

1989

AMENDMENT TO DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
APPLEGATE TOWNHOUSE

THIS AMENDMENT TO DECLARATION OF COVENANTS made on the date hereinafter set out by APPLGATE REALTY, INC., an Alabama corporation, hereinafter referred to as "Declarant", or "Developer".

W I T N E S S E T H:

WHEREAS, Declarant is the owner of certain real property in the City of Alabaster, County of Shelby, State of Alabama, which is more particularly described in Exhibit "A" attached hereto and made a part hereof; and

WHEREAS, Declarant caused to have filed against said real estate certain covenants, conditions and restrictions recorded in the Probate Office of Shelby County in Real 63 at Page 634; and

WHEREAS, Declarant is desirous of amending said covenants, conditions and restrictions provided for in said covenants.

NOW, THEREFORE, Declarant hereby files this AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR APPLE-

BOOK 125 PAGE 299
GATE TOWNHOUSES by deleting in its entirety the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS filed in Real 63 at Page 634 of said Probate Office and in substitution thereof declare that the property described in Exhibit A hereto shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the property. These easements, covenants, restrictions and conditions shall run with the property and be binding on all parties having or acquiring any right, title or interest in the described property or any part thereof and shall inure to the benefit of each owner thereof.

ARTICLE I.

DEFINITIONS

Section 1. "Association" shall mean and refer to Applegate Townhouse Association, Inc., a non-profit, non-stock corporation incorporated under the laws of the State of Alabama, its succes-

sors and assigns. The Association's Articles of Incorporation are attached hereto as Exhibit "C". The Bylaws of the Association are attached hereto as Exhibit "D".

Section 2. "Property" shall mean and refer to that certain real property described in Exhibit "A" and such additions thereto as may hereafter be brought within the jurisdiction of the Association. The plats of the Property are attached hereto as Exhibit "B".

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the members of the Association. The Common Area is described as follows:

Lots A, B and C, according to the Resurvey of Lots 1-64, 89-104 and A-C of Applegate Manor Subdivision, as recorded in Map Book 10 Page 25 in the Probate Office of Shelby County, Alabama.

Section 4. "Lot" shall mean and refer to a Lot shown on the revised plat filed in Map Book 10 at Page 25 in the Probate Office of Shelby County, Alabama, and all amendments and re-recordings thereof, and improvements on said Lot. Conveyance of Lots may be by metes and bounds description or by Lot number. Ownership of a Lot hereunder shall include an undivided pro rata interest in the Common Area owned by the Association.

Section 5. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Declarant" shall mean and refer to Applegate Realty, Inc., an Alabama corporation, its successors and assigns.

Section 8. "Improvements" shall mean the structures, walls, pavement, plantings and other additions built or placed on the Lots. It is intended that the Improvements reasonably meant for the Owner of a particular Lot will lie entirely within said Lot. In the event, that by reason of construction, settlement, reconstruction or shifting of the Improvements, any minor part of the

improvements reasonably intended for a particular Lot lie outside that Lot, an easement of use shall apply thereto in favor of the Lot to be benefited.

ARTICLE II.

ROADS AND SEWERS

The roads and sewers within Applegate Townhouse Subdivision are public.

ARTICLE III.

MEMBERSHIP

Every Owner of a Lot which is subject to assessment by the Association shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an ownership interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

ARTICLE IV.

VOTING RIGHTS AND CLASSIFICATION OF MEMBERS

Members shall be divided into two classes denominated as Class A Members and Class B Members, defined as follows:

Class A Members shall be all Owners as defined in Article I with the exception of Declarant. Class A Members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Article I. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot.

Class B Member(s) shall be the Declarant, who shall be entitled to three (3) votes for each Lot in which it holds the interest required for membership by Article I. The Class B membership shall cease and be converted to Class A membership upon the first to occur of the following: (a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or (b) on the 5th day of January, 1988.

The Association membership shall hold an organizational meeting at the call of the Developer. The organizational meeting of the Association membership shall be held for the purposes of electing a Board of Directors and establishing procedures for the proper functioning of the Association.

ARTICLE V.

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area, and each easement shall be appurtenant to and shall pass with the title to every assessed Lot, subject to the following provisions:

(a) The right of the Association to limit the number of Members and guests in the use of the Common Area;

(b) The right of the Association to borrow money for the purpose of improving the Common Area and facilities, and in aid thereof to mortgage said Property.

(c) The right of the Association to suspend the voting rights of a Member for any period during which any assessment against his Lot is delinquent, or during which a Member is in violation of published rules and regulations adopted by the Association.

(d) The right of the Association to dedicate, transfer, or grant easements over all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Association. No such dedication or transfer shall be effective unless an instrument signed by Members entitled to cast two-thirds (2/3) of the votes from each class of Members hereof has been recorded, agreeing to such dedication or transfer, and unless written notice of the proposed action is sent to every Member not less than thirty (30) days nor more than sixty (60) days in advance of such dedication or transfer;

(e) The right of the Association to enforce the easements and rights-of-way created hereby.

Section 2. Delegation of Use. Any Member may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants or contract purchasers, all of whom must reside on the Property.

Section 3. Title to the Common Area. The Declarant hereby covenants for itself, its successor and assigns, that it will convey fee simple to the Common Area to the Association, subject only to standard easements and restrictions that appear of record and that appear in the title insurance commitment which shall show title to be vested in the Association.

Section 4. Reciprocal Easements. Each Lot Owner grants to each other Lot Owner easements for the following uses and purposes:

(a) Maintenance, repair and replacement. An easement over and across and through each Lot for the maintenance, repair and replacement of Improvements. Use of this easement, however, for access to individual Lots shall be limited to reasonable hours, except that access may be had any time in case of emergency.

(b) Utilities. An easement for water and sewage for Improvements to all Lots.

(c) Easement for Encroachment. The Developer proposes to construct on each of the aforesaid Lots zero-lot line townhomes. In the matter of the construction and completion of each of said townhouses certain eaves, roof overhangs, brick veneer or other wooden siding or other building materials that may be attached to the structural walls will or may encroach over onto either the air space or the real estate of an adjoining or contiguous Lot. There is hereby created on each of said Lots so effected an easement for said encroachments or overhangs created by said construction. In addition to the valid easements for each of said encroachments or overhangs there is also granted the right to maintain and repair the same so long as said encroachments and overhangs shall and do exist. In the further event that any structure comprising a said town house is totally destroyed and then rebuilt, the Owners of said town house so ef-

fectd agree that said encroachments and easements shall be permitted in the matter of the reconstruction and the right of maintenance shall continue to exist.

ARTICLE VI.

COVENANTS FOR ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Property, hereby covenants and agrees to pay to the Association, and each Owner of a Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association (1) regular assessments or charges, to be collected either monthly, quarterly, or annually, and (2) special assessments for capital improvements or other purposes, such assessments to be fixed, established, and collected from time to time as hereinafter provided. The regular and special assessments, together with interest, cost and reasonable attorney's fees, if delinquent, shall be a charge and a continuing lien upon the property against which the assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, if delinquent, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment became due.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the benefit, health, safety, and welfare of the residents of the Property and for the improvement and maintenance of the Common Area and of the homes situated upon the Property, subject to the terms hereof. Neither a Lot Owner nor Declarant shall have the right to receive back any assessment or contribution notwithstanding sale or other disposition of a Lot(s). The maximum annual assessment should be adequate to enable the Association to carry out its responsibilities but shall not be excessive.

Section 3. Regular Assessments. Until January 5, 1987, the maximum monthly assessment shall not exceed \$10.00 per lot.

Thereafter, the regular assessment for each calendar year, and the basis for payment thereof, shall be determined by the Association at the annual meeting of the Association as called for in the Bylaws. The Regular Assessment may be increased each year not more than five percent (5%) above the previous year's assessment without a vote of the Members. The regular annual assessment may be increased by a vote of two-thirds (2/3) of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose.

Section 4. Special Assessments. In addition to the assessments authorized above, the Association may levy a special assessment for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement, including fixtures and personal property, provided that any such assessment shall have the affirmative vote of two-thirds (2/3) of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Uniform Rate of Assessment. Both regular and special assessments must be fixed at a uniform rate for all Lots and may be collected on a yearly, quarterly or monthly basis. Each Lot shall be assessed 1/97 of the total assessments due.

Section 6. Notice and Quorum for any Action Authorized under Sections 3 and 4. Written notice of any meeting called for the purpose of taking action authorized by Section 3 or 4 shall be sent to all Members not less than thirty (30) days, nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. At the first such called meeting, the presence of Members or of proxies entitled to cast sixty (60%) percent of all the votes of each class of Members shall constitute a quorum. If the required quorum is not present, another meeting may be called, subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Date of Commencement of Annual Assessments: Due

Dates. The regular assessments provided for herein shall commence and shall be due as to each Lot on the first day of the month following the conveyance of the Common Area. For subsequent years, the annual assessment and basis for payment shall be fixed at the annual meeting of the Association. The annual assessment period shall be from January 1 to December 31st of the following year. The Association shall upon request furnish a certificate in writing signed by a representative of the Association setting forth whether the assessments on a Lot have been paid. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 8. Effect of Nonpayment of Assessments: Remedies

of the Association. Any assessments which are not paid when due shall be delinquent and shall be a continuing lien upon the Lot(s) until paid. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the due date at the rate set by the Association, not to exceed six (6%) percent. For the purpose of enforcing the lien of any unpaid and delinquent assessment, each Lot Owner grants the Board of Directors of the Association irrevocably the power to sell his or her Lot at public outcry to the highest and best bidder for cash. The Board of Directors is authorized to make such a public sale if and only if such sale is made subordinate to any prior recorded mortgage upon the Lot. The Association is hereby authorized to take any and all courses of action available to it for collection of the assessment which the laws of the State of Alabama allow. Any such sale shall be made after first advertising the sale of said Lot(s) for thirty (30) days by four (4) weekly publications in some newspaper circulated in the County of Shelby, City of Alabaster, State of Alabama, giving notice of the time and place of each sale and by written notice of the time and place of such sale of the Lot. The proceeds of any such sale, whether under the power of sale or by foreclosure suit, shall be applied first to the payment of the expenses of protecting the Lot and the expenses of litigation, attorney's

fees, and sales commissions; and second to the payment of real estate ad valorem taxes assessed against the Lot and any prior recorded mortgages; and third, to the payment of all amounts due the Association under the taxes of the Declaration and Bylaws, and the balance, if any, to the Lot Owner, whose Lot is sold, or his assigns.

All rights, remedies and privileges granted to the Association or a Lot Owner pursuant to any terms, provisions and covenants or conditions of the Declaration and Bylaws shall be deemed to be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies, or privileges as may be granted to such party by the Declaration and Bylaws or at law or in equity.

The Association shall notify the holder of the first mortgage on any Lot for which any assessment levied pursuant to this Declaration becomes delinquent for a period in excess of sixty (60) days and any other case where the Owner of such Lot is in default with respect to the performance of any other obligation hereunder for a period in excess of sixty (60) days.

Section 9. Subordination of the lien to Mortgage. The lien for assessment created hereunder upon any Lot shall be subject and subordinate to the lien of any first mortgage. The holder of a first mortgage including a third party purchaser at a foreclosure of said mortgage who comes into possession of any Lot pursuant to the remedies provided in said mortgage (whether by way of foreclosure of the mortgage or deed (or assignment) in lieu of foreclosure) shall take the Lot free of any claims for unpaid assessments or charges against the mortgaged Lot which accrued prior to the time such holder or third party purchaser came into possession of the Lot; provided that after the foreclosure of any such mortgage, or after the granting of any deed or assignment in lieu of foreclosure, there may be a lien created on the interest of such purchaser, grantee, or assignee to secure all subsequent assessments, whether regular or special, which may be assessed

hereunder to such purchaser, assignee, or grantee as an Owner; and such subsequent assessment lien shall have the same effect and be enforced in the same manner as provided herein. Sale or transfer of any Lots shall not affect the assessment lien; however, the sale or transfer of any Lot pursuant to foreclosure of a first mortgage or any deed or proceeding in lieu thereof shall extinguish the lien of such assessment as to payments which become due prior to such foreclosure sale or deed or assignment in lieu thereof; provided, however, the lien shall continue and attach to any proceeds from any foreclosure sale which might be due unto the mortgagor of the Lot being foreclosed. No sale or transfer of a Lot (other than ones in lieu of foreclosure of a recorded first mortgage) shall relieve such Lot from liability for any assessment or for the lien thereof and no foreclosure (or transfer in lieu thereof) of any other mortgage shall relieve any Lot Owner from personal liability for assessments recorded prior to such foreclosure or transfer in lieu thereof.

Section 10. Priority of Lien. The lien established by this Article shall have preference over any other assessments, liens, judgments or charges of whatever nature, except the following:

(a) General and special assessments for real estate taxes on a Lot; and

(b) The liens of any mortgage instrument or encumbrances duly recorded on the Lot prior to the assessment of the lien thereon or duly recorded on said Lot after receipt of a written statement from the Board of Directors reflecting that said liens were current as of the date of recordation of said mortgage instrument or other encumbrance.

Section 11. Exempt Property. The following property shall be exempt from the assessments created herein: (a) all properties dedicated to and accepted by a local public authority; and (b) the Common Area.

ARTICLE VII.

MORTGAGEE'S RIGHTS

Section 1. Written Notification. A first mortgagee of any Lot at its request is entitled to written notification from the

Association of any default by the mortgagor of such Lot in the performance of such mortgagor's obligations under the Declarations, Covenants, Conditions and Restrictions, or the By-Laws, which is not cured within thirty (30) days.

Section 2. Unpaid Assessments. Any first mortgagee or third party purchaser at a foreclosure of said mortgage of a Lot who comes into possession of the Lot pursuant to the remedies provided in the mortgage, foreclosure of the mortgage or deed in lieu of foreclosure, shall take the Lot free of any claims for unpaid assessments or charges against the mortgaged Lot, which accrue prior to the time such holder or third party purchaser comes into possession of the Lot (except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Lots, including the mortgaged Lot).

Section 3. Prohibitions of Making Changes. Unless all of the first mortgagees of Lots have given their prior written approval, the Association shall not be entitled to:

(a) Change the pro rata interest or obligations of any Lot for (i) purposes of levying assessments or charges or allocating distribution of hazard insurance proceeds or condemnation awards.

(b) Use hazard insurance proceeds for losses to any Improvements for other than the repair, replacement or reconstruction of such Improvements.

(c) Abandon or terminate the Association except where abandonment or termination is provided by law in the case of substantial destruction by fire or other casualty or in the case of taking by condemnation or eminent domain.

Section 4. Examination of Books. First mortgagees shall have the right to examine the books and records of the Association and/or the project.

Section 5. Adequate Reserve Fund. An adequate reserve fund for the replacement, renovation or repair of Common Areas will be established and funded by regular monthly payments rather than by special assessments.

Section 6. Lot Owner's Rights Subordinate to Mortgagee. No Lot Owner, or any other party, shall have priority over any rights of the first mortgagees of Lots pursuant to their mortgages in the case of a distribution to Lot Owners of insurance proceeds or condemnation awards for losses to or taking of Lots and/or Common Areas.

Section 7. Interest of a Mortgagee. The interest of a first mortgagee in a mortgaged Lot shall be superior to the interests of any other person, group, partnership, corporation or entity of any kind, including any interest the Board of Directors, the Declarant or any Lot Owner may have in any portion of the premises, regardless of the nature of the interest or the manner in which it is acquired.

Section 8. Additional Rights. Notwithstanding the above, any first mortgagee shall have all of the rights granted to a first mortgagee herein, and in addition shall have all of the rights granted to a first mortgagee under its mortgage, and under the laws of the State of Alabama.

Section 9. Prohibition of Partition. No Lot in the project may be partitioned or subdivided without the prior written approval of the holder of any first mortgage lien on such Lot.

Section 10. Damage or Destruction. In the event of substantial damage to or destruction of any Improvements or any part of the Common Areas, the holder of any first mortgage on a Lot will be entitled to timely written notice thereof.

ARTICLE VIII.

MAINTENANCE

Section 1. Association Responsibilities. The Association shall provide all maintenance and pay all expenses for the Common Area, including any fences or brick walls thereon. The real property taxes on the Common Area, if any, shall also be paid for by the Association, unless otherwise required by the tax assessor's office of Shelby County, Alabama.

Section 2. Owner's Responsibilities. Each Owner shall be responsible for all interior and all exterior maintenance, roofing, painting, repair and upkeep on his Lot and Improvements.

Section 3. Association as Attorney In Fact. Each Owner, by acceptance of a deed, hereby appoints the Association as its attorney-in-fact to contract for the landscaping maintenance and upkeep of the Common Area of the Property, and agrees to pay a prorated portion of such expense as a part of the monthly assessment fee.

Section 4. Color Scheme. As stated elsewhere herein, the decor and color scheme has been accepted by the Lot Owners and shall not be changed without Architectural Control Committee approval. This shall include changing the color scheme of the roof, color scheme of the exterior, trim and siding and including the installation of storm windows or decorative doors.

ARTICLE IX.

USE RESTRICTIONS

The Association shall have the right to enact rules and regulations to govern the use of the Common Area.

Section 1. LAND USE AND BUILDING TYPE. No Lot shall be used except for single family residential purposes. No building shall be erected, altered, placed or permitted to remain on any Lot other than one single-family dwelling not to exceed two and one-half stories in height. No Lot shall be subdivided or any portion thereof sold to the extent that it would violate this Declaration or the rules and regulations promulgated by the Shelby County Planning Commission and its zoning ordinance, specifically but not limited to, those requirements regarding density.

Section 2. FENCES. No fences or walls shall ever be erected nor growing hedge rows planted and maintained on any Lot without first securing Architectural Committee approval as stated elsewhere herein.

Section 3. LOT AREA AND WIDTH. No dwelling shall be erected or placed on any Lot that would violate the minimum requirements of the City of Alabaster or the Shelby County Planning Commission.

Section 4. RECORD MAP EASEMENTS FOR UTILITIES AND

PEDESTRIANS. Easements to each Lot for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. The granting of these easements of right of access shall not prevent the use of the area by the Lot Owner for any permitted purpose except for buildings. A right of pedestrian access by way of a driveway or open lawn area shall also be granted on each Lot, from the front lot line to the rear lot line to any utility company having an installation in the easement. The easement area of each Lot and all Improvements in it shall be maintained continuously by the Owner of the Lot, except for those Improvements for which a public authority or utility company is responsible. Fences shall not be allowed to be constructed over or along any easement for public utilities or walkway easements as described herein and on the record map. In addition to the easements shown on the recorded plat, there also appears an easement for pedestrian walkway. This walkway is provided so that Lot Owners may walk along the easement and down the side easement to the street right of way without necessity of securing permission from the adjoining Lot Owners.

Section 5. UNDERGROUND WIRING AND UTILITY EASEMENTS. All

the Property is subject to that certain agreement and easement heretofore executed by the Developer in favor of Alabama Power Company and South Central Bell Telephone and Telegraph Company as recorded in the Probate Office of Shelby County, Alabama.

Section 6. SEWER EASEMENTS. All the Property shall be subject to the covenants, stipulations and agreements relative to the sanitary sewer system, which said covenants are recorded in the Probate Office of Shelby County, Alabama.

Section 7. NUISANCES. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. No recreational vehicles, commercial trucks or vans, no trailers, no boats nor mobile homes shall be permitted on the Property at any time. No vehicles shall be placed on blocks, either in the front or back yards of the Lots, nor shall

junk cars be allowed to be parked anywhere on the Property. The Architectural Control Committee shall have the power and authority to have junk cars removed and by accepting a deed to the Lot, each Lot Owner herein agrees to indemnify and hold harmless the Architectural Control Committee from any such action. No Lot Owner shall be allowed to perform major maintenance on his vehicle, such as removing the engine or working on the block of the engine. Normal routine maintenance, such as changing spark plugs, changing oil, waxing the car on the premises, are allowable.

Section 8. TEMPORARY STRUCTURES. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any Lot at any time as a residence either temporarily or permanently, unless approved by the Architectural Control Committee.

Section 9. SIGNS. No sign of any kind shall be displayed to the public view on any Lot except one professional sign of not more than five square feet advertising the property for sale or rent or signs used by the Developer to advertise the Property during the construction and sales period.

Section 10. OIL AND MINING OPERATIONS. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

Section 11. LIVESTOCK AND POULTRY. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept provided they are not kept, bred, or maintained for any commercial purpose. At all times, dogs must be on leash when outside.

Section 12. GARBAGE AND REFUSE DISPOSAL. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage

or disposal of such material shall be kept in clean and sanitary conditions.

Section 13. WATER SUPPLY. No individual water supply system shall be permitted on any Lot unless such system is located, constructed and equipped in accordance with the requirements, standards and recommendations of both state and local public health authorities. Approval of such system as installed shall be obtained from such authority.

Section 14. SIGN DISTANCE AT INTERSECTIONS. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between 2 and 6 feet above the roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting them at points 25 feet from the intersection of the street lines, or in the case of a rounded property corner from the intersection of the street property lines extended. The same sight line limitations shall apply on any lot within 10 feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

Section 15. COVENANT WITH RESPECT TO MAINTENANCE OF LOT AND IMPROVEMENTS. Each Owner shall keep his Lot and the Improvements thereon in good order and repair including but not limited to the seeding, watering and mowing of all lawns, the pruning and cutting of all trees and shrubbery, and the painting (or other appropriate external care) of the structure all in a manner and with such frequency as is consistent with good property management, unless the Association shall have undertaken to provide the landscaping maintenance of the Property, in which such event the Lot Owner will pay his proportionate share as a regular assessment.

No Owner of any Lot shall modify the structure on his Lot by adding a room or rooms, changing the roof lines, adding decks, materially changing or altering the color or making other altera-

tions in the exterior appearance of the Improvements without the express written approval of the Architectural Control Committee. Each Owner, in acquiring title to his Lot, acknowledges that the decor, color scheme and design have been selected in such a manner to be consistent and harmonious with other homes in the Property and agrees to maintain his Lot and Improvements in such a manner as to maintain and perpetuate the visual harmony within the Property. In the event Lot Owners shall hang window draperies over the windows facing the major street, said draperies shall be lined with a white sheer so as to perpetuate the visual harmony of the Improvements from the street.

The Architectural Control Committee shall have the right to determine whether a Lot Owner is properly maintaining and repairing his Lot and Improvements and shall have the right to order inspections to verify that the required maintenance are being satisfactorily met. In the event the Architectural Control Committee determines that the Lot Owner has failed to properly maintain and repair his Lot and Improvements, the said committee shall have the power to contract the required work as it deems appropriate and charge the Lot Owner the expense of said repairs and maintenance. This charge shall become a lien against the Owner's Lot all as more particularly described in this Declaration.

Section 16. DAMAGE OR DESTRUCTION. In the event of damage or destruction to any Improvement within the Property, the respective Owner thereof agrees as follows:

(i) In the event of total destruction, the Owner shall promptly clear the Lot of debris and leave the same in a neat and orderly condition until such time as he or she might elect to rebuild and reconstruct the Improvements. Any such rebuilding and reconstruction shall be accomplished in conformity with the plans and specifications of the original Improvements so destroyed, subject to any changes or modifications as approved by the Architectural Control Committee.

(ii) In the case of partial damage or destruction, the Owner shall, as promptly as an insurance adjustment may be made,

cause the damage or destruction to be repaired and restored in a first class condition in accordance with the plans and specification of the original Improvements and in conformity with its original exterior painting and decor. Any change or alteration must be approved by the Architectural Control Committee. In no event shall any damaged structure be left unrepaired and unrestored for in excess of sixty (60) days.

Section 17. ARCHITECTURAL CONTROL COMMITTEE. As above stated, no building, fence or wall shall be erected, placed or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure have been approved by the Architectural Control Committee as to quality of workmanship and materials, harmony of external design with existing Improvements, and as to location with respect to topography and finish grade elevation. Approval shall be provided as hereinbelow set forth:

A. Architectural Control Committee Membership. The Architectural Control Committee is composed of Randy Goggans, Larry Guy, and Tracy Smith. A majority of the Committee may designate a representative to act for it. In the event of death or resignation of any member of the Committee, the remaining members shall have full authority to designate a successor. Neither the members of the Committee, nor its designated representative shall be entitled to any compensation for services performed pursuant to this covenant.

The Architectural Control Committee of Randy Goggans, Larry Guy, and Tracy Smith shall serve for two (2) years from the date of the filing of this Declaration or upon the sale of all of the Lots in the Property by the Developer, or its assigns, whichever shall occur first. At any time after the expiration of two (2) years or the sale by Developer of all Lots within the Property, the then record Owners of the majority of the Lots within the said subdivision shall have the power through a duly recorded written instrument to change the membership of the Committee, or to withdraw or restore to the Committee any of its powers and duties.

B. Procedure. The Committee's approval or disapproval as required in this Declaration shall be in writing. In the event the Committee, or its designated representative, fails to approve or disapprove within thirty (30) days after plans and specifications have been submitted, or in any event, if no suit to enjoin construction has been commenced prior to completion thereof, approval will not be required and the related covenants shall be deemed to have been fully complied with.

C. Standards. For the purpose of assuring the maintenance of the Lots as a neighborhood of high standards, the Developer hereby adopts the following standards for architectural control: The committee shall have the right to disapprove any plans submitted hereunder because of failure to comply with any restrictions contained herein, failure to include any information required herein, objection to exterior design, or such other matter which would render the proposed structure or in use thereof inharmonious with the Improvements located upon other Lots within the Property, or surrounding neighborhoods.

Section 18. Communication Equipment. No television, radio or C.B. antennae will be permitted on the roof or any portion of the Improvements or Lot without first securing permission from the Architectural Control Committee. No satellite discs may be placed or installed on the Lot.

Section 19. ENFORCEMENT. Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant either to restrain violation or to recover damages. All enforcement provisions referred to in this Declaration shall be applicable in enforcing these Use Restrictions, including but not limited to, the collection of a reasonable attorneys fee for the prosecution of said action along with the establishment of a lien against the Lot of the individual so affected.

Section 20. SEVERABILITY. Invalidation of any one of these covenants by judgment or court order shall in no wise effect any of the other provisions which shall remain in full force and effect.

ARTICLE X.

INSURANCE

The Association shall secure and maintain in effect a policy of property damage insurance providing coverage in an amount not less than the full replacement value as determined annually by the Board of the improvements located within the Common Area. The policy shall include an "agreed amount endorsement" or its equivalent, if available, or an "inflation guard endorsement", if available. Such coverage shall afford protection against all risks. In addition thereto, the Association shall be required to maintain in effect a comprehensive general public liability insurance policy covering loss or damage resulting from an occurrence on the Common Area in such amounts as may be required by the Board, but not less than \$1 million covering all claims for bodily injury or property damage or both arising out of a single occurrence, with such coverage to include protection against personal injury resulting from use of the swimming pool or clubhouse facilities.

ARTICLE XI.

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law, or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall not be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or Court order shall in no wise affect any other provisions, which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with the land, and shall inure to the benefit of and be enforceable by the Association and the Owner of any Lot subject to this Declaration, their respective legal

representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety (90) percent of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five (75%) per cent of the Lot Owners. Any amendment must be properly recorded.

Section 4. FHA/VA Approval. As long as there is a Class B Membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration namely, to-wit: (a) annexation of additional properties; (b) dedication of Common Area; (c) Amendment of this DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS.

SUBJECT TO THE TERMS OF THIS SECTION, THE DECLARANT RESERVES THE RIGHT FOR A PERIOD OF ONE (1) YEAR FROM THE DATE HEREOF TO UNILATERALLY AMEND THIS DECLARATION IN WHOLE OR IN PART TO CONFORM THIS DECLARATION TO THE REQUIREMENTS OF ANY GOVERNMENTAL AGENCY, FEDERAL, STATE OR LOCAL, AND FOR THE REQUIREMENTS OF ANY MORTGAGE LENDER, OR IF IN THE SOLE OPINION OF THE DECLARANT AN AMENDMENT IS REQUIRED TO INSURE THE ORDERLY DEVELOPMENT OF THE PROPERTY.

Section 5. Annexation. Additional residential property and Common Area may be annexed to the Property with the consent of two-thirds (2/3) of each class of Members.

ARTICLE XII.

DISSOLUTION

The Association may be dissolved with the consent given in writing and signed by not less than two-thirds (2/3) of each class of Members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets, both real and personal, of the Association shall be dedicated to an appropriate agency to be used for purposes similar to those for which this Association was created. In the event that such dedication

is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has caused this instrument to be executed this 15th day of December, 1986.

APPLEGATE REALTY, INC.

BY: Randall H. Goyen
ITS PRESIDENT

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public, in and for said County, in said State, hereby certify that Randall H. Goyen whose name as President of APPLEGATE REALTY, INC., a corporation, is signed to the foregoing Declaration and who is known to me, acknowledged before me on this day, that being informed of the contents of said Declaration, he, as such officer and with full authority, executed same voluntarily for and as the act of APPLEGATE REALTY, INC.

WITNESS my hand and seal this the 15th day of December, 1986.

O. G. de R...
NOTARY PUBLIC

MY COMMISSION EXPIRES: 12-31-1990



JOINDER OF MORTGAGEE

National Bank of Commerce, herein called the Mortgagee, the holder of a mortgage on the land described in Exhibit "A" as referenced on page 1 of the Declaration of Covenants, Conditions and Restrictions for Applegate Townhouse, which mortgage is recorded in the Probate Office of Shelby County, Alabama, in Book 88 at Page 940, joins in submitting said land to the Declaration of Covenants, Conditions and Restrictions for Applegate Townhouse.

National Bank of Commerce

BY: David W. Farr
ITS: Vice President

ATTEST:

BY: Joye A. Nelson
ITS: Assistant Vice President

STATE OF ALABAMA

COUNTY OF Jefferson

I, the undersigned, a Notary Public, in and for said County, in said State, hereby certify that David W. Farr whose name as Vice President of National Bank of Commerce, a Corporation is signed to the foregoing Declaration and who are known to me, acknowledged before me on this day, that being informed of the contents of said Declaration, he, as such officer, and with full authority, executed same voluntarily for and as the act of said corporation.

WITNESS my hand and seal at office this 9th day of Feb

~~1986-1987.~~
1987

Lay H. North
NOTARY PUBLIC

MY COMMISSION EXPIRES: 11-6-88

JOINDER OF MORTGAGEE

Union State Bank, a Mortgagee of record against various lots in the Property described on Exhibit "A" hereto, joins in submitting said Property to the Amended Declaration of Covenants, Conditions and Restrictions for Applegate Townhouse.

Union State Bank

BY: R. V. Alexander
ITS: V.P.

ATTEST:

BY: Angie Ford
ITS: Cashier

STATE OF ALABAMA

COUNTY OF St. Clair

I, the undersigned, a Notary Public, in and for said County, in said State, hereby certify that Rex V. Alexander whose name as Vice President of Union State Bank, a Corporation is signed to the foregoing Declaration and who are known to me, acknowledged before me on this day, that being informed of the contents of said Declaration, he, as such officer, and with full authority, executed same voluntarily for and as the act of said corporation.

WITNESS my hand and seal at office this 4th day of April,



Rhonda C. Day
NOTARY PUBLIC

MY COMMISSION EXPIRES: 9-12-88

CONSENT OF LOT OWNERS

We, the undersigned constituting the lot owners of lots in the Applegate Townhouse Subdivision more particularly described in the attached Exhibit "A" hereby confirm and consent to the Amendment to the covenants, conditions and restrictions previously filed and consent and approve the filing of these covenants in substitution thereof.

BOOK 125 PAGE 322

<u>NAME</u>	<u>LOT(S)</u>
<u>John Medaris - John Medaris</u>	<u>5 & 6</u>
<u>Randall Goggans - Randall Goggans</u>	<u>48-51, 1-4, 73-76,</u>
<u>O. GORDON ROBINSON JR. O. Gordon Robinson Jr.</u>	<u>77-80 81-84</u>
<u>ARTHUR DANLE - Arthur Danle</u>	<u>85-88 & 77-80</u>
<u>Ronald Goldman - Ronald Goldman</u>	<u>85-88 & 77-80</u>
<u>ARTHUR DANLE - Arthur Danle</u>	<u>85-88 & 77-80</u>
<u>Ronald Goldman - Ronald Goldman</u>	<u>85-88 & 77-80</u>
<u>Michael C. Hill</u>	<u>41-47</u>
<u>C. RUSH McINNIS JR. C. Rush McInnis Jr.</u>	<u>61-64</u>
<u>Rex V. Alexander Rex V. Alexander</u>	<u>52-54</u>

STATE OF ALA. SHELBY CO.
I CERTIFY THIS
INSTRUMENT WAS FILED

1987 APR 16 AM 8 17

John A. Brantley Jr.
JUDGE OF PROBATE

1. Recording Fee \$ 60.00

2. Indexing Fee 1.00

TOTAL 61.00