

STATE OF ALABAMA     )  
COUNTY OF SHELBY    )

AMENDMENT OF  
DECLARATION OF EASEMENTS AND MASTER PROTECTIVE COVENANTS  
FOR  
HIGHLAND LAKES, A RESIDENTIAL SUBDIVISION

**KNOW ALL MEN BY THESE PRESENTS, THAT:**

Highland Lakes Development, Ltd. (the "Developer") in its capacity as the Developer named in the Declaration of Easements and Master Protective Covenants for Highland Lakes, a Residential Subdivision, as recorded in the Probate Office of Shelby County, Alabama, as Instrument Number 1994-07111 (the "Master Covenants") and Highland Lakes Residential Association, Inc. (the "Association") in its capacity as the Association named in the Master Covenants, pursuant to and in accordance with the reservations set forth in Section 3.4(c) and Section 10.2 of the Master Covenants do hereby amend the Master Covenants as herein provided for the purpose of designating certain Lakes within the Development for use by all Owners, limiting the use of Highland Lake to the Lake Lot Owners whose boundary abuts said lake, and making Lake Assessments payable by Owners who have the right to use Lakes:

1. The Master Covenants are hereby amended as follows to grant a nonexclusive right and easement to use three of the Lakes to be designated as the Community Lakes for the benefit of all Lots pursuant to the reservation set forth in Section 3.4(c)(iv) of the Master Covenants, and to grant the right and easement to use one lake to be designated as Highland Lake for the benefit of those Lake Lots that are contiguous to Highland Lake pursuant to the reservation set forth in Section 3.4(c)(v) of the Master Covenants:

(a) The following shall be added as Sections 1.37, 1.38 and 1.39 of the Master Covenants:

1.37 Community Lakes. The term "Community Lakes" shall mean and refer to lakes numbered One (Swan Lake), Three (Blue Herron Lake) and Four (unnamed) in the legal description of the Lakes set forth in Exhibit C to that certain Lake Easement Agreement recorded in the Probate Office of Shelby County, Alabama, as Instrument Number 1993-15705.

1.38 Highland Lake. The term "Highland Lake" shall mean and refer to the Lake numbered Two in the legal description of the Lakes set forth in Exhibit C to that certain Lake Easement Agreement recorded in the Probate Office of Shelby County, Alabama, as Instrument Number 1993-15705.

1.39 Highland Lake Lots. The term "Highland Lake Lots" shall mean and refer to any Lot or Dwelling that has at least one boundary abutting Highland Lake.

(b) Section 3.4(a) shall be deleted in its entirety from the Master Covenants and the following shall be substituted in lieu thereof:

(a) Easement to Use the Lakes.

(i) Developer and the Association hereby grant to each Owner and his or her Immediate Family and any Tenants of an Owner and his or her Immediate Family, and the respective guests and invitees of each of the above described persons:

(A) The non-exclusive right, privilege and easement to use and enjoy for recreational purposes the Community Lakes; and

(B) The non-exclusive right, privilege and easement to use and enjoy for recreational purposes, and for ingress and egress to and from the Community Lakes, any Common Area that abuts any of the Community Lakes.

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05/31/1996-17543  
08:24 AM CERTIFIED  
SHELBY COUNTY JUDGE OF PROBATE  
010 MCD 33.00

CLAYTON T. SWEENEY, ATTORNEY AT LAW

Inst # 1996-17543

The easements herein granted are and shall be used in common with Developer and all Owners and their Tenants and their respective Immediate Families, guests and invitees, and are appurtenant to and shall pass and run with title to each Lot or Dwelling subject to the terms, provisions and conditions of the Master Covenants, including without limitation, the rights reserved to the Developer and the Association in Sections 3.4, 3.5, 3.6 and 3.11 of the Master Covenants.

(ii) Developer hereby grants to each Owner of a Highland Lake Lot and his or her Immediate Family and the Tenants of such Owner and their Immediate Families, and the respective guests and invitees of each of the above described persons:

(A) The nonexclusive right, privilege and easement to use and enjoy for recreational purposes Highland Lake; and

(B) The nonexclusive right, privilege and easement to use and enjoy for recreational purposes, and ingress and egress to and from Highland Lake, any property that abuts Highland Lake, that is not part of a Highland Lake Lot and that is designated by the Association as a common launch or fishing area.

The easements herein granted are and shall be used in common with Developer and all Owners of Highland Lake Lots, their Tenants and their respective Immediate Families, guests, and invitees, and are appurtenant to and shall run with title to each Highland Lake Lot, subject to the terms of the Master Covenants, including without limitation, the rights reserved to the Developer and the Association under Sections 3.4, 3.5, 3.6 and 3.11 of the Master Covenants.

2. The Master Covenants are hereby amended as follows to provide for assessments for Lake Related Expenses for the Community Lakes to be made against all Owners and to provide for assessments for Lake Related Expenses for Highland Lake to be made against the Owners of Highland Lake Lots:

(a) Section 1.3 and Section 1.23 shall be deleted in their entirety from the Master Covenants and the following shall be substituted in lieu thereof:

1.3 Assessments. The term "Assessments" shall mean and refer to the assessments to be assessed against the Owners of Lots and Dwellings pursuant to the authority vested in the Association under Section 6.1 hereof, and such term shall include Common Area Assessments, Lake Assessments and individual Assessments where no distinction is required.

1.23 Lake Assessments. The term "Lake Assessments" shall mean and refer to the Assessments imposed by the Association to pay Lake Related Expenses in accordance with the provisions of Article VIII of this Declaration.

(b) All references to the term "Lake Lot Assessments" in the Master Covenants shall be deleted and the term "Lake Assessments" shall be substituted in lieu thereof.

(c) Article VIII shall be deleted in its entirety from the Master Covenants and the following shall be substituted in lieu thereof:

## **VIII LAKE ASSESSMENTS**

8.1 **Purpose of Lake Assessments.** The annual and special Lake Assessments provided for herein shall be used for the general upkeep and maintenance of the Lakes, all as may be more specifically authorized from time to time by the Board of the Association.

8.2 **Uniform Rate of Lake Assessments.**

(a) Both annual and special Lake Assessments (as described in Sections 8.3 and 8.4) for Lake Related Expenses incurred in connection with the Community Lakes shall be assessed against

each Lot or Dwelling in the Development at a uniform rate, with the Owner of each Lot or Dwelling being required to pay his pro rata share of such annual and/or special Lake Assessment, as determined by a fraction in which the numerator shall be the number of Lots or Dwellings owned by such Owner and the denominator of which shall be the total number of Lots and Dwellings in the Development at the time such Lake Assessment is levied.

(b) Both annual and special Lake Assessments for Lake Related Expenses incurred in connection with Highland Lake shall be assessed against each Highland Lake Lot as a uniform rate, with the Owner of each Highland Lake Lot being required to pay his pro rata share of such annual and/or special Lake Assessment, determined by a fraction in which the numerator is the number of Highland Lake Lots owned by such Owner and the denominator of which is the total number of Highland Lake Lots at the time such Lake Assessment is levied.

(c) Notwithstanding anything provided in this Section 8.2 to the contrary, in the event any Additional Property is added to the Development, then the Lots and/or Dwellings within the Additional Property shall be subject to the same annual or special Lake Assessments then being paid by the Owners of all other Lots and Dwellings in the Development, subject to proration as provided in Article VI above.

### **8.3 Computation of Annual Lake Assessments.**

(a) Notwithstanding anything provided to the contrary in this Declaration, the monthly assessment for each Highland Lake Lot in the Development commencing on the date hereof and continuing until and including December 31, 1996 shall be Forty Dollars (\$40.00) per month per Highland Lake Lot. The foregoing shall not limit or restrict the ability to assess Owners for Lake Related Expenses incurred in connection with the Community Lakes or to levy any special Lake Assessments levied pursuant to Section 8.4 below (with the approval of a majority of the Highland Lake Lot Owners as provided therein), any Common Area Assessments levied under Article VII above, or any individual Assessments levied under Section 6.2 above.

(b) The monthly assessment against the Owners for the Lake Related Expenses incurred in connection with the Community Lakes will continue to be included as part of their Common Area Assessment through and including December 31, 1996. The foregoing shall not limit or restrict the ability to separately assess Owners for annual Lake Assessments for Lake Related Expenses incurred in connection with the Community Lakes or to levy special Lake Assessments pursuant to Section 8.4 below (with the approval of the Owners of a majority of the Lots and Dwellings as provided therein), any Common Area Assessment levied under Article VII or any individual Assessments levied under Section 6.2 above.

(c) Commencing with the fiscal year of the Association which begins on January 1, 1997, (i.e., from January 1, 1997 through December 31, 1997, which period is hereinafter referred to as the "Base Year") and annually thereafter, the Board of the Association shall determine and approve annually an annual budget covering the estimated Lake Related Expenses for the Community Lakes and for Highland Lake for the upcoming year, such budget to include a capital contribution or reserve account if necessary for the capital needs of the Association with regard to such Lakes. The amount set forth in such budget shall constitute the aggregate amount of annual Lake Assessments for the then applicable year and each Owner shall pay his pro rata share of the same as provided in Section 8.2 above. A copy of the budget setting forth the amount of annual Lake Assessments to be levied against the Lots and Dwellings for the following year shall be delivered to each Owner. The provisions of Section 8.3(a) above shall not apply to the Base Year or any subsequent year thereafter.

(d) In the event the budget for any year after the Base Year results in the Owners being liable for the payment of annual Lake Assessments with respect to the Community Lakes which exceed (without regard to proration or adjustment as provided in Article VI above) the greater of either (i) fifteen percent (15%) of the annual Lake Assessments with respect to the Community Lakes payable for the entire immediately preceding calendar year; or (ii) the percentage increase in the United States Consumer Price Index, All Urban Consumers, United States City Average, All Items, (1982-1984 = 100) or any



successor index thereto (the "Index") for January of the current year over the Index for January of the Base Year (i.e., January 1997), then the budget and the amount of the annual Lake Assessments shall be presented for approval of the Owners at a meeting of the Owners and must be approved by the vote of Owners owning a majority of the Lots and Dwellings who are voting in person or by proxy at such meeting. In the event the budget for any year after the Base Year results in the Owners of Highland Lake Lots being liable for the payment of annual Lake Assessments with respect to Highland Lake which exceed (without regard to proration or adjustments as provided in Article VI above) the greater of (i) fifteen percent (15%) of the annual Lake Assessments with respect to Highland Lake payable for the entire immediately preceding calendar year or (ii) the percentage increase in the Index for January of the current year over the Index for January in the Base Year, then the budget and the amount of the annual Lake Assessments with respect to Highland Lake must be approved by Owners owning a majority of the Highland Lake Lots who are voting in person or by proxy at such meeting. For purposes of this paragraph (d), the percentage increase, if any, in the Index shall be determined by subtracting the Index for January in the Base Year from the Index for January for the current year and by dividing the difference by the Index for January in the Base Year. In the event the amount of the annual Lake Assessments does not exceed the limitations set forth above or until such time as a majority of the Owners have approved such increase in the amount of the annual Assessments, then the budget approved by the Board for the then current fiscal year shall be implemented, subject to the restrictions and limitations set forth above on the amount of increase in annual Lake Assessments. **The limitations on increases in the amount of annual Lake Assessments provided in this Section 8.3(d) shall not be applicable to the Base Year.**

(e) If any budget or the amount of annual Lake Assessments collected by the Association at any time proves to be inadequate or insufficient for any reason to fully pay all costs and expenses of the Association and all Lake Related Expenses, then the Board may call a meeting of the Association for the purpose of approving special Assessments as provided in Section 8.4 below. If the actual amount of annual Lake Assessments collected in any one year exceeds the actual costs incurred for Lake Related Expenses for such year, the excess shall be retained by the Association as a reserve for subsequent years' Lake Related Expenses.

(f) The Lake Related Expenses to be funded by the annual Lake Assessments may include, but shall not be limited to, the following:

(i) Salaries, fringe benefits and other compensation paid and out-of-pocket expenses reimbursed by the Association for its employees, agents, officers, members of the Board and any third party contractors when performing duties primarily for the benefit of the Lakes;

(ii) Management fees and expenses of administration, including legal and accounting fees, incurred by the Association for the primary benefit of Lakes, including, without limitation, the engagement of a pond management company and the management of the Lakes in accordance with the plan for short term and long term quality of fishing in the Lakes developed in accordance with Section 5.2(b) hereof;

(iii) Utility charges for any utilities serving any of the Lakes and charges for other common services for the Lakes;

(iv) The costs of any insurance policies purchased for the benefit of the Association as required or permitted by this Declaration, including, without limitation, property and casualty, public liability, and such other insurance coverage relating to the ownership and use of the Lakes as the Board determines to be in the best interest of the Association;

(v) The expenses of maintaining, operating, repairing and replacing any portions of the Lakes for which the Association is responsible, including, without limitation, spillways, dams, bottom structures, boat launching ramps and private drives leading thereto;

(vi) Expenses relating to the use or operation or maintenance of the Lakes which the Board determines from time to time would be in the best interest of the Association to so maintain, operate and/or repair;

(vii) The expenses associated with maintaining security for the Lakes and the enforcement of the restrictions regarding the use of the Lakes, including without limitation the cost of security personnel, the cost of acquisition, maintenance and operation of security vehicles, and other costs reasonably associated with maintaining security for the Lakes;

(viii) Ad valorem real and personal property taxes assessed and levied upon any of the Lakes;

(ix) The costs and expenses for conducting recreational, culture or other related programs for the benefit of the Owners and their respective Tenants, Immediate Families and guests;

(x) All other fees, costs and expenses incurred by the Association for the benefit of the Lakes in accordance with the terms and provisions of this Declaration or which the Board, in its sole discretion, determines to be appropriate to be paid by the Association, including, without limitation, taxes and governmental charges not separately assessed against Lots or Dwellings; and

(xi) The establishment and maintenance of a reasonable reserve fund or funds (1) for inspections, maintenance, repair and replacement of any portions of the Lakes for which the Association is responsible to inspect, maintain, repair or replace on a periodic basis, (2) to cover emergencies and repairs required as a result of casualties which are not funded by insurance proceeds and (3) to cover unforeseen operating contingencies or deficiencies arising from unpaid Lake Assessments as well as from emergency expenditures and other matters, all as may be authorized from time to time by the Board.

8.4 **Special Lake Lot Assessments.** In addition to the annual Lake Assessments authorized in Section 8.3 above, and the special Assessments authorized in Sections 9.1 and 9.4 below, the Board of the Association may levy in any year special Lake Assessments for Lake Related Expenses or any extraordinary costs incurred by the Association; provided, however, that any such special Lake Assessments with respect to the Community Lakes (other than the special Lake Assessments levied pursuant to Sections 9.1 and 9.4 hereof) shall be approved by a majority of the votes of the Owners who are voting in person or by proxy at a meeting called for the purpose of adopting special Lake Assessments pursuant to the provisions of Section 8.5 below; and provided further that any such special Lake Assessments with respect to Highland Lake (other than special Lake Assessments levied pursuant to Section 9.1 and 9.4 hereof) shall be approved by a majority of the votes of the Owners of Highland Lake Lots who are voting in person or by proxy at a meeting called for the purpose of adopting special Lake Assessments pursuant to the provisions of Section 8.5 below. The Board may make such Special Lake Assessments payable in one lump sum or in installments over a period of time which may, in the Board's discretion, extend beyond the then fiscal year in which said special Lake Assessments are levied and assessed. Special Lake Assessments shall be levied against and payable by each Owner in accordance with the provisions of Section 8.2 above.

#### 8.5 **Notice of Meeting and Quorum.**

(a) Written notice of any meeting of the Owners called for the purpose of taking any action authorized in this Article VIII shall be sent to all Owners entitled to vote thereon not less than ten (10) days nor more than fifty (50) days in advance of such meetings. The presence in person or by proxy of Owners of a majority of the Lots and Dwellings entitled to vote thereon shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement but the required quorum at the subsequent meeting shall be the presence in person or by proxy of Owners of at least one-third (1/3) of the Lots and Dwellings entitled to vote thereon; provided that meetings pursuant to which special Lake Assessments are to be levied upon each Lot or Dwelling pursuant to Section 8.4 above, there shall be no specific requirement establishing a quorum and the vote of the



Owners holding a majority of the Lots and Dwellings entitled to vote thereon who are voting in person or by proxy at any such special meeting shall be binding on all of the Owners entitled to vote thereon. At such time as a quorum is obtained, the vote of the Owners holding a majority of the Lots and Dwellings entitled to vote thereon who are voting in person or by proxy at such meeting shall be required to approve any matter in which the Owners are entitled to vote, including any increase in the amount of annual Lake Assessments in excess of the limitations specified in Section 8.3(c) above.

(d) Section 9.1(b) and Section 9.4(a) shall be deleted in their entirety from the Master Covenants and the following shall be substituted in lieu thereof:

9.1 (b) Notwithstanding anything provided in Section 9.1(a) above, in the event the amount of insurance proceeds, if any, recovered as a result of such damage or destruction is insufficient to fully repair, replace and restore the damaged portions of the Common Areas and/or Lakes, and such deficiency cannot be appropriated from a reserve fund as may have been established for such purpose, then the Board of the Association may levy (i) a special Common Area Assessment in the case of damage to Common Areas against all Owners, without the necessity of a vote of the Owners approving or disapproving the same pursuant to Sections 7.4 or 7.5 above, which such special Common Area Assessments shall be in an amount sufficient to provide funds to pay the remaining costs necessary to repair, replace or restore the Common Areas to the condition as existed immediately prior to such fire or other casualty, and/or (ii) a special Lake Assessment in the case of damage to the Community Lakes against all Owners, without the necessity of a vote of the Owners approving or disapproving the same pursuant to Section 8.4 or 8.5 above, which such special Lake Assessment shall be in an amount sufficient to pay the remaining costs necessary to repair, replace or restore the Community Lakes to the condition as they existed immediately prior to such fire, flood or other casualty; and/or (iii) a special Lake Assessment in the case of damage to Highland Lake against the Owners of all Highland Lake Lots, without the necessity of a vote of the Owners of Highland Lake Lots approving or disapproving the same pursuant to Section 8.4 or 8.5 above, which special Lake Assessment shall be in an amount sufficient to pay the remaining costs necessary to restore Highland Lake to the condition as it existed immediately prior to such fire, flood or other casualty. Such special Common Area Assessments shall be levied against Owners as provided in Section 7.2 above and/or such special Lake Assessments shall be levied against Owners as provided in Section 8.2 above; provided that the percentage share for each class of Lots with respect to the special Common Area Assessment shall be the same as the percentage share of such class of Lots for the then current annual Common Area Assessment. Further special Assessments may be made by the Board, without the necessity of a vote of the Owners approving or disapproving the same, at any time during or upon completion of any such repair, replacement or restoration if funds are insufficient to cover the costs of such repair or restoration. Any and all insurance proceeds received by the Association on account of any damage to or destruction of any of the Common Areas and/or Lakes or any sums paid to the Association under or by virtue of such special Assessments shall be held by and for the benefit of the Association and shall be disbursed by the Association in payment for the costs of such repair or restoration in such manner as may be determined by the Board of the Association. In no event shall the Owner or Mortgagee of any Lot or Dwelling be entitled to any portion of the proceeds of insurance payable as a result of the damage to or destruction of any portion of the Common Areas and/or Lakes.

#### 9.4 **Condemnation of Lakes.**

(a) In the event of the taking of all or any portion of any of the Lakes as a result of, in lieu of or in anticipation of the exercise of the right of eminent domain, condemnation or by private purchase in lieu thereof, then the award from such taking or sale in lieu thereof shall be paid to the Association and shall be disbursed or held as follows:

(i) To the extent the Lakes subject to such taking can either be restored or replaced, then, to the extent practicable, the Board of the Association is hereby empowered, authorized and directed to take such action, including the purchase of any remaining lands within the Development or the utilization of any other Common Areas within the Development, to restore, rebuild or replace, as the case may be, those portions of the Lakes subject to such taking. If the award is insufficient to fully defray the cost of such repair or replacement of the

Community Lakes and such deficiency cannot be appropriated from a reserve fund as may have been established for such purpose, then the Board of the Association may levy a special Lake Assessment against all Owners, without the necessity of a vote of the Owners approving or disapproving the same pursuant to Sections 8.4 and 8.5 above, which such special Lake Assessments shall be in an amount sufficient to provide funds to pay the remaining costs of repair, restoration or reconstruction. If the award is insufficient to fully defray the cost of such repair or replacement to Highland Lake and such deficiency cannot be appropriated from a reserve fund as may have been established for such purpose, then the Board of the Association may levy a special Lake Assessment against the Owners of Highland Lake Lots, without the necessity of a vote of such Owners approving or disapproving the same pursuant to Section 8.4 and 8.5 above, which special Lake Assessment shall be in an amount sufficient to pay the remaining costs of repair, restoration or reconstruction. Such special Lake Assessments shall be levied against the Owners as provided in Section 8.2 above. Further special Lake Assessments may be made by the Board without the necessity of a vote of the Owners approving or disapproving the same, at any time during or upon the completion of any such repair, replacement or restoration of the Lakes if the award received as a result of such taking is insufficient to pay the costs of such repair or restoration.

(ii) To the extent the Lakes subject to such taking cannot be restored or replaced or additional lands within the Development cannot be purchased by the Association in order to repair, replace or restore the Lakes so taken or if the Board of the Association shall determine that the portions of the Lakes so taken should not be replaced or restored, then in any such event, the net award from such taking shall be retained by and for the benefit of the Association.

3. **Action of Developer.** This Amendment and the easements granted herein are made pursuant to the reservation of rights for the Developer as set forth in Section 3.4(c) and Section 10.2 of the Master Covenants. The Developer hereby ratifies, confirms and approves the Master Covenants as amended hereby, and the Master Covenants as so amended shall continue and remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have duly caused this Declaration to be executed on this 29<sup>th</sup> day of May, 1996.

HIGHLAND LAKES DEVELOPMENT, LTD.,  
an Alabama limited partnership

By: EDDLEMAN PROPERTIES, INC.,  
an Alabama corporation,  
Its General Partner

By: Billy D. Eddleman  
Billy D. Eddleman, Chairman and Chief  
Executive Officer

By: Douglas D. Eddleman  
Douglas D. Eddleman, President

HIGHLAND LAKES RESIDENTIAL ASSOCIATION, INC., an  
Alabama corporation

By: Douglas D. Eddleman

Its: PRESIDENT

STATE OF ALABAMA)  
COUNTY OF SHELBY)

I, the undersigned, a notary public in and for said County in said State, hereby certify that Billy D. Eddleman, whose name as Chairman and Chief Executive Officer of EDDLEMAN PROPERTIES, INC., an Alabama corporation, which serves as general partner of HIGHLAND LAKES DEVELOPMENT, LTD., an Alabama limited partnership, 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 said instrument, he, as such officer with full authority, executed the same voluntarily for and as the act of said corporation in its capacity as general partner.

Given under my hand and official seal, this the 29<sup>th</sup> day of May, 1996.

Belleca K. Rosato  
Notary Public

MY COMMISSION EXPIRES FEBRUARY 3, 1997

STATE OF ALABAMA )  
COUNTY OF SHELBY )

I, the undersigned, a notary public in and for said County in said State, hereby certify that Douglas D. Eddleman, whose name as President of EDDLEMAN PROPERTIES, INC., an Alabama corporation, which serves as general partner of HIGHLAND LAKES DEVELOPMENT, LTD., an Alabama limited partnership, 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 said instrument, he, as such officer with full authority, executed the same voluntarily for and as the act of said corporation in its capacity as general partner.

Given under my hand and official seal, this the 29<sup>th</sup> day of May, 1996.

Belleca K. Rosato  
Notary Public

MY COMMISSION EXPIRES FEBRUARY 3, 1997

STATE OF ALABAMA )  
COUNTY OF SHELBY )

I, the undersigned, a notary public in and for said County in said State, hereby certify that DOUGLAS EDDLEMAN, whose name as PRESIDENT of HIGHLAND LAKES RESIDENTIAL ASSOCIATION, INC., an Alabama 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 said instrument, he, as such officer with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal, this the 29<sup>th</sup> day of May, 1996.

Belleca K. Rosato  
Notary Public

This instrument prepared by:

Jack P. Stephenson, Jr.



Burr & Forman  
420 North 20th Street, Suite 3100  
Birmingham, Alabama 35203

CONSENT OF LENDER

Compass Bank (formerly Central Bank of the South) as the holder and owner of the mortgage securing the property made subject to the above and foregoing Amendment to the Declaration of Easements and Master Protective Covenants for Highland Lakes, a Residential Subdivision, does hereby consent to the filing of the Amendment and does hereby agree that said property shall remain subject to the terms and conditions of the Amendment if the Bank should succeed to the interest of the Developer of the Property by foreclosure of its mortgage by accepting a deed in lieu of the foreclosure.

IN WITNESS WHEREOF, the undersigned has duly executed this consent on this 29<sup>th</sup> day of May, 1996.

COMPASS BANK

By: [Signature]

Its: Vice President

STATE OF ALABAMA )  
JEFFERSON COUNTY )

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that [Signature], whose name as Vice President of Compass Bank, an Alabama bank, and who is known to me, acknowledged before me on this day that, being informed of the contents of the above and foregoing consent, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation on the day the same bears date.

Given under my hand and official seal of office this 29<sup>th</sup> day of May, 1996.

[Signature]  
Notary Public

COMMISSION EXPIRES JUNE 12, 1998

This instrument was prepared by Jack P. Stephenson, Jr., 420 North 20th Street, Suite 3100, Birmingham, Alabama 35203.

Inst # 1996-17543