

This instrument was prepared by:

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STATE OF ALABAMA)
COUNTY OF SHELBY)

**SUPPLEMENTARY DECLARATION TO
DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR HIGHLAND LAKES,
A RESIDENTIAL SUBDIVISION
THIRD SECTOR, PHASE V**

Inst # 1998-29633

08/04/1998-29633
10:11 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
007 MCD 24.50

KNOW ALL MEN BY THESE PRESENTS THAT,

WHEREAS, Highland Lakes Development, Ltd. ("Developer") and Highland Lakes Residential Association, Inc. (the "Association") previously filed a Declaration of Covenants, Conditions and Restrictions in the Probate Office of Shelby County, Alabama, recorded as Instrument Number 1996-17544 (the "Original Declaration") for the benefit of certain real property situated in Shelby County, Alabama, which is part of a residential subdivision known as Highland Lakes, A Residential Subdivision, and which is more particularly described in the Plats of Phases I, III and IV of the Third Sector of Highland Lakes, as respectively recorded in Map Book 21, at page 12, (as amended by the map recorded in Map Book 21, page 124), in Map Book 23, page 144, and in Map Book 23, page 165, all being recorded in the Probate Office of Shelby County, Alabama;

WHEREAS, Developer owns certain additional real property (the "Subject Property") situated in Shelby County, Alabama, which is proposed to be developed as part of Highland Lakes,

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007 CRH 23.50

CLAYTON T. SWEENEY, ATTORNEY AT LAW

and which is more particularly described in the Plat of Highland Lakes, Third Sector, Phase V, as recorded in Map Book 24 at page 60 in the Probate Office of Shelby County, Alabama;

WHEREAS, the Developer has acquired by fee simple, easement or lease, certain lakes (the "Lakes") and other property located adjacent to or near the Subject Property (the "Common Areas") which the Developer intends to be for the non-exclusive use and benefit of the owners of the Subject Property and the Developer has created the Association under the Declaration of Easements and Master Protective Covenants for Highland Lakes recorded as Instrument Number 1994-07111 in the Probate Office of Shelby County, Alabama, as amended by the document recorded as Instrument Number 1996-17543 in said office (the "Master Covenants"), for the purpose of maintaining the Common Areas and Lakes, regulating the use thereof, and levying assessments for the maintenance, preservation and regulation of the Common Areas and the Lakes;

WHEREAS, the Developer desires to submit the Subject Property to the Original Declaration and the Master Covenants in accordance with and pursuant to the terms thereof, each of which permit the Developer, with the approval in writing of the Association, to evidence the submission of such property to the Original Declaration and the Master Covenants by filing a Supplementary Declaration to that effect in the Office of the Judge of Probate of Shelby County, Alabama;

NOW THEREFORE, the Developer and the Association (collectively the "Declarants"), do, upon the recording hereof, declare and make the Subject Property and any portion thereof subject to the covenants, conditions, restrictions, uses, limitations and affirmative obligations of the Original Declaration and the Master Covenants, as each has been heretofore amended and as amended hereby, all of which are declared to be in furtherance of a plan for the use and improvement of the Subject

Property in a desirable and uniform manner and for the maintenance, preservation, and regulation of the Common Areas within the property subject to the Original Declaration.

ARTICLE I

The Declarants hereby reaffirm and restate the terms and provisions of the Original Declaration and the Master Covenants, as amended and/or supplemented by the Supplementary Declaration with respect to Phase III and Phase IV of the Third Sector of Highland Lakes recorded as Instruments numbered 1998-29631 and 1998-29632 respectively, in the Probate Office of Shelby County, Alabama, in their entirety without any change whatsoever, except as follows:

1. The legal description of the property subject to the Original Declaration and the Master Covenants is hereby amended to include the Subject Property.
2. The Original Declaration as heretofore amended is hereby further amended in the following respects with respect to the Subject Property:

Section 6.7 of the Original Declaration is hereby amended with respect to the Subject Property only to modify the restrictions on the size of the residential dwellings to be constructed on Lots within the Subject Property by adding the following as subparagraphs (h) and (i) of Section 6.7 thereof.

(h) For Lots numbered 333 through and including 340 on the Record Map, the Living Space shall be: (i) not less than 2,000 square feet on the main floor of any one story Dwelling; (ii) not less than 2,200 square feet in the case of a one and one-half story building with a minimum of 1,600 square feet being on the first main floor; and (iii) not less than 2,600 square feet in the case of a building with two stories with a minimum of 1,300 square feet on the first main floor.

(i) For Lots numbered 319 through and including 326 and for Lots numbered 329 through and including 332 and for Lots numbered 341 through and including 352 on the Record Map, the Living Space shall be: (i) not less than 1,800 square feet on the main floor of any one-story Dwelling; (ii) not less than a total of 2,000 square feet in the case of a one and on-half story Dwelling, with a minimum of 1,400 square feet being on the first main floor; and (iii) not less than 2,000 square feet in the case of a building with two stories, with a minimum of 1,000 square feet on the first main floor.

ARTICLE II

Declarants hereby declare that said provisions of the Original Declaration and Master Covenants as so amended shall run with the land and be binding upon, and shall inure to the benefit of, the Subject Property and all parties having or acquiring any right, title or interest in and to the Subject Property or any part thereof, and their successors in interest:

ARTICLE III

The Association has joined in the execution of this Supplementary Declaration for the purpose of evidencing its written approval of the submission of the Subject Property to the Original Declaration and Master Covenants as herein provided and does hereby authorize the filing of this Supplementary Declaration with the Office of the Judge of Probate of Shelby County, Alabama.

IN WITNESS WHEREOF, the undersigned have caused this Declaration to be executed

as of the 24th day of July, 1998.

DECLARANTS:

HIGHLAND LAKES DEVELOPMENT, LTD.,
an Alabama limited partnership,
By its General Partner:
Eddleman Properties, Inc.

By: Douglas D. Eddleman
Its: PRESIDENT

HIGHLAND LAKES RESIDENTIAL
ASSOCIATION, INC.

By: Douglas D. Eddleman
Its: PRESIDENT

STATE OF ALABAMA)
JEFFERSON COUNTY)

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., a corporation, as General Partner for Highland Lakes Development, Ltd., a limited partnership, is signed to the foregoing Supplementary Declaration, and who is known to me, acknowledged before me on this day that, being informed of the contents of the above and foregoing Supplementary Declaration, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation acting in its capacity as General Partner as aforesaid.

Given under my hand and official seal of office this 24th day of July, 1998.

Frieda P. Jackson
Notary Public
My Commission Expires: MY COMMISSION EXPIRES SEPTEMBER 28, 2000

STATE OF ALABAMA)
JEFFERSON COUNTY)

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 Highland Lakes Residential Association, Inc., an Alabama nonprofit corporation, is signed to the foregoing Supplementary Declaration, and who is known to me, acknowledged before me on this day that, being informed of the contents of the Supplementary Declaration, he as such officer, and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal of office this 24th day of July, 1998.

Freida P. Jackson

Notary Public

My Commission Expires: MY COMMISSION EXPIRES SEPTEMBER 28, 2000

CONSENT OF LENDER

Billy D. Eddleman ("Eddleman"), as the holder and owner of the mortgage securing the property made subject to the above and foregoing Supplementary Declaration to Declaration of Covenants, Conditions and Restrictions for Highland Lakes, a Residential Subdivision Third Section Phase V, and recorded as Instruments Numbered 1995-12054, 1996-21142, and 1998-07780 in the Probate Office of Shelby County, Alabama, does hereby consent to the filing of the Supplementary Declaration and does hereby agree that said property shall remain subject to the terms and conditions of the Supplementary Declaration if Eddleman 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 24th day of July, 1998.

Billy D. Eddleman
Billy D. Eddleman

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Billy D. Eddleman, whose name is signed to the foregoing Consent, 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 executed the same voluntarily on the day the same bears date.

Given under my hand and official seal of office this 24th day of July, 1998.

Freida P. Jackson
Notary Public

This instrument was prepared by:

Jack P. Stephenson, Jr.
Burr & Forman LLP
420 North 20th Street, Suite 3100
Birmingham, Alabama 35203.

MY COMMISSION EXPIRES SEPTEMBER 28, 2000

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