

Rec 257

This instrument was prepared by:
Jerome K. Lanning
1100 Park Place Tower
Birmingham, Alabama 35203

AMENDMENT TO BYLAWS

OF

THE GABLES CONDOMINIUM ASSOCIATION, INC.

KNOW ALL MEN BY THESE PRESENTS THAT:

WHEREAS, BHN Corporation, a corporation, and Southwood Park Estates, Inc., a corporation, as tenants in common and general partners of Riverchase Properties, an Alabama general partnership (collectively "Developer"), have heretofore submitted certain real estate and improvements thereon to the condominium form of ownership by Declaration of Condominium and Bylaws thereto as recorded in Real Book 010, Page 177 et seq., in the Probate Office of Shelby County, Alabama (the "Declaration," including all amendments thereto), and by floor plans and architectural drawings as recorded in Map Book 9, Pages 41-44 in said Probate Office, together with certain amendments thereto, said condominium being known as The Gables, A Condominium (the "Condominium"); and

WHEREAS, Section 1 of Article II of the Bylaws of The Gables Condominium Association, Inc. (the "Bylaws," including all amendments thereto), gives Developer the right to appoint and remove all of the directors of The Gables Condominium Association, Inc., (the "Association"), such right being subject, however, to being relinquished voluntarily by Developer at any time; and

WHEREAS, Section 38 of the Declaration provides that during the time in which Developer reserves the right to appoint and remove directors of the Association that Developer is exempt from assessments, but that Developer agrees to pay the entire amount of actual expenses of the Association (less the proceeds of other assessments collected during such period); and

WHEREAS, Developer has absorbed the expense of net operating deficits of the Association from the date of the establishment of the Condominium; and

WHEREAS, Developer is willing to continue to absorb such net operating deficits only upon condition that the Bylaws be amended to provide

BOOK 222 PAGE 691

Land Title

3536 031

that the period of time during which Developer reserves the right to appoint and remove directors be extended from an outside date of December 31, 1988, to an outside date of December 31, 1989; and

WHEREAS, the Board of the Association desires to amend the Bylaws to provide for such extension subject to the approval of such amendment by the vote of a majority of the members of the Association other than Developer, and the further approval of such amendment by the United States Veterans Administration, pursuant to the provisions of Section 6.6 of the Declaration; and

WHEREAS, such amendment to the Bylaws has been approved both by a majority of the members of the Association other than Developer and by the United States Veterans Administration.

NOW THEREFORE, the directors of the Association do hereby amend Section 1 of Article II of the Bylaws by deleting the current text and substituting therefor the following (capitalized terms used herein shall have the meaning set forth in Section 4 of the Declaration captioned "Definitions):

"Section 1. Control of Developer.

(a) Subject to the specific requirements of this Section, Developer shall have the right to appoint and remove all of the directors despite any provision to the contrary contained in the Declaration, these Bylaws, or the Articles of the Association. The directors appointed by the Developer under this Section need not be Unit Owners. The initial directors are set forth in the Articles of the Association and shall serve until their successors are elected and qualified. This right to appoint and remove directors may be relinquished voluntarily by Developer at any time, either in whole or in part.

(b) Developer shall relinquish all rights under paragraph (a) of this Section 1 to appoint and remove directors or otherwise control, direct, modify or veto any action of the Association, or the Board, or a majority of Unit Owners, and control of the Association shall pass to the Unit Owners not later than the following:

(i) 120 days after the date by which seventy-five (75%) of the Units have been conveyed to purchasers of Units, or

(ii) December 31, 1989.

(c) The requirements of paragraph (b) of this Section shall not affect Developer's rights, as a Unit Owner, to exercise the votes allocated to Units which Developer owns.

BOOK 222 PAGE 692

3538 PAGE 337

(d) As used in this Section 1 of Article II of the Bylaws and elsewhere in the Condominium Documents the use of the term "sold" with respect to a Unit means that fee title and possession of the Unit shall have passed from the seller to the purchaser."

The foregoing amendment to the Bylaws of The Gables Condominium Association, Inc., an Alabama not-for-profit corporation, was adopted by the unanimous vote of the board of directors of the Association on December 10th, 1987.

J. A. V. V.
Assistant Secretary

BOOK 222 PAGE 693

STATE OF ALA. SHELBY
I CERTIFY THIS
INSTRUMENT WAS FILED

89 JAN 17 PM 1:45

J. Thomas
JUDGE OF PROBATE

RECORDING FEES

Recording Fee	\$ <u>7.50</u>
Index Fee	<u>1.00</u>
TOTAL	<u>8.50</u>