within five (5) days after written notice specifying such failure and requesting that it be rendered given to the Tenant and any Guarantor by the Landlord, unless the Landlord shall agree in writing to an extension of such time prior to its expiration.
- (d) To the extent allowed by law, the dissolution or liquidation of the Tenant or the filing by the Tenant of a voluntary petition in bankruptcy or failure by the Tenant promptly to lift any execution, garnishment or attachment of such consequence as will impair the ability of the Tenant to carry on its operations at the Premises, or the commission by the Tenant of any act of bankruptcy, or adjudication of the Tenant as a bankrupt, or assignment by the Tenant for the benefit of its creditors, or the entry by the Tenant into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Tenant in any proceeding for its reorganization instituted under the provision of the general Bankruptcy Act, as amended, or under any similar act in any domestic or foreign jurisdiction which may now be in effect or hereafter entered.

24. Remedies on Default: Whenever any Event of Default shall have happened and be subsisting, the Landlord may take any of the following remedial steps:

- (a) The Landlord, at its option, may declare all rental for the remainder of the lease Term to be immediately due and payable, whereupon the same shall become immediately due and payable.
- (b) The Landlord, with or without terminating this Agreement (at its option), may (i) exclude and remove the Tenant and all persons and contents from the Premises by force, summary proceedings, or otherwise, without being liable to Tenant therefore; (ii) reenter and take possession of the Premises; and (iii) sublease the Premises for the account of the Tenant, holding the Tenant liable for the

difference in the rent and other amounts actually paid by such sub lessee in such subleasing and other amounts payable by the Tenant hereunder, and Tenant shall remain liable for any damages sustained by Landlord, all reasonable costs, professional fees to include attorney fees, and expenses incurred by Landlord in leasing the Premises to another tenant, and in effecting collection of rentals from Tenant.

- ©) The Landlord may take whatever action at law or in equity may appear necessary or desirable to collect the rent and other amounts then due and thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant of the Tenant under this Agreement, including utilization of all provisions of applicable laws respecting the speedy recovery of lands and tenements held over by Tenant and proceedings in forcible entry and detainer. In addition, Tenant shall reimburse Landlord for all costs and expenses, including reasonable attorneys' fee, in connection with the enforcement of the terms and obligations of this Agreement.

No action taken pursuant to this Section shall relieve the Tenant from the Tenant's obligation to pay Rent, all of which shall survive any such action, and the Landlord may take whatever action at law or in equity as may appear necessary and desirable to collect the Rent and other amounts then due and thereafter to become due and/or to enforce the performance and observance of any obligations, agreement or covenant of the Tenant hereunder.

25. Remedies Cumulative Non-Waiver: No remedy herein or otherwise conferred upon or reserved to Landlord or Tenant shall be considered exclusive of any other remedy, but the same shall be distinct, separate and cumulative and shall be in addition to every other remedy given hereunder, or now or hereafter existing at law or in equity; and every power and remedy given by this Lease Agreement may be exercised from time to time as often as occasion may arise or as may be deemed expedient. No delay or omission of Landlord to exercise any right or power arising from any default on the part of Tenant shall impair any such right or power, or shall be construed to be a waiver of any such default, or an acquiescence therein. No delay or omission of Tenant to exercise any power or right arising from any default on the part of Landlord shall impair any such right or power, or shall be construed to be a waiver of any such default, or an acquiescence therein. The acceptance of rent by Landlord without knowledge of a default by Tenant hereunder shall not constitute a waiver of such default.

26. Quiet Enjoyment. If Tenant shall pay the Rent and perform and observe all of the other covenants and conditions to be performed and observed by it hereunder, Tenant shall at all times during the term hereof have the peaceable and quiet enjoyment of the Premises without interference from Landlord or any person lawfully claiming through Landlord, subject, however, to the terms of any mortgages or deeds of trust provided for in paragraph 28 hereof. Landlord shall have no responsibility or liability whatsoever for the loss of any property of Tenant resulting from theft, trespass, breaking and entering and the like.

27. Estoppel Certificate: Within ten (10) days after written request thereof by the Landlord or any mortgagee or trustee under a mortgage or deed of trust covering the Premises, Tenant shall deliver in recordable form a statement to any mortgagee, trustee or other transferee, or to Landlord, certifying any facts that are then true with respect to this Lease Agreement, including without limitation (if such be the case) that this Lease Agreement is in full force and effect, that Tenant is in possession, that Tenant has commenced the payment of Rent, and that Tenant claims no defense or set-off to the due and full performance of its obligations under this Lease Agreement.

28. Subordination and Attornment: Tenant agrees that this Lease shall be subject and subordinate to any mortgages, deeds of trust now or hereafter placed upon the Premises and to all modifications thereto, and to all present and future advances made with respect to any such mortgage or deed of trust. Tenant agrees to attorn to the mortgagee, trustee, or beneficiary under any such mortgage or deed of trust, and to the purchaser at a sale pursuant to the foreclosure thereof, and to the lessor in the event of a termination of any such prior lease. Provided, however, that so long as Tenant shall not be in default under this Lease, its rights of possession and enjoyment of the Premises shall be and remain undisturbed and unaffected by said mortgage or deed of trust or by any foreclosure proceedings thereunder, and any subordination agreement executed pursuant to this paragraph shall contain language specifically so providing.

29. Notices: All notices provided for in this Lease Agreement shall be in writing and shall be deemed to be given when sent by registered or certified mail, return receipt requested, postage prepaid, and addressed as follows:

If to the Landlord: RV Resort & Yacht Club Owners Association
P.O. Box 23874
Hilton Head Island, SC 29925

If to the Tenant: Sunset, Inc.
40 Old House Creek Drive
Hilton Head Island, SC 29928

Notice shall also be sent to the holder or holders of any mortgage or deed of trust covering the Premises at such address as such holder or holders may have given by notice as herein provided. Either party hereto, or any such holder, may from time to time, by notice as herein provided, designate a different address to which notices to it shall be sent.

30. Subordination: In no event shall Landlord's interest in the Premises, or any part thereof, be subordinate or junior to the lien of any mortgage or deed of trust covering Tenant's interest in the Premises.

31. Governing Law: This Lease Agreement shall be construed and enforced in accordance with the laws of the State of South Carolina.

32. Successors: This Lease Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors and permitted assigns, except as otherwise provided for in this Lease Agreement.

33. Short Form Memorandum: Each party agrees to execute upon request a short form of this Lease Agreement for purposes of recordation, the cost of which shall be borne by the Tenant. The Tenant shall pay all lease stamps due upon the execution of this Lease and any extension or extensions thereof.

34. Nature and Extent of Agreement: This Lease Agreement, including the exhibits attached hereto, contains the complete agreement between the parties regarding the terms and conditions of the lease of the Premises, and there are no oral or written conditions, terms or warranties, understands or other agreements pertaining thereto which have not been incorporated herein. This Lease Agreement may be modified only by written instrument duly executed by both parties or their respective successors in interest.

35. Holding Over: This Lease expires at the end of the term defined herein, but it is expressly understood that if Tenant holds over for another month at the end of said term for any purpose other than the removal of its property, and Landlord accepts rent for said month, such acceptance shall operate as a renewal of the tenancy for another month and for each additional month for which Landlord accepts rent. Should Landlord require possession of the Premises, it shall give Tenant thirty (30) days to vacate the said premises during such holdover period.

36. Renewal Term: Lessee, having first fully performed all of its obligations, terms, conditions, and covenants hereunder, and having paid all of the rent payable to Lessor under the original term is hereby granted the right and option to renew this lease for two (2) additional terms as hereinafter specified, with the annual increases in rent to be paid as set forth below. Except for the rents, all other terms and conditions set forth in this Lease shall remain unchanged and in effect for the renewal terms unless the parties shall agree in writing to a modification of the terms.

- (a) The renewal term rental amounts for Renewal Term 1 are:
 - May 1, 2007 through April 30, 2008 \$24,067.03 per annum (\$2,005.59 per mo.)
 - May 1, 2008 through April 30, 2009 \$25,270.38 per annum (\$2,105.87 per mo.)
- (b) Tenant is granted an additional three (3) year renewal option (May 1, 2009 through April 30, 2012) as Renewal Term 2. The annual rental amounts for each year of the additional three (3) year term shall not be increased by more than 5% over the preceding year's annual rent.

37. Material Change. Any transfer, sale, or change whatsoever in ownership of fifty percent or more of the outstanding shares of stock of Sunset, Inc., which at the time of signing this agreement is hereby represented by the Tenant to be owned by Hugh and Linda Lockman, will be considered a material change and will be cause for termination of this Lease Agreement if so chosen by Landlord.

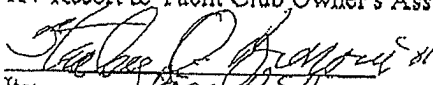
38. Deposit. The Lessee has previously furnished to Landlord a deposit of one thousand dollars (\$1000). This deposit may be used by Landlord upon termination of this lease as an offset against any unpaid rent, costs incurred by Landlord for cleaning or making repairs that are the responsibility of the Tenant, replacement of any equipment or furnishings that are to remain as part of the premises upon termination of the Lease. Should Landlord use all or any portion of the security deposit as described herein, Landlord shall provide Lessee with a complete itemization of all monies deducted from the security deposit.

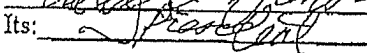
In Witness Whereof, the parties hereto have hereunto set their respective Hands and Seals on the day and year first hereinabove written.

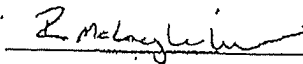
WITNESSES:

LANDLORD

RV Resort & Yacht Club Owner's Association, Inc.

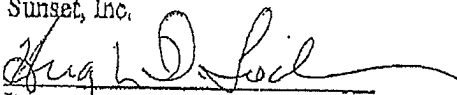
By: 

Its: 



TENANT

Sunset, Inc.

By: 

Its: 