

STATE OF ALABAMA)

SHELBY COUNTY)

5551

DECLARATION OF COVENANTS RELATIVE
TO SANITARY SEWER SYSTEM

This declaration of covenants, stipulations and agreements hereinafter set forth by Cahaba Valley Homes, Inc., a corporation, hereinafter referred to as "Declarant";

W I T N E S S E T H:

WHEREAS, the Declarant is the owner of the following described property situated in Shelby County, Alabama, more particularly described as follows:

Lots 1 through 31, in Block 4; Lots 10 through 15, in Block 1; Lots 12 through 15 in Block 3; Lots 1 through 13 in Block 5 and Lots 1 through 4 in Block 6 according to the survey of Cahaba Valley Estates, Seventh Sector as recorded in Map Book 6, page 82, in the Office of the Judge of Probate of Shelby County, Alabama.

ALSO:

Lots 1, 2 and 3 in Block 1 Cahaba Valley Estates 4th Sector as recorded in Map Book 5, page 127 in the Probate Office of Shelby County, Alabama; and

Lot 1, Block 3 Cahaba Valley Estates 3rd Sector as recorded in Map Book 5, page 107 in the Office of the Judge of Probate of Shelby County, Alabama,

and

WHEREAS, the undersigned Declarant is in the process of developing the above described property and anticipates from time to time selling the various lots after developed and

WHEREAS, pursuant to its plan of development it is mandatory to obtain sanitary sewer service for the various properties above described, and

WHEREAS, Pelham Sewer Fund, Inc., a corporation is the owner and operator of a sanitary sewer plant located within the proximity of the above described property and has agreed to provide sanitary sewer service to the subdivision provided it obtains a reasonable means of compensation for such services, and

WHEREAS, pursuant to the Federal Housing Administration and Veterans Administration regulations, Pelham Sewer Fund, Inc., as Grantor and the Birmingham Trust National Bank, as Trustee has entered into a Trust Deed dated April 8, 1976 relative to the operation, maintenance and control of said sanitary sewer plant. (Said Trust Deed being filed for record in Volume 298 page 802 in the Probate Office of Shelby County, Alabama.)

NOW, THEREFORE, the Declarant hereby establishes and declares that all the above described property shall be held, sold and conveyed subject to the following covenants, agreements and conditions established for the purpose of assuring a proper sanitary sewer service necessary for the development of said property and providing a means for the payment of said sanitary sewer service charges all of which shall be covenants running with said real property and shall be binding upon all parties having any right, title or interest in the above described property or any part thereof, their heirs successors and assigns; to-wit:

1. That each purchaser of any and all of the property above described shall be provided with sanitary sewer services and that Pelham Sewer Fund, Inc. pursuant to that certain Trust Deed above referred to shall be entitled to compensation for such services as follows:

(a) All sanitary sewer service charges shall be due and payable on the 1st day of each month, payable at the principal office of said Pelham Sewer Fund, Inc.;

(b) The monthly amounts shall be in accordance with the amount of charges authorized and agreed in Paragraph 6 of the above referred to Trust Deed dated April 8, 1976 and that the monthly rates may be increased from time to time in accordance with the provisions of said Paragraph 6.

(c) The Pelham Sewer Fund, Inc. shall be entitled to a lien against each of the various lots when the owner thereof shall become delinquent in the payment of the monthly sanitary sewer service charges as follows:

(i) The sanitary sewer charges are delinquent when not paid when due;

(ii) If said sewer service charges are not paid within 30 days of due date, the sewer service charges become an assessment against said lot and against the owner thereof and shall bear interest from the date of the delinquency at the rate of 8% per annum;

(iii) The delinquent sanitary sewer service charge shall become a lien against said property when the Pelham Sewer Fund, Inc. or its successors, pursuant to said Trust Deed, files a notice of record in the Probate Court of Shelby County, Alabama, notifying or describing the property wherein the owner thereof is delinquent.

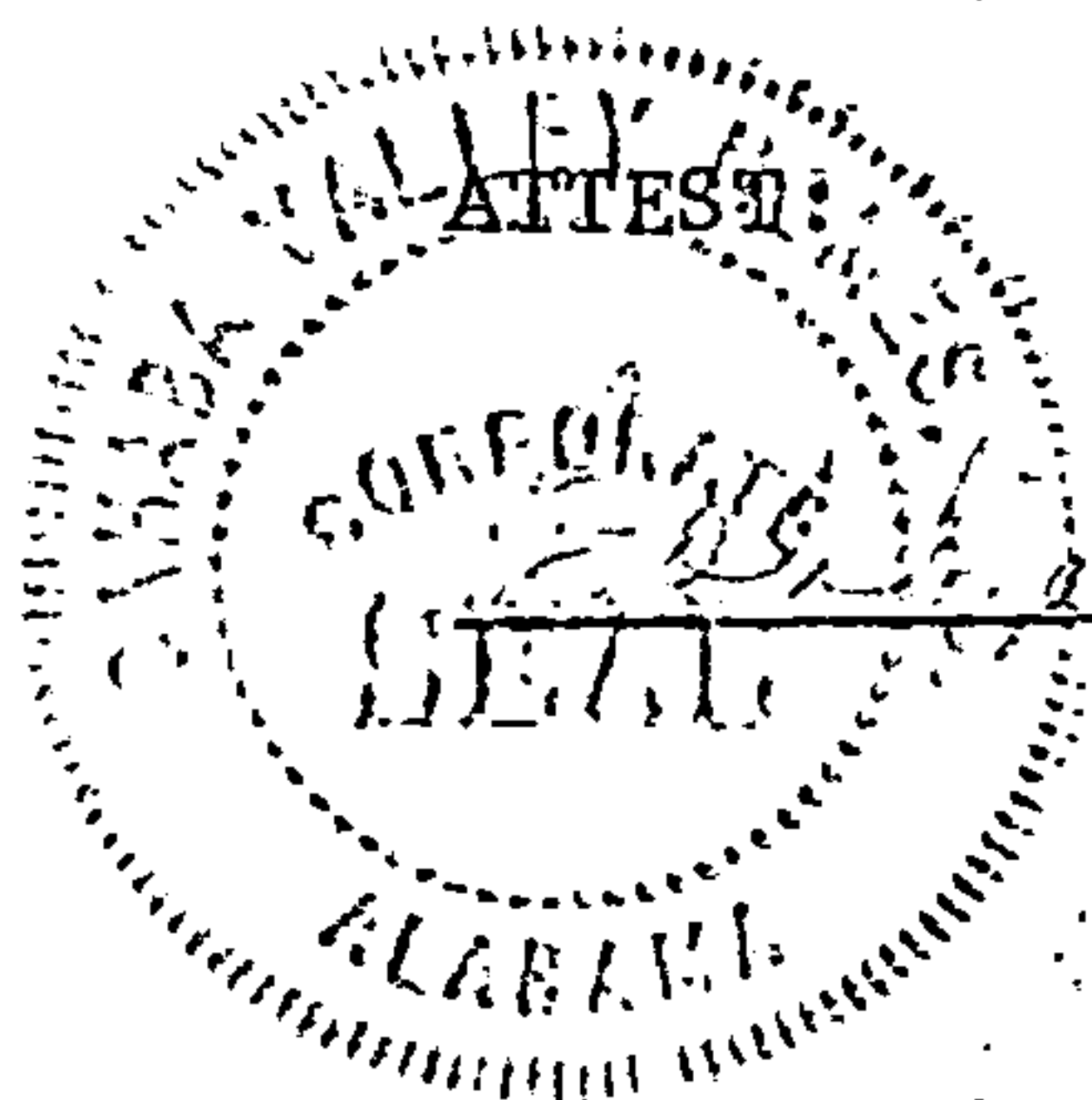
(d) In addition to the lien the said Pelham Sewer Fund, Inc. and the Birmingham Trust National Bank, as Trustee shall have the right to bring an action at law against the owner of the property, personally obligating them to pay the same, for all amounts due and owing for such sewer service charges including interest and a reasonable attorney's fee for the collection of the same.

2. Declarant hereby declares that each and all future owners of any of the above described property shall be subject to the provisions of this instrument.

IN WITNESS WHEREOF, Declarant has hereunto set its signature and seal, by its President,

who is authorized to execute this instrument on this the 10th day of May, 19 76.

CAHABA VALLEY HOMES, INC.



B. Eddleman
Vice Pres.

BY B. Eddleman
Its President



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Shelby Cnty Judge of Probate, AL
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BOOK 15 PAGE 503



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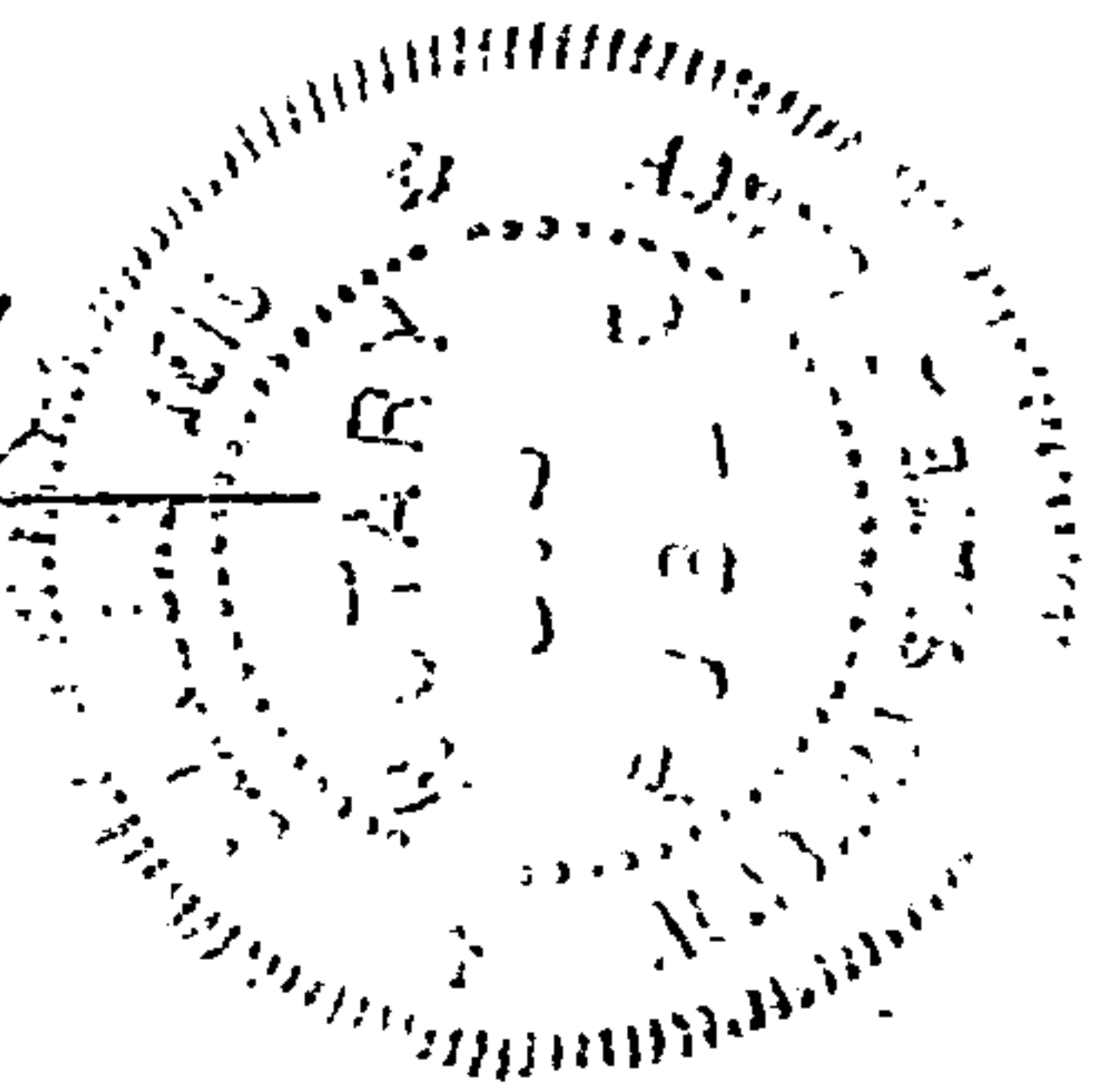
STATE OF ALABAMA)

JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for
said County in said State, hereby certify that BD. EDDLEMAN
whose name as President of Cahaba Valley Homes, Inc., a
corporation, is signed to the foregoing instrument and who is
known to me, acknowledged before me on this day, that, being
informed of the contents of the instrument, he, as such officer
and with full authority, executed the same voluntarily for and
as the act of said corporation.

10th Given under my hand and official seal this the
day of May, 1976.

Challene Ruff
Notary Public



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Carol M. Fowler
JUDGE OF PROBATE

STATE OF ALA. SHELBY CO.
I CERTIFY THIS
INSTRUMENT WAS FILED
1976 MAY 28 AM 8:40