

MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING is entered into this 20th day of November 2018, by and between Kiawah Resort Associates, L.P. ("**KRA**"), KDP II LLC ("**KDPII**"), and Kiawah Island Community Association, Inc. ("**KICA**").

Background Information

A. KRA and KDPII (collectively, "**KP**") own certain property located at the southern terminus of Beachwalker Road in the Town of Kiawah Island, Charleston County, S.C., known generally as Parcel 13A and Parcel 13B, more particularly shown on a preliminary plat prepared by Seamon Whiteside & Associates Surveying, LLC (the "**Plat**") dated August 29, 2018, a copy of which said Plat is attached hereto as **Exhibit A** and incorporated herein by reference.

B. Parcel 13C as shown on the Plat was conveyed by KRA to Timbers Kiawah Acquisition Partners, LLC ("**Timbers**"), and has been developed by Timbers into a private Ocean Club and Residences.

C. Parcels 13A, 13B and 13C (collectively, the "**Property**") currently are accessed by means of Beachwalker Road and Cape Point Road.

D. KP, KICA and Timbers have engaged in numerous discussions regarding the concept of alternative access to the Property via an extension of Duneside Road and have come to an agreement whereby KICA will not object to KP's platting, permitting and other applications in connection with such extension; provided KP complies with the terms and conditions more particularly set forth herein.

NOW THEREFORE, in consideration of the promises and mutual covenants hereinafter set forth, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. The Southern Pines Lane right-of-way (*i.e.*, Duneside Road extension) will terminate in a cul-de-sac as shown on the Plat and a preliminary Site Plan Exhibit attached hereto as **Exhibit B** and incorporated herein by reference and shall not connect to Beachwalker Road/Cape Point Road, either directly or through an adjacent property.

2. Access via Southern Pines Lane to and from Duneside Road will be provided only to Parcels 13A, 13C, and a portion of Parcel 13B (the "**Parcel 13B Outparcel**"). with Parcel 13B Outparcel access limited to four (4) buildings) as shown on **Exhibit A** and subject to the limitations set forth herein.

a. Development on Parcels 13A and the Parcel 13B Outparcel shall be limited to no more than 120 residential dwelling units and related amenities.

b. Additional residential dwelling units within Parcel 13B shall be accessed from Beachwalker Road and/or Cape Point Road and shall not have vehicular access to and from Duneside Road and/or Southern Pines Lane.

c. Any future Kiawah Island Club ("Club") facility located on or adjacent to Parcel 13A shall have primary access to and from Beachwalker Road but shall have the ability to offer up to thirty (30) parking spaces accessed from Duneside Road via Southern Pines Lane through Parcel 13A and this parking lot shall not tie into any portion of the club facilities that have access to Cape Point Road or Beachwalker Drive. Except as permitted hereunder, additional Club member parking, commercial deliveries, service and employee access to and from the Club shall be via Beachwalker Road and Cape Point Road.

d. Primary access for construction vehicles and commercial traffic associated with the site development and construction of the Club facility and residential and amenity structures within Parcels 13A and 13B Outparcel shall where feasible be via Beachwalker Road and Cape Point Road. Access for construction vehicles and/or commercial traffic via Southern Pines Lane shall be limited and utilized only when access via Beachwalker Road and Cape Point Road is not feasible under the circumstances. If any construction or development activities on these parcels provide even temporary connectivity to Duneside Road or Southern Pines Lane, these connections shall be blocked with appropriate fencing, bollards, or other material that prevents vehicular access to these roads.

e. Should the Plat be approved and recorded by the Town of Kiawah Island, without opposition from KICA or its staff, KP shall:

i. Execute and simultaneously record the Declaration of Restrictive Covenants attached hereto as Exhibit C and incorporated herein by reference, prohibiting KP, its successors and assigns and successors-in-title, from extending Southern Pines Lane to provide a connection to or access from Cape Point Lane/Beachwalker Road to Duneside Road.

ii. Contribute to KICA 50% of the cost up to a maximum of \$100,000, for the design, development and construction of pedestrian and/or safety related improvements along Duneside Road, to address safety concerns expressed by members of the neighboring communities.

3. In consideration of KP's agreements as aforesaid, KICA agrees that it will not oppose the connection of Duneside Road with Southern Pines Lane to provide access to and from the Property subject to the conditions and limitations set forth herein. KICA further agrees, that prior to initiating any official communications with the KICA membership and/or the public in general, KICA will provide KP with a copy to preview and to provide to KICA comments for its consideration. KP recognizes that KICA does not have any obligation to incorporate its comments, but by doing so would provide the Board with KP's perspective and allow KP to prepare for questions and/or comments it may receive.

4. After reviewing KP's application with the Town of Kiawah Island and Charleston County and confirming compliance with this agreement, KICA agrees to provide written confirmation, if needed, that any and all prior objections are rescinded and revoked.

5. KP and KICA acknowledge and agree to cooperate with each other to identify issues of disagreement and work to resolve such issues of disagreement with a spirit of fairness and cooperation.

6. This Agreement expresses the entire understanding between the parties and supersedes any and all previous agreements and understandings, whether written or oral, between the parties.

7. The rights and obligations arising under this Agreement are not assignable by any party without the prior written consent of the remaining parties hereto.

IN WITNESS WHEREOF, the undersigned have caused these presents to be executed as of the 20th day of November 2018.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:



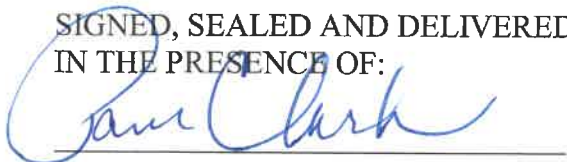
KIAWAH RESORT ASSOCIATES, L.P.

By: Coral Canary GP, L.L.C.
Its: General Partner

By: 

Jordan Phillips
Its: Vice President

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

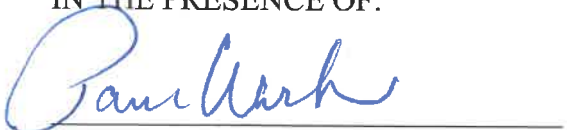


KDP II L.L.C.

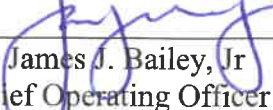
By: 

Jordan Phillips
Its: Vice President

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:



KIAWAH ISLAND COMMUNITY
ASSOCIATION, INC.

By: 

Name: James J. Bailey, Jr.
Its: Chief Operating Officer

EXHIBIT A

Attach the Preliminary Plat

EXHIBIT B

Attach Site Plan

EXHIBIT C

Attach Declaration of Restrictive Covenants