STATE OF ALABAMA)
COUNTY OF SHELBY)

COVENANTS TO RUN WITH LAND

WHEREAS, Yellowleaf Estates, Inc., (the "Owner") owns certain lots (the "Lots") located in Shelby County, Alabama, more particularly described on Exhibit A, attached hereto and made a part hereof; and

WHEREAS, the Shelby County Health Department has approved each Lot, subject to conditions set forth in the subdivision final report, for the construction of and use as a single family residence to be served by an on-site sewage disposal system; and

whereas, all lots in Shelby County that are not served by a public sewer are subject to the requirements of the Shelby County Health Department that they cannot be used for residential purposes unless owners keep their on-site sewage systems in good repair and working condition; this includes, depending on the type of system, field lines, pumps and other equipment necessary to assure proper functioning.

NOW, THEREFORE, the Owner agrees and makes the Lots subject to the following restrictions and covenants:

- 1. At the time of construction of a house on any Lot, the owner of the Lot at that time is responsible to install and to maintain for the disposal of sewage an on-site sewage disposal system that is approved under the provisions of Chapter 420-3-1, On-Site Sewage Disposal, Alabama Administrative Code ("Approval System").
- 2. Owner acknowledges for itself and for its successor in title it will make no alteration, addition or major repair to the Approved System, unless and until the prior written approval has been obtained from the Shelby County Health Officer.
- 3. Owner further acknowledges that the Shelby County Health Department will not permit the continued use and occupancy of the houses constructed on the Lots unless the Approved System continues to function properly. This means that, in the future, should the Shelby County Health Department determine that (1) the Approved System is no longer functioning properly, and (2) continued occupancy of the residence is detrimental to the occupants' health or the health of occupants in the general area, then Owner agrees upon written notice from Shelby County Health Department to vacate the residences as directed in the notice.

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-1-SHELBY COUNTY JUDGE OF PROBATE

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4. These covenants shall run with the land and be binding on all present and future owners and occupants of the residences constructed on each Lot.

Done this 29 H day of July, 1997.

OWNER

YELLOWLEAF ESTATES, INC.

sy: 1/2

William F. Spratlin

as 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 William F. Spratlin, whose name as President of Yellowleaf Estates, 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 the instrument, he, in his capacity as such Officer and with full authority, executed the same voluntarily on the day the same bears date.

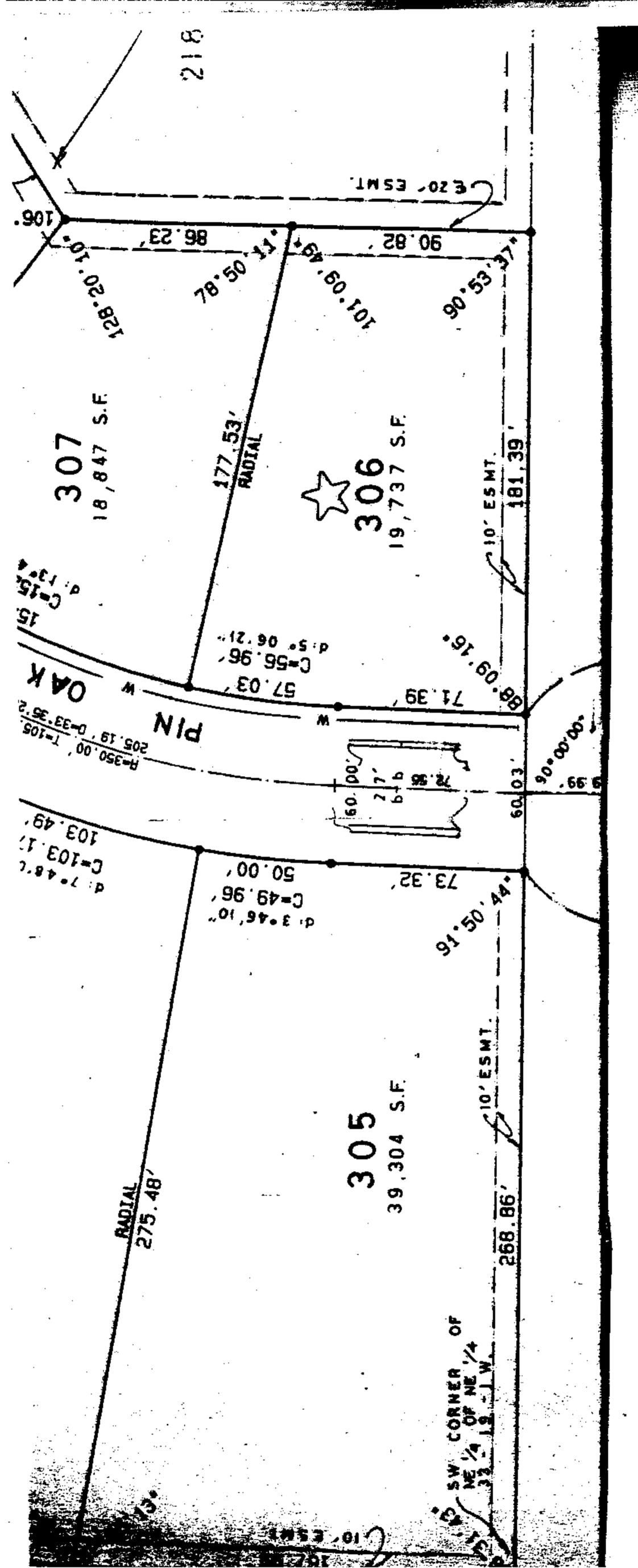
Given under by hand and official seal this 49% day of July, 1997.

NOTARY PUBLIC STATE OF ALABAMA AT LARGE.

MY COMMISSION EXPIRES: Mar. 21, 2001.

BONDED THRU NOTARY PUBLIC UNDERWRITERS.

My commission expires:



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