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This instrument prepared
by and upon recording
should be returned to:

Stephen R. Monk, Esq.
Meadow Brook Corporate Park
1200 Corporate Drive
Birmingham, AL 35242

ARTICLES OF INCORPORATION
OF
GREYSTONE LAKE 1 ASSOCIATION, INC.

The undersigned, for the purpose of forming a corporation pursuant to the provisions of the Alabama Nonprofit Corporation Act (Code of Alabama (1975), Sections 10-3A-1, et seq.) hereby adopts the following Articles of Incorporation and certify as follows:

1. NAME. The name of the corporation is "Greystone Lake 1 Association, Inc." (hereinafter referred to as the "Lake Association").

2. DURATION. The period of duration of the Lake Association shall be perpetual.

3. PURPOSES. The purposes for which the Lake Association is organized are:

(a) To provide for the efficient preservation of the appearance, value and amenities of the Lake Property, as defined in the Supplemental Covenants for Greystone Lake 1 Property dated as of the date hereof and recorded contemporaneously herewith in the Probate Office of Shelby County, Alabama (the "Supplemental Covenants"). Capitalized terms not otherwise defined herein shall have the same meanings given to them in the Supplemental Covenants.

(b) To own, operate, maintain, manage, repair and replace the Lake and Lake Property and any and all dams, spillways, appurtenances, fixtures, equipment, machinery and other improvements of any nature thereto.

(c) To perform and carry out the acts, duties, responsibilities and conditions delegated to the Lake Association in the Supplemental Covenants, these Articles of Incorporation, the Bylaws of this Lake Association and all amendments thereto.

(d) To own, lease, license, operate, purchase, acquire, hold, improve, develop, manage, sell, convey, transfer, exchange, release and dispose of, either alone or in conjunction with others, real and personal property, tangible and intangible, of every kind, character and description.

(e) To enforce all of the terms and provisions of the Supplemental Covenants and to make, establish and enforce reasonable rules and regulations governing the administration, operation and management of the Lake Property.

(f) To make, levy, collect and enforce Lake Assessments, as defined in the Supplemental Covenants, and to use and expend such Lake Assessments in the manner set forth in the Supplemental Covenants.

(g) To employ personnel and contract for services, material and labor, including contracting for the management of the Lake Property.

(h) To purchase and maintain insurance for such coverages, with such insurance carriers, in such amounts, at such rates and with such deductibles as may be necessary for the protection of the Lake Association, its officers, directors and members.

(i) To enforce any of the provisions of the Supplemental Covenants by legal and equitable actions as may from time to time be necessary.

(j) To enter into, make and perform contracts of every kind for any lawful purpose without limit as to amount, with any person, firm, association, partnership, limited partnership, corporation, municipality, county, state, territory, government, governmental subdivision, or body politic.

(k) To operate without profit for the sole and exclusive benefit of its members.

(l) To carry on any other business in connection with the foregoing, to transact any or all lawful business for which corporations may be incorporated under the Alabama Nonprofit Corporation Act, as amended, and to have and exercise all powers necessary or convenient to effect the purposes of the Lake Association in accordance with and subject to the terms and provisions of the Supplemental Covenants.

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THIS LAKE ASSOCIATION DOES NOT CONTEMPLATE PECUNIARY GAIN OR PROFIT FOR THE MEMBERS THEREOF AND THE FUNDS OF THE LAKE ASSOCIATION, WHETHER RECEIVED BY GIFT OR OTHERWISE, REGARDLESS OF THE SOURCE THEREOF, SHALL BE EXCLUSIVELY USED IN THE PROMOTION OF THE BUSINESS OF THE LAKE ASSOCIATION, AS THE LAKE BOARD MAY FROM TIME TO TIME DETERMINE.

4. INITIAL REGISTERED OFFICE AND AGENT. The location and mailing address of the initial registered office of the Lake Association, and the name of its initial registered agent at such address, are as follows:

Stephen R. Monk
Daniel Realty Corporation
1200 Corporate Drive
Meadow Brook Corporate Park
Birmingham, Alabama 35242

5. NONSTOCK AND NONPROFIT STATUS. The Lake Association shall have no capital stock, is not organized for profit, and does not contemplate pecuniary gain or profit to the members thereof. No part of the earnings of the Lake Association shall inure to the benefit of any member, individual, officer, or director. The Lake Association does not contemplate the distribution of gains, profits or dividends to the members thereof and is organized solely for nonprofit purposes.

6. MEMBERS. The members of the Lake Association shall consist of all Owners. Membership in the Lake Association shall be appurtenant to, and may not be separated from, ownership of a Lot or Dwelling. Developer shall be entitled to all voting rights attributable to any Lots and Dwellings owned by Developer. Notwithstanding anything provided herein or in the Bylaws of the Lake Association to the contrary, until the Lake has been constructed and completed and continuing thereafter until Daniel no longer owns any Lot or Dwelling within the Property, (a) Daniel shall have the sole and exclusive right to elect, remove and replace two of the three members of the Lake Board, (b) Developer shall have the right to appoint one of the three members of the Lake Board and (c) the voting rights of the members of the Lake Association shall be limited to (i) approving any special Lake Assessments as provided in Section 6.05 of the Supplemental Covenants, (ii) voting on amendments to the Supplemental Covenants as provided in Section 9.02 of the Supplemental Covenants and (iii) voting on any of the matters set forth in Paragraph 12 hereof or in Section 8.03 of the Bylaws. Until such time as Daniel has completed construction of the Lake and no longer is the Owner of any Lot or Dwelling within the Property, the members shall have no further voting rights or privileges in the Lake Association. At such time as Daniel has completed

the Lake and Daniel no longer owns any Lot or Dwelling within the Property, then the members shall be entitled to vote on all of the foregoing matters subject to any restrictions set forth in the Supplemental Covenants. The voting rights of any member may be limited and suspended in accordance with the provisions of the Supplemental Covenants.

7. DIRECTORS.

(a) Number of Directors. The affairs of the Lake Association shall be managed by its Board of Directors. The number of Directors constituting the initial Lake Board shall be three (3). Thereafter, the number of Directors shall be fixed in the manner provided in the Bylaws and may thereafter be increased or decreased from time to time by amendment to or in the manner provided in the Bylaws; provided, however, that (i) the number of Directors shall in no event consist of less than three (3) Directors, (ii) no decrease in the number of Directors shall have the effect of shortening the term of any incumbent Director, (iii) as provided in Paragraph 6 above, Daniel shall have the right to appoint, remove and replace two of the three members of the Lake Board and Developer shall have the right to appoint, remove and replace of the three members of the Lake Board until such time as Daniel has completed the Lake and no longer owns any Lot or Dwelling in the Property and (iv) at such time as Daniel has completed the Lake and no longer owns any Lot or Dwelling in the Property, the members of the Lake Association shall elect a new Lake Board. Directors need not be Owners or residents of the State of Alabama. The names and addresses of each person who is to serve as an initial Director of the Lake Association until their successors are elected and qualified or until such Directors are removed as provided in Paragraph 7(b) of these Articles are as follows:

Charles S. Givianpour
P.O. Box 59022
Birmingham, Alabama 35259

Stephen R. Monk
Daniel Realty Corporation
1200 Corporate Drive
Meadow Brook Corporate Park
Birmingham, Alabama 35242

Michael D. Fuller
Daniel Realty Corporation
1200 Corporate Drive
Meadow Brook Corporate Park
Birmingham, Alabama 35242

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(b) Removal. For so long as Daniel and Developer have the exclusive right to appoint the members of the Lake Board, as provided in Paragraphs 6 and 7 above, (i) Daniel shall have the right at any time and from time to time to remove any Director which it has appointed, either with or without cause, and may appoint a successor to such removed Director, in each case without any consent or approval of any of the members and (ii) Developer shall have the right at any time and from time to time to remove any Director which it has appointed, either with or without cause, and may appoint a successor to such removed Director, in each case without any consent or approval of the members. At such time as Daniel has completed the Lake and no longer owns any Lot or Dwelling within the Property, the members of the Lake Association shall have the right at any time and from time to time to remove any Director, either with or without cause, and may appoint a successor to such removed Director. Any vacancies which may thereafter arise on the Lake Board shall be filled as provided in the Bylaws.

(c) Powers. Except as may be otherwise provided to the contrary in the Supplemental Covenants, these Articles of Incorporation or the Bylaws of the Lake Association, all powers of the Lake Association shall be exercised by or under authority of, and the business and affairs of the Lake Association shall be managed under the direction of, the Lake Board.

(d) Conflicts of Interest. No contract or other transaction between the Lake Association and one or more of its Directors or any other corporation, firm, association, or entity in which one or more of its Directors are directors or officers or are financially interested, shall be either void or voidable because of such relationship or interest. Any Director of the Lake Association or any corporation, firm, association or entity of which any Director of the Lake Association is a director or officer or is financially interested may be a party to, or may be pecuniarily or otherwise interested in, any contract or transaction of the Lake Association, provided that such relationship or interest in such contract or transaction shall be disclosed or known to the Lake Board at the meeting of the Lake Board or a committee thereof which authorizes, approves or ratifies such contract or transaction and, if such fact shall be disclosed or known, any Director so related or interested may be counted in determining a quorum at such meeting and may vote on such matter or action with the same force and effect as if he were not so related or interested. Any Director of the Lake Association may vote on any contract or other transaction between the Lake Association and any affiliated corporation without regard to the fact that he is also a director of such affiliated corporation.

8. INCORPORATOR. The name and address of each incorporator is as follows:

Stephen R. Monk
Daniel Realty Corporation
1200 Corporate Drive
Meadow Brook Corporate Park
Birmingham, Alabama 35242

9. DISTRIBUTION OF ASSETS UPON DISSOLUTION.

(a) Upon dissolution of the Lake Association, all of its assets remaining after provision for creditors and payment of all costs and expenses of such dissolution shall be distributed in the following manner:

(i) Real property contributed to the Lake Association without the receipt of other than nominal consideration by Daniel shall be returned to Daniel, unless it refuses to accept the conveyance (in whole or in part); and

(ii) Unless otherwise agreed to the contrary in the plan of distribution, all remaining assets shall be distributed among the members of the Lake Association, as tenants in common, with each member's share of the assets to be determined in accordance with its voting rights.

(b) Dissolution of the Lake Association shall be accomplished as set forth in the Alabama Nonprofit Corporation Act.

10. POWER OF PRESIDENT AND VICE PRESIDENTS TO EXECUTE DOCUMENTS. The President and each Vice President of the Lake Association shall each have authority to execute all instruments, documents and contracts on behalf of the Lake Association.

11. INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS.

(a) The Lake Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed claim, action, suit or proceeding, whether civil, criminal, administrative or investigative, including appeals (other than an action by or in the right of the Lake Association), by reason of the fact that he is or was a Director, officer, employee or agent of the Lake Association, or is or was serving at the request of the Lake Association as a Director, officer, partner, employee or agent of another corporation, partnership, joint venture, trust or other enterprise,

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against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such claim, action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Lake Association; and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any claim, action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Lake Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

(b) The Lake Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed claim, action or suit by or in the right of the Lake Association to procure a judgment in its favor by reason of the fact that he is or was a Director, officer, employee or agent of the Lake Association, or is or was serving at the request of the Lake Association as a Director, officer, partner, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Lake Association; provided, however, that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for willful, deliberate or wanton misconduct in the performance of his duty to the Lake Association unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which court shall deem proper.

(c) To the extent that a Director, officer, employee or agent of the Lake Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Paragraphs 11(a) and (b) above, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith, notwithstanding that he has not been successful on any other claim, issue or matter in any such action, suit or proceeding.

(d) Any indemnification under Paragraphs 11(a) and (b) above (unless ordered by a court) shall be made by the Lake Association only as authorized in the specific case upon a determination that indemnification of the Director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in Paragraphs 11(a) or (b) above. Such determination shall be made (1) by the Lake Board by a majority vote of a quorum consisting of Directors who were not parties to, or who have been wholly successful on the merits or otherwise with respect to, such claim, action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion, or (3) by a majority vote of the members of the Lake Association.

(e) Expenses (including attorneys' fees) incurred in defending a civil or criminal claim, action, suit or proceeding may be paid by the Lake Association in advance of the final disposition of such claim, action, suit or proceeding as authorized in the manner provided in Paragraph 11(d) above upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent to repay such amount if and to the extent that it shall be ultimately determined that he is not entitled to be indemnified by the Lake Association as authorized in this Paragraph 11.

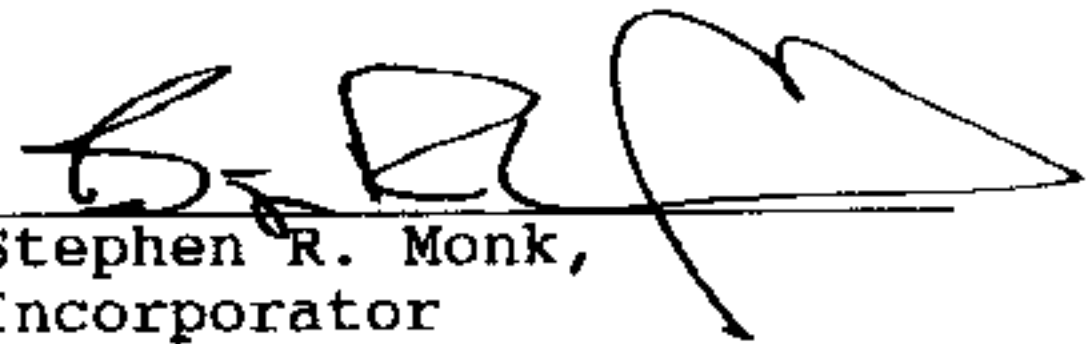
(f) The indemnification authorized by this Paragraph 11 shall not be deemed exclusive of and shall be in addition to any other right to which those indemnified may be entitled under any statute, rule of law, provisions of these Articles of Incorporation, Bylaw, agreement, vote of members or disinterested Directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

(g) The Lake Association shall have power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Lake Association, or is or was serving at the request of the Lake Association as a Director, officer, partner, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Lake Association would have the power to indemnify him against such liability under the provisions of this Paragraph 11.

12. AMENDMENT AND DISSOLUTION. These Articles of Incorporation may be amended at any time and from time to time by (a) the unanimous affirmative vote of the Lake Board, without the consent or approval of any of the members of the Lake Association, or (b) by the affirmative vote of at least two-thirds (2/3) of the total votes in the Lake Association (i.e., two-thirds (2/3) of all Owners), together with the affirmative written consent of Daniel. Notwithstanding anything provided in these Articles of Incorporation to the contrary, the Association may be dissolved only upon the affirmative vote of one hundred percent (100%) of the total votes in the Lake Association (i.e., one hundred percent (100%) of all Owners).

13. INCORPORATION BY REFERENCE. All of the terms, provisions, definitions, covenants and conditions set forth in the Supplemental Covenants are hereby expressly incorporated herein by reference as if fully set forth herein. In the event of any conflict or ambiguity between the terms, provisions, definitions, covenants and conditions set forth herein in these Articles of Incorporation and the Supplemental Covenants, then the provisions of the Supplemental Covenants shall at all times control.

IN WITNESS WHEREOF, the undersigned Incorporator has hereunto subscribed his name to these Articles of Incorporation as of this the 20th day of December, 1991.


Stephen R. Monk,
Incorporator

State of Alabama

SHELBY

County

CERTIFICATE OF INCORPORATION

OF

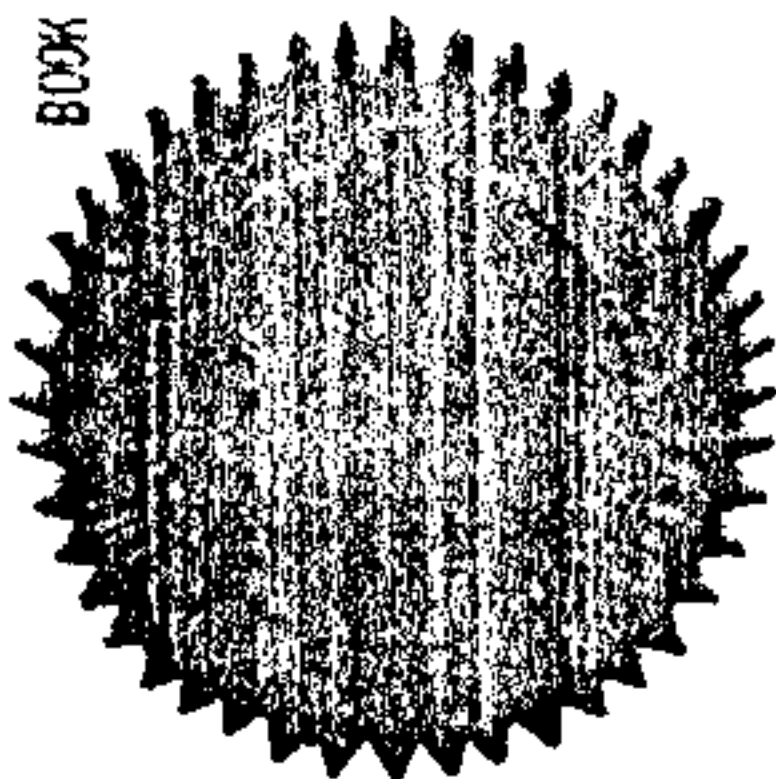
GREYSTONE LAKE 1 ASSOCIATION, INC.

The undersigned, as Judge of Probate of SHELBY County, State of Alabama, hereby certifies that duplicate originals of Articles of INCORPORATION of GREYSTONE LAKE 1 ASSOCIATION, INC., duly signed and verified pursuant to the provisions of Section 10-3A-1 of the Alabama Business Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY the undersigned, as such Judge of Probate, and by virtue of the authority vested in him by law, hereby issues this Certificate of INCORPORATION of GREYSTONE LAKE 1 ASSOCIATION, INC., and attaches hereto a duplicate original of the Articles of INCORPORATION.

GIVEN Under My Hand and Official Seal on this the 2nd day of JANUARY, 19 92.

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Thomas A. Snowden, Jr.

Judge of Probate

STATE OF ALABAMA
I CERTIFY THIS
INSTRUMENT WAS FILED

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JUDGE OF PROBATE

Rec'd 25.00
Jud 3.00
28.00