## KIAWAH ISLAND COMMUNITY ASSOCIATION

December 4, 2023

VIA US Mail and Email

Kiawah Development Partners, LLC Attn: Patrick Melton & Jordan Phillips 1 Kiawah Island Parkway Kiawah Island, SC 29455

Re: Amended and Restated Development Agreement Requirements, Section 16(f)

Dear Mr. Melton and Mr. Phillips:

This letter is being sent to you in your capacity as representatives of Kiawah Development Partners, LLC and is sent on behalf of the Kiawah Island Community Association (KICA) Board of Directors. The purpose of this letter is to provide notice to the Property Owner, as defined in the Amended and Restated Development Agreement (ARDA), of certain obligations under Section 16(f) of the ARDA. This Section contains obligations and rights of the Property Owner with respect to the property known as Captain Sam's Spit or Parcel 12B. The property is further identified and incorporated as Exhibit 16.2 of the ARDA.

We direct your attention to the second and third to last paragraphs of Section 16(f) that provide the following obligations of the Property Owner:

On or before the Termination Date of this Agreement, Property Owner shall convey to KICA (for nominal consideration by quitclaim deed) such areas of highland depicted in light green and cream on Exhibit 16.2 as are then seaward (as to land on the ocean side of Parcel 12B) of the crest of the primary oceanfront dune, less only such areas/lots as may have been encumbered by easements or conveyed to third parties (e.g., lot owners, KICA, etc. pursuant to the authorizations hereinabove noted).

Prior to the Termination Date, Property Owner also agrees to restrict all remaining highlands not devoted to the uses or purposes authorized herein, to non-developable, passive green space by restrictive covenant recorded in the Charleston County RMC office. Property Owner shall grant an easement to KINHC (provided KINHC accepts) for any acreage not subject to Development, including such acreage as is to be conveyed, ultimately, to KICA.

As you are aware, the termination date of the ARDA is December 4, 2023. To date, KICA has not been provided any information concerning the Property Owner's intent to comply with the above-referenced requirements of Section 16(f). Notably, the ARDA does not provide any prerequisite or other limitation that Captain Sams's Spit must first be developed for the Property Owner to fulfill its requirements. It is KICA's expectation that the obligations of Section 16(f) of the ARDA will be performed by the Property Owner on or before the Termination Date. We ask that the Property Owner detail its position as to these respective obligations, both of which act to the benefit of KICA.

Sincerely,

KICA Board of Directors

cc: Amanda Mole, KP Chief of Architecture & Design and KICA Development Director Stephanie Tillerson, Town of Kiawah Island Administrator John Taylor, Town of Kiawah Island Planning Manager