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**DECLARATION OF CONDOMINIUM
OF
COURTSIDE AT BROOK HIGHLAND, A CONDOMINIUM**

This Instrument Prepared By:
Mary Thornton Taylor
Taylor & Smith, P.C.
P.O. Box 489
Orange Beach, Alabama 36561

CLAYTON T. SWEENEY, ATTORNEY AT LAW

Inst # 2001-29968

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**DECLARATION OF CONDOMINIUM
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THIS DECLARATION is made this the 5TH day of July, 2001, by EDDLEMAN PROPERTIES, INC., an Alabama corporation, (the "Developer" or "Declarant"), pursuant to the provisions of the Alabama Uniform Condominium Act of 1991, Code of Alabama 1975 §§ 35-8A-101, et seq. (the "Act"), for the purpose of forming a condominium and establishing certain easements, covenants and restrictions to run with the land:

W I T N E S S E T H:

WHEREAS, Developer is the owner of certain real property located in the City of Birmingham, Shelby County, Alabama, more particularly described on Exhibit A attached hereto (the "Property");

WHEREAS, it is the desire and intention of the Developer, by recording this Declaration, to subdivide the Property to establish a condominium (as defined in the Act) to be known as Courtside at Brook Highland, a condominium (the "Condominium"), under the provisions of the Act and to impose upon the Property covered hereby mutually beneficial restrictions under a general plan for the benefit of all of the condominium units contained therein and the owners thereof; and

WHEREAS, the Property shall contain seventy five (75) units and various improvements in accordance with the Plan of Courtside at Brook Highland, a condominium, prepared by K.B. Weygand & Associates dated 13 MAY, 2001 and recorded in Map Book 28, Page 103, in the Office of the Judge of Probate of Shelby County, Alabama, a copy of which is included in Exhibit C attached to this Declaration (the "Plan").

NOW THEREFORE, Developer, upon recording hereof, does submit that certain real property situated in Shelby County, Alabama and more particularly described on Exhibit A and graphically shown on Exhibit C attached to this Declaration, together with any improvements thereon owned by the Developer in fee simple absolute to the provisions of the Alabama Uniform Condominium Act to be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied, improved and in any other manner utilized subject to the provisions of said Act and subject to the covenants, conditions, restrictions, uses, limitations and affirmative obligations set forth in this Declaration, all of which are declared and agreed to be in furtherance of a plan for improvement of said Property and the division thereof into condominium ownership and all of which shall run with the land and shall be binding on all parties (including Owners as hereinafter defined) having or acquiring any right, title or interest in said Property or any part thereof, and shall be for the benefit of each Owner of any portion of said Property or any interest therein, and shall inure to the benefit of and be binding upon each successor in interest of the Owners thereof.

ARTICLE I

DEFINITIONS

1.01. Definitions. Certain terms as used in this Declaration shall be defined as follows, unless the context clearly indicates a different meaning therefor:

(a) **"Act"** shall mean the Alabama Uniform Condominium Act of 1991, Code of Alabama 1975 §§ 35-8A-101, et seq., as the same may be amended from time to time.

(b) **"Association"** shall mean Courtside at Brook Highland Association, Inc., an Alabama nonprofit corporation organized pursuant to the Alabama Nonprofit Corporation Act, of which all Owners shall be members and which corporation shall administer the operation, management, maintenance, control and administration of the Condominium Property.

(c) **"Board of Directors"** or **"Board"** shall mean the Board of Directors of the Association, elected pursuant to the By-Laws of the Association.

(d) "By-Laws" shall mean the set of By-Laws, a copy of which is attached hereto as Exhibit B, recorded simultaneously with this Declaration, providing for the self-government of the Condominium Property by the Association in accordance with § 35-8A-306 of the Act, and such amendments thereto as may be recorded from time to time pursuant to the provisions of the Act.

(e) "Common Elements" shall mean and include the following:

- (1) The portion of the Land designated on the Plan as Common Elements;
- (2) The installations of central services such as power, lights, electricity, gas, fire protection, security, cold and hot water and the like, and all similar devices and installations existing for common utility use, but excluding all compartments or installations of utilities and services which exist for private use in the Private Elements;
- (3) The premises and facilities, if any, used for the maintenance or repair of the Condominium Property;
- (4) All common facilities such as greens, gardens, roadways, yards, landscaping, walkways, storage sheds, or service streets as depicted on the Plan;
- (5) All easements, rights or appurtenances affecting or relating to the use of the Condominium Property unless specifically included in any Unit;
- (6) All easements, licenses, rights to use and contract rights pertaining to the Unit Owners' rights to use certain Common Elements of Courtside at Brook Highland, a condominium; and
- (7) All other elements (other than Private Elements) desirable or rationally of common use or necessary to the existence, upkeep or safety of the Condominium Property.

(f) "Common Expenses" as used in the Condominium Documents, shall mean the expenses arising out of the ownership of the Common Elements for which the Owners are liable to the Association and shall include, but not be limited to, expenses of administration of the Condominium Property, insurance, maintenance, operation, repair, replacement, rehabilitation, restoration, renovation and betterment of the Common Elements and any portion of a Unit required to be maintained by the Association; any valid charge against the Condominium Property as a whole; and expenses declared to be Common Expenses by the provisions of the Condominium Documents, as the same may be amended from time to time in accordance with the provisions thereof.

(g) "Common Surplus" shall mean the excess of all the receipts of the Association including, but not limited to, assessments, rents, profits and revenues over the amount of the Common Expenses.

(h) "Condominium Documents" shall mean this Declaration of Condominium of Courtside at Brook Highland, a condominium, and all Exhibits hereto, the By-Laws, and the Articles of Incorporation of the Association, as the same shall be amended from time to time.

(i) "Declaration of Condominium" or "Declaration" shall mean this instrument and all Exhibits hereto, as it may from time to time be amended.

(j) "Developer" shall mean Eddleman Properties, Inc., an Alabama corporation, its successors and assigns, other than an Owner (as herein defined), who shall receive by assignment from the said Eddleman Properties, Inc., or by foreclosure or any other judicial transfer of all or a portion of its rights hereunder as such Developer.

(k) "Land" shall mean the parcel or tract of real estate described in Exhibit A to this Declaration, submitted to the provisions of the Act, and such other parcels or tracts of real estate as may from time to time be submitted to the provisions of the Act by amendment of this Declaration.

(l) "Mortgage" shall mean a first lien Mortgage on one or more Units.

(m) "Mortgagee" shall mean a holder of a Mortgage who has given notice to the Association that it is the holder of a Mortgage affecting all or any part of the Condominium Property as hereinafter provided.

(n) "Owner" or "Unit Owner" shall mean and refer to every person or entity who is a record owner of a Unit.

(o) "Plan" or "Plat" shall mean the as-built Plan showing the Private Elements and the Common Elements of the Condominium Property attached hereto as Exhibit C, and made a part hereof for all purposes, as such Plan may from time to time be amended.

(p) "Private Elements" shall mean a part or parts of the Condominium Property as set forth in the Plan intended for the exclusive ownership or possession by an Owner. Each Private Element is identified on the Plan and shall consist of the areas of land which lie within the perimetrical boundaries described on the Plan.

Each Private Element or Unit shall include all improvements constructed on the portion of the Land located within the boundaries of the Private Element. However, no pipes, wires, conduits and other facilities situated within such Private Element and forming a part of any system serving more than one Unit or the Common Elements shall be deemed to be a part of such Private Element.

(q) "Property" or "Condominium Property" shall mean the Land and all improvements and structures erected, constructed or contained therein or thereon, including all buildings, and all easements, contract rights and appurtenances belonging thereto, and all equipment intended for the mutual use, benefit or enjoyment of the Owners, submitted to the provisions of the Act under this Declaration, as amended from time to time.

(r) "Rules and Regulations" shall mean those Rules and Regulations adopted from time to time by the Board of Directors of the Association that are deemed necessary for the use and enjoyment of the Condominium Property, provided they are not in conflict with the Act or the Condominium Documents.

(s) "Unit" or "Condominium Unit" shall mean the Private Elements as shown on the Plan together with the undivided interest in the Common Elements assigned to each Unit as herein provided.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

2.01. Description of Improvements and Identification of Units. The Condominium Property shall consist of seventy five (75) residential Units. A Plat of the Units identifying each Unit by a number so that no Unit bears the same designation as any other Unit, all in sufficient detail to identify the Common Elements and the Private Elements and their relative locations and approximate dimensions, is attached hereto as Exhibit C. The Unit shall consist of the designated portion of the Land described in Exhibit C and any improvements constructed or placed thereon.

2.02 Amendment of Condominium Plan. Developer reserves the right to alter the boundaries between Units and to decrease the number of Units so long as the Developer owns the Units so altered. Changes in the boundaries between Private Elements, as hereinbefore provided, shall be reflected by an amendment to the Plan, and if necessary, an amendment to this Declaration. An amendment to the Plan or the Declaration reflecting an alteration of the boundaries of the Units owned by Developer need be signed and acknowledged only by the Developer and need not be approved by the Owners and Mortgagees, whether or not such approval may elsewhere be required

herein; provided, however, that any change which shall result in a change in the undivided interest in Common Elements or a change in the share of. Common Expenses, with respect to Owners of Units other than Developer at the time of such change or which shall result in the alteration of boundaries of Units not owned by Developer may not be made without an amendment of this Declaration approved by the Developer, Owners and Mortgagees in the manner elsewhere required herein.

2.03. Easements. The Private Elements and Common Elements shall be, and the same are hereby declared to be subject to the restrictions, easements, conditions and covenants prescribed and established in the Condominium Documents governing the use of said Private Elements and Common Elements and setting forth the obligations and responsibilities incident to ownership of each Unit and its appurtenant undivided interest in the Common Elements. Said Private Elements and Common Elements are further declared to be subject to the restrictions, easements, conditions, and limitations now of record affecting the Condominium Property, and those shown on the Plan.

(a) **Utility and Maintenance Easements.** Utility easements are reserved throughout the whole of the Property, including Units, as may be required for utility and maintenance services (including, without limitation, water, sewer, gas, electricity, telephone and cable television) in order to adequately serve the Condominium Property.

(b) **Easements for Ingress and Egress.** The Common Elements shall be, and the same are hereby declared to be subject to a perpetual non-exclusive easement of way over all roads, walkways, and other Common Elements in favor of all Owners for all proper and normal purposes and for the furnishing of services and facilities for which the same are reasonably intended for the enjoyment of said Owners, subject to all restrictions in the Condominium Documents.

(c) **Easement for Use of Leased or Acquired Property.** Each Unit Owner shall have a nonexclusive easement for use of any property hereafter acquired by the Association for the common benefit of the Owners by purchase, lease or otherwise, for all normal and proper purposes for which the same are reasonably intended, subject to all restrictions in the Condominium Documents and the Rules and Regulations.

(d) **Easements Appurtenant to Units.** The easements and other rights created herein for the Unit Owners shall be appurtenant to the Unit of that Owner and all conveyances of title to the Unit shall include a conveyance of the easements and rights as are herein provided even though no specific reference to such easements and rights appear in such instrument. The Owners do hereby designate the Developer and/or the Association as their lawful attorney-in-fact to execute any and all instruments on their behalf for the purpose of creating all such easements as are contemplated by the provisions hereof.

2.04. Ownership of Common Elements. Each Owner shall own an undivided interest in the Common Elements with all other Owners, and, except as otherwise limited in this Declaration, shall have the right to use the Common Elements for all purposes incident to the use and occupancy of his Unit as herein provided, without hindering or encroaching upon the lawful rights of the other Owners, which rights shall be appurtenant to and run along with the Unit. The extent or amount of such ownership shall be expressed by a percentage relating to each Unit and shall remain constant, unless changed in accordance with the provisions of Section 2.02 hereof or by the unanimous approval of all Owners and Mortgagees. The percentage ownership in the Common Elements relating to each Unit is as set forth on Exhibit D attached hereto.

ARTICLE III

ORGANIZATION AND MANAGEMENT

3.01. Management of the Condominium Property. Operation and administration of the Condominium Property shall be performed by Courtside at Brook Highland Association, Inc., an Alabama nonprofit corporation. The powers and duties of the Association shall include those set forth in the Act, the Alabama Nonprofit Corporations Act, Code of Alabama 1975 §§ 10-3A-1 et seq., this Declaration, the Articles of Incorporation, and the By-Laws. In addition, the Association shall have the power and authority specifically:

(a) To purchase one or more Units of the Condominium Property and otherwise acquire, hold, lease, mortgage and convey the same;

(b) To borrow funds to pay for such expenditures as may be authorized by the provisions of this Declaration;

(c) To enter into leases, or grant easements or licenses for the use of the Common Elements in any manner not inconsistent with the rights of Owners;

(d) To enter into agreements by which its powers and responsibilities or some of them may be exercised or performed by some other person or persons; and

(e) To appoint an Architectural Control Committee (the "Committee") to review and consider approval of any addition, alteration, modification or change to any improvements located on the Units.

3.02 Members. The members of the Association shall consist of all record Owners of the Units. Change of membership in the Association shall be established by recording in the public records of Shelby County, Alabama, the deed or other instrument establishing record title to a Unit of Condominium Property, and the delivery to the Association of a certified copy of such instrument; the Owner designated by such instrument thereby becoming a record Owner and a member of the Association. Membership of the prior Owner shall thereby be terminated. All present and future Owners, tenants and occupants of the Units shall be subject to and shall comply with the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. The votes for a Unit shall be cast by the record Owner thereof or the duly authorized proxy of the record Owner in the manner provided in the By-Laws. Each Unit Owner is entitled to one vote for each Unit owned by him as set forth in Exhibit D attached hereto.

3.03. By-Laws. The By-Laws of the Association shall be in the form attached as Exhibit B to this Declaration, and they may be amended from time to time.

ARTICLES IV

ASSESSMENTS

4.01. Liability, Lien and Enforcement. The Association is given the authority to administer the operation and the management of the Condominium Property, it being recognized that the delegation of such duties to one entity is in the best interest of the Owners of all Units. To provide the funds necessary for such proper operation, the Association is hereby granted the right to make, levy, and collect assessments against the Owners of all Units to pay Common Expenses and such other expenses which the Association is authorized to incur under the terms and conditions of this Declaration. In furtherance of said grant of authority to the Association to make, levy and collect assessments to pay the costs and expenses for the operation and management of the Condominium Property, the following provisions shall be effective and binding upon the Owners of all Units.

4.02. Assessments. All Assessments for the payment of Common Expenses shall be levied against the Owners of all Units, and, unless specifically otherwise provided for in this Declaration, each Owner of a Unit and his Unit shall bear the same percentage share of such assessment as the percentage share of ownership for the undivided interest in the Common Elements appurtenant to said Unit. The assessments for Common Expenses shall be payable in advance in monthly installments commencing on the date of purchase of a Unit or in such other installments and at such times as may be determined by the Board of Directors of the Association. Any default in the payment of an installment shall accelerate the due date of the remainder of the annual assessment to the date of default.

4.03. Annual Budget. Within thirty (30) days prior to the beginning of each calendar year, the Board of Directors of the Association shall establish an annual budget for such calendar year and such budget shall project the amount of funds for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Property, including reasonable allowances for contingencies and reserves therefor, in accordance with the Act and this

Declaration. Said budget shall take into account any projected anticipated income which is to be applied in reduction of the amounts required to be collected as an assessment each year. Upon adoption of such annual budget by the Board of Directors of the Association, copies of said budget shall be made available to each Unit Owner and the Board shall set a date for a meeting of the Unit Owners to consider ratification of the budget not less than fourteen (14) nor more than thirty (30) days after delivery of the budget to the Unit Owners. Unless at the meeting a majority of the Unit Owners present in person or by proxy reject the budget, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected, the budget for the last year shall continue in effect until such time as a new budget is ratified. If the budget is ratified, the assessment for said year shall be established based upon such budget.

Should the Board of Directors at any time determine in the sole discretion of said Board of Directors that the assessments levied are or may prove to be insufficient for any reason including emergencies and non-payment of any Owner's assessment, the Board of Directors shall have authority to levy such additional assessments as it shall deem necessary in accordance with the applicable provisions of the Condominium Documents. The initial projected and estimated annual budget for the Condominium Property is attached to the Declaration as Exhibit E.

4.04. Omission of Assessment. The omission by the Association, before the expiration of any year, to fix the assessments for that or the next year shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of any Owner from the obligation to pay assessments or any installment thereof for that or any subsequent year, but the assessment fixed for the preceding year shall continue until a new assessment is fixed.

4.05. Detailed Records. The Association shall keep detailed, accurate records in chronological order of the receipts and expenditures affecting the Common Elements, specifying and itemizing the maintenance and repair expenses of the Common Elements and any other expenses incurred. Records and vouchers authorizing the payments involved shall be available for examination by any Owner at convenient hours of weekdays.

4.06. Payment of Common Expenses by Unit Owners. All Unit Owners shall be obligated to pay the assessment for Common Expenses adopted by the Board of Directors pursuant to the terms of this Article IV. No Unit Owner may exempt himself from liability for his contribution toward Common Expenses by waiver of the use or enjoyment of any of the Common Elements, or by abandonment of his Unit. No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his Unit subsequent to a sale or other conveyance by him of such Unit. The purchaser of a Unit shall be jointly and severally liable with the selling Unit Owner for all unpaid assessments against the latter up to the time of conveyance without prejudice to the purchaser's right to recover from the selling Unit Owner the amounts paid by the purchaser therefor. Whenever any Unit is sold or mortgaged by the Owner thereof, which sale shall be concluded only upon compliance with the other provisions of this Declaration, the Association, upon written request of the Owner or purchaser of such Unit, shall furnish to the Owner, the purchaser or any proposed Mortgagee (within the time period prescribed by the Act) a statement verifying the status of the payment of any assessment which shall be due and payable to the Association by the Owner of such Unit and any other information required to be furnished by the Act. Any purchaser or proposed Mortgagee may rely upon such statement in concluding the proposed lease, purchase or mortgage transaction and the Association shall be bound by such statement. In the event that a Unit is to be sold or mortgaged when any assessment is outstanding against the Owner of such Unit and such assessment due the Association is in default, whether or not a claim of lien has been recorded by the Association, the purchase or mortgage proceeds shall first be applied by purchaser or Mortgagee to the payment of any delinquent assessment or installment due the Association before making any payment to the Owner.

4.07. Default in Payment of Assessments.

(a) The payment of any assessment or installment thereof due the Association shall be in default if such assessment or any installment thereof is not paid to the Association on or before the due date for such payment. When in default, the delinquent assessment or delinquent installment due the Association shall bear interest at the maximum legal rate or 12%, whichever is greater, on judgments until such delinquent assessment or installment, any late penalty and all interest due

thereon has been paid in full. The Association shall have a lien against a Unit for delinquent assessments. Said lien shall secure and does secure the monies due for all assessments then or thereafter levied against the Owner of each Unit, and such lien shall also secure penalties or interest, if any, which may be due on the amount of any delinquent assessment owing the Association. Said lien shall also secure all costs and expenses, including late penalties and reasonable attorneys' fees incurred by the Association in collecting delinquent assessments and enforcing the lien upon said Unit and its appurtenant undivided interest in the Common Elements. The lien granted to the Association may be foreclosed in the same manner as real estate mortgages in the State of Alabama but the Association shall give reasonable advance notice of its proposed action to the Unit Owner, the Mortgagee and all other lienholders of record of the Unit. The lien granted to the Association shall further secure such advances for taxes and payment on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to protect and preserve its lien, and the Association shall further be entitled to interest at the maximum legal rate on judgments or 12%, whichever is greater, on any such advance made for such purpose. All persons, firms or corporations who shall acquire, by whatever means, any interest in the ownership of any Unit or who may be given or acquire a mortgage, lien or other encumbrance thereon are hereby placed on notice of the lien rights granted to the Association and shall acquire such interest in any Unit expressly subject to the lien.

(b) The lien herein granted to the Association shall be effective from and after the time of recording in the Probate Office of Shelby County, Alabama, the Declaration of Condominium of Courtside at Brook Highland, a condominium, and no further recordation of any claim of lien for assessment under this section is required. Such lien shall include only assessments which are due and payable when the action to enforce the lien is commenced, plus late penalties and penalties imposed by the Association for Rules and Regulations violations, interest, costs, reasonable attorneys' fees, advances to pay taxes and prior encumbrances and interest thereon, all as above provided.

4.08. Election of Remedies. Institution of a suit at law to collect payment of any delinquent assessments shall not be deemed to be an election by the Association which shall prevent its thereafter seeking enforcement of the collection by foreclosure of any sums remaining owing to it. Nor shall proceeding by foreclosure to effect such collection be deemed to be an election precluding the institution of a suit at law to collect any sum then remaining owing to the Association. The Association shall be entitled to bid at any sale held in connection with the foreclosure of the assessment lien and may apply as a cash credit against its bid all sums secured by the lien enforced.

ARTICLE V

MAINTENANCE AND OPERATION OF THE CONDOMINIUM PROPERTY

5.01. The Association's Obligation to Repair and Maintain. The Association acting through the Board of Directors shall be responsible for the maintenance, repair and replacement of the following, the cost of which shall be charged to all Unit Owners as a Common Expense:

- (a) The Common Elements of the Condominium Property; and
- (b) Incidental damage caused to a Unit by any work done by the Association.

This Section 5.01 shall not relieve a Unit Owner of liability for damage to the Common Elements or for damage to any person or property for which the Association is claimed to be liable or responsible, which damage is caused by the Unit Owner, his family members, guests, invitees, lessees or licensees as a consequence of the negligence or willful misconduct of such person. The cost of repair for any damage so caused by the Unit Owner, his family members, guests, invitees, lessees or licensees shall be a special assessment against the Unit Owner responsible therefor which shall be collected and subject to the lien discussed in Article IV above.

5.02. Each Owner's Obligation to Repair and Maintain.

(a) Except for those portions of the Condominium Property which the Association is required to maintain and repair, each Owner shall, at such Owner's expense, repair and maintain the Private elements of his Unit and all improvements thereon in good, tenantable condition and repair.

(b) Each Unit Owner agrees as following:

- (1) To perform all maintenance, repairs and replacements which are his obligations under subparagraph (a) of this Section 5.02;
- (2) To pay all utilities as herein provided and all taxes levied against his Unit;
- (iii) Not to make, or cause to be made, repairs to any water, sewer, electrical, telephone, cable or any other utility service located inside or outside his Unit that serves more than one Unit except by licensed service technicians authorized to do such work by the Association or its delegate;
- (iv) Not to make any addition or alteration to his Unit or any improvement thereon or to the Common Elements that would impair the safety or overall design scheme of any part of the Condominium Property or that would impair any easement or right of another Unit Owner;
- (v) Not to make any alteration, addition, improvement of any nature to the Common Elements of the Condominium without the prior written consent of the Association;
- (vi) Not to make any alteration, addition, improvement, decoration, repair, replacement or change to the exterior of the improvements located on his Unit without the prior written consent of the Committee; provided that if such consent is granted, the Unit Owner shall use only a contractor approved by the Association, who shall comply with all Rules and Regulations with respect to the work and the Unit Owner shall be liable for all damages to another Unit or to the Common Elements caused by any contractor employed by such Unit Owner or by the subcontractors or employees of such contractor, whether said damages are caused by negligence, accident, or otherwise; and
- (vii) To promptly report to the Association any defects or needed repairs for which the Association is responsible.

(c) The Committee of the Association shall be obligated to answer any request by a Unit Owner for any required approval of a proposed addition, alteration or improvement (by painting or otherwise) within forty-five (45) days after such request, but its failure to do so within the stipulated time shall not constitute the consent of the Committee of the Association to the proposed addition, alteration or improvement. The Board of Directors or any of them or the Association shall not incur any liability to any contractor, subcontractor or materialman or to any person having any claim of injury to a person or damage to property arising therefrom on account of such addition, alteration or improvement by the Unit Owner. The review by the Committee of the Association! under this Section 5.02 shall in no way make the Association liable for any alterations additions, or improvements by any Unit Owner. Rather such review is for purposes of aesthetics and control only. The provisions of this section shall not apply to Units owned by the Developer until a deed for such Unit has been delivered to the purchaser thereof.

5.03. Alterations. Additions and Improvements by the Association. Except in the case of loss or damage to the Common Elements as contemplated by Article VIII of the Declaration, the Association shall not make any material structural alterations, capital additions or capital improvements to the Common Elements (other than for the purpose of replacing, restoring or rehabilitating portions of the Common Elements which is in accordance with the Declaration and which does not require expenditures of more than \$1,000, exclusive of any funds applied from the reserves maintained hereunder) unless the same is authorized by the Board of Directors of the Association and ratified by the affirmative vote of the voting members casting not less than 50% of

the total votes of the members of the Association present at any regular or special meeting of the Unit Owners called for that purpose at which a quorum is present. The cost of the foregoing shall be assessed against the Owners of the Units as provided in Article IV hereof except as otherwise provided in this Section 5.03. Where any alterations or additions as aforesaid are exclusively or substantially exclusively for the benefit of the Unit Owners requesting the same, then the cost of such alterations or additions shall be assessed against and collected solely from the Unit Owners exclusively, or substantially exclusively, benefitting therefrom and the assessment shall be levied in such proportions as may be determined to be fair and equitable by the Board of Directors of the Association. Alterations, improvements or repairs of an emergency nature may be made upon authorization by a vote of the majority of the Directors available for consultation if the same is necessitated and in the best interest of the Unit Owners.

5.04. Utilities. Each Unit Owner shall be required to pay all charges for utilities, including electricity, gas, water, sewer, cable television, and telephone service, used or consumed on his Unit. The utilities serving the Common Elements only shall be separately metered and paid by the Association as a Common Expense. The Association shall have authority to pay the cost of any of the utilities used or consumed in the Units not separately metered and have the costs thereof apportioned among the Units based upon use of the utility or any other formula the Association may deem appropriate.

ARTICLE VI

RESTRICTIONS ON USE OF UNITS AND COMMON ELEMENTS

6.01. Rules and Regulations of the Association. The Association is authorized to promulgate, amend and enforce Rules and Regulations concerning the operation and use of the Condominium; provided that such Rules and Regulations are not contrary to or inconsistent with the Act and the Condominium Documents. A copy of the Rules and Regulations shall be furnished by the Board of Directors to each Unit Owner prior to the time they become effective. All present and future Unit Owners, tenants, and occupants of the Units and any person who uses any part of the Condominium Property in any manner, are subject to, and shall comply with the provisions of the Condominium Documents and the Rules and Regulations. The acquisition, rental or occupancy of a Unit or the use of any part of the Condominium Property by any one person shall constitute his agreement to be subject to and bound by the provisions of the Condominium Documents and the Rules and Regulations, and such provisions shall be deemed to be enforceable as equitable servitudes and covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated in full in each and every deed of conveyance or lease thereof. The Association may promulgate enforcement provisions for violation of any Rule or Regulation by a Unit Owner, his family members, guests, invitees, lessees, licensees or renters, including the payment of penalties for such violations.

6.02. Restrictions on Use. The use of the Condominium Property is subject to the following restrictions:

(a) Unless a different use is designated for a Unit in the Plan, each Unit is hereby restricted to residential use.

(b) There shall be no obstruction of the Common Elements nor shall anything be kept or stored in the Common Elements nor shall anything be constructed on or planted in or removed from the Common Elements nor shall the Common Elements in any other way be altered without the prior written consent of the Association.

(c) No immoral, improper, offensive or unlawful use shall be made of any Unit or of the Common Elements or any part thereof, and all laws, zoning ordinances and regulations of all governmental authorities having jurisdiction over the Condominium Property shall be observed.

(d) No Owner shall permit anything to be done or kept on his Unit or in the Common Elements which will result in any increase of insurance premiums or the cancellation of insurance on any part of the Condominium Property, or which would be in violation of any law. No waste shall be committed to the Common Elements.

(e) No sign of any kind shall be displayed to the public view on or from any part of the Condominium Property without the prior written consent of the Board of Directors of the Association, except signs temporarily used by the Developer or a Unit Owner in the selling or leasing of the Units.

(f) No noxious or offensive activities shall be carried on, nor shall anything be done, in any part of the Condominium Property which in the judgment of the Board of Directors of the Association, may be or may become an unreasonable annoyance or nuisance to the other Owners.

(g) No Owner shall cause or permit anything to be placed on the exterior of the improvements on his Unit, and no sign, awning, canopy, window air conditioning unit, or other fixture shall be affixed to or placed upon the exterior of the improvements on the Units without the prior written consent of the Committee of the Association.

(h) No clothes, sheets, blankets, laundry of any kind or other articles shall be hung out or exposed on any part of the Unit or the Common Elements. The Unit and the Common Elements shall be kept clear of rubbish, debris and other unsightly materials.

6.03. Right of Access. Each Unit Owner grants a right of access to his Unit by the Association, and any other person authorized by the Association for the purpose of making inspections and for the purpose of correcting any condition originating in his Unit and threatening other Units or Common Elements, or for the purpose of performing installations, alterations or repairs to the Common Element mechanical or utility services located on his Unit, if any, or to enforce any provision of the Condominium Documents, provided that requests for entry are made in advance and that such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate whether the Unit Owner is present at the time or not. To the extent that damages are inflicted on the Common Elements or any Unit through which access is taken, the Unit Owner or the Association, if it caused the same, shall be liable for the prompt repair thereof.

6.04. Limitation of Liability. The Association shall not be liable for any failure of water or power supply, telephone, security, fire protection or other service to be obtained by the Association or paid as Common Expenses, for problems resulting from the operation or lack of operation of sewer lines servicing the Condominium Property, or for injury or damage to a person or property caused by the natural elements or resulting from electricity, water, snow or ice which may leak or flow from any portion of the Common Elements or from any wire, pipe, drain, conduit, appliance or equipment. The Association shall not be liable to the Owner of any Unit for loss or damage, by theft or otherwise, of articles which may be stored upon any of the Common Elements. No diminution or abatement of the Common Expense assessments, as herein elsewhere provided, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Elements or to any Unit, or from any action taken by the Association to comply with any law or ordinance or with the order or directive of any municipal or other governmental or judicial authority or for the dispossession of the Unit Owner by reason of fire or other casualty, except to the extent covered by insurance maintained by the Association.

6.05. Abatement of Violations. The violation of any Rule or Regulation adopted by the Board of Directors of the Association or breach of any provisions of the Condominium Documents, shall give the Developer, the Association or any Unit Owner the right, in addition to any other right or remedy elsewhere available to it, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach. All expenses of such actions or proceedings against a defaulting Unit Owner, including court costs, attorneys' fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the highest lawful rate on judgments, or 12% per annum, whichever is greater, until paid, shall be charged to and assessed against such defaulting Owner, and the Association shall have a lien for all of the same upon the Unit of such defaulting Owner, upon all of his additions and improvements thereto and a security interest under the Alabama Uniform Commercial Code upon all of his personal property in his Unit or located elsewhere on the Condominium Property. Nothing herein contained shall prevent an Owner from maintaining such an action or proceeding against the Association and the expense of

any action to remedy a default of the Association shall be a Common Expense if a court of competent jurisdiction finds the Association to be in default as alleged in such action or proceeding.

6.06. Failure of the Association to Insist on Strict Performance No Waiver. Failure of the Association to insist in any one or more instances upon the strict performance of any of the terms, covenants, conditions or restrictions of this Declaration, or to exercise any right or option herein contained, or to serve any notice or to institute any action shall not be construed as a waiver or a relinquishment from the future performance of such term, covenant, condition or restriction but such term, covenant, condition or restriction shall remain in full force and effect. The receipt by the Association of any assessment from an Owner with knowledge of the breach of any covenant hereof shall not be deemed to be a waiver of such breach and no waiver by the Association of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Board of Directors of the Association.

6.07. Use by Developer. Subject to the rights of the Mortgagees hereunder, neither the Owners nor the Board of Directors of the Association nor their use of the Condominium Property or application of this Declaration shall interfere with the completion of the contemplated improvements and sales of the Units in the Condominium. Subject to the rights of the Mortgagees hereunder, the Developer may make such use of the unsold Units and of the Common Elements as may facilitate such completion and sale, including, but not limited to, maintenance of a sales office, management office and model units, the showing of the Condominium Property and the display of signs thereon and therein. These Special Declarant Rights exist so long as Developer holds any Unit in the Condominium for sale in the ordinary course of business. The Developer expressly reserves the right to lease any Unit which it may own in the Condominium Property on such terms as it may deem proper and desirable and may transfer Units subject to such lease.

ARTICLE VII

RIGHTS OF MORTGAGEES

7.01. Notification of Mortgagees Required. Any Mortgagee shall have the right to be given written notification by the Association of (a) any sixty (60) day default by the Owner of the Unit covered by the Mortgage in the payment of assessments or in any other provision of the Condominium Documents; (b) any loss to or taking of the Common Elements if such loss or taking exceeds \$10,000; (c) any condemnation of all or a portion of the Condominium Property; (d) a lapse or cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and (e) any proposed action that requires the consent of a specified percentage of Mortgagees.

7.02. Right of Inspection. Mortgagees shall have the right to examine the books and records of the Association or the Condominium Property and to receive annual reports, other financial data, and, upon request, an annual audited statement, within ninety (90) days following the end of any fiscal year of the Association.

7.03. Required Reserve Funds and Working Capital Fund. Assessments levied by the Board of Directors of the Association shall include an adequate reserve fund for maintenance, repair and replacement of those Common elements that must be replaced or repaired on a periodic basis, and shall be payable in regular installments rather than by special assessments. A working capital fund shall be established, and each Unit Owner purchasing a Unit from the Developer shall pay a one-time assessment equal to two months' assessment at the time of closing of the purchase by him of his Unit to be used by the Association as working capital.

7.04. Priority of Mortgagees.

(a) Any lien which is or may be created hereunder upon any Unit, including, but not limited to, the lien created for assessments under Section 4.07 hereof, and the right to foreclose the same, is and shall be subject and subordinate to, and shall not affect the rights of the holder of the indebtedness secured by, any Mortgage upon such interest made in good faith and for value and recorded prior to the creation of the lien hereunder, provided that after the foreclosure of any such Mortgage, there may be a lien created pursuant to Section 4.07 hereof on the interest of the

purchaser as an Owner after the date of such foreclosure sale to secure all assessments hereunder. After the date of such foreclosure sale, said lien, if any, shall be claimed and shall have the same effect and be enforced in the same manner provided herein.

(b) No provision of this Declaration, the Articles, the By-Laws or the Rules and Regulations shall be construed to grant to any Unit Owner, or to any other party any priority over any rights of the Mortgagees of the Units pursuant to their Mortgages in the case of distribution to Unit Owners of the insurance proceeds or condemnation awards for losses or a taking of Units or the Common Elements or any portion thereof.

(c) As provided in the Act, all assessments, property taxes and other charges imposed by any taxing authority which may become liens prior to a Mortgage, shall be separately assessed against and collected on each Unit as a single parcel, and not on the Condominium Property as a whole.

(d) No breach of the covenants, conditions or restrictions herein contained shall defeat or render invalid the lien of any Mortgage made in good faith and for value, but all of said covenants, conditions and restrictions shall be binding upon and effective against any Owner whose title is derived through foreclosure or otherwise.

7.05. Request for Protection by Mortgagees. Whenever the holder of any Mortgage desires the benefit of the provisions of this Article VII to be applicable to it, it shall serve written notice of such fact upon the Association, by registered or certified mail, addressed to the Association, and actually mailed to its address stated herein, identifying the Unit upon which it holds a Mortgage or identifying any Units owned by it, together with sufficient pertinent facts to identify any Mortgage which may be held by it. Said notice shall designate the place to which the notices are to be given by the Association to such Mortgagee.

ARTICLE VIII

CASUALTY LOSS AND INSURANCE

8.01. Responsibility of Owners; Separate Insurance Coverage.

(a) The Owner of each Unit shall, at his expense, obtain insurance coverage for loss of or damage to the improvements located on his Unit. In addition, the Unit Owner shall maintain insurance coverage for loss or damage to any furniture, furnishings, personal effects, and other property belonging to such Owner, and shall, at his expense, obtain insurance coverage against personal liability for injury to the person or property of another while on such Owner's Unit. Risk of loss of or damage to any improvements, furniture, furnishings and personal property belonging to or carried on the person of the Owner, or which may be stored on any Unit or in or upon Common Elements shall be borne by the Owner of each Unit. All furniture, furnishings and personal property constituting a portion of the Common Elements, if any, and held for the joint use and benefit of all Owners of Units shall be covered by the insurance maintained by the Association as hereinafter provided.

(b) The amount of insurance coverage shall be determined on a replacement cost basis in an amount not less than 100% of the then current replacement cost of the improvements, including fixtures, equipment and other property on the Units in the Condominium Property (but excluding land, foundations, excavations and other items usually excluded from such insurance coverage). Such insurance coverage shall be written in the name of, and the proceeds thereof shall be payable to the Owner. Periodically, prior to the renewal of any such policy or policies of insurance, the Owner shall obtain an opinion or an appraisal from a qualified appraiser for the purpose of determining the full replacement cost of the Unit for the amount of insurance to be obtained.

(c) Insurance on the Unit shall be maintained for replacement cost of all structures on the Unit. In the event of loss, the structure shall be rebuilt in same manner, style and design as originally constructed. Changes shall be allowed only after approval of the Committee of the Association.

8.02. Insurance to be Maintained by the Association.

(a) Public Liability and Property Damage Insurance. The Association shall obtain and maintain at all times a comprehensive policy or policies of public liability and property damage insurance in such amount (but not less than \$1,000,000) and in such form as shall be required by the Association to protect said Association and the Owners of all Units which provide coverage for bodily injury and property damage resulting from the operation, maintenance or use of the Common Elements and for legal liability resulting from employment contracts to which the Association is a party.

(b) Workmen's Compensation Insurance. The Association shall obtain and maintain at all times a policy or policies of workmen's compensation insurance to meet the requirements of the laws of the State of Alabama if there are any employees of the Association.

(c) Fidelity Bonds. The Association shall obtain and maintain fidelity bonds for any person who either handles or is responsible for funds held or administered by the Association naming the Association as the obligee. The amount of the fidelity bond should cover the maximum funds that will be in the custody of the Association, but not less than the sum of three months' assessments on all Units plus the reserve funds of the Association.

(d) Other Insurance. The Association shall obtain and maintain such other insurance coverage as the Board of Directors of the Association, in its sole discretion, may determine from time to time to be in the best interest of the Association and the Owners of all Units.

8.03. Governing Provisions. All insurance obtained and maintained by the Association and Unit Owners as provided in Sections 8.01 and 8.02 above shall be governed by the following provisions:

(a) All policies shall (i) comply with the hazard and casualty insurance requirements of the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association as they shall apply to condominium loans; and (ii) be written with a company licensed to do business in the State of Alabama and holding a financial rating of Class V or better and a general policyholders rating of "A" or better by Best's Insurance Reports or other then comparable rating. To the extent that the provisions of this Declaration with respect to the maintenance of insurance shall conflict with the hazard and casualty insurance requirements of the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association, then the requirements of the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association shall control and such requirements shall be complied with by the Association.

(b) Exclusive authority to adjust all claims under the policies maintained by the Association hereafter in force on the Condominium Property shall be vested in the Association or its authorized representatives.

(c) In no event shall the insurance coverage obtained and maintained by the Association hereunder be brought into contribution with the insurance purchased by the individual Owners or their Mortgagees.

(d) The Association and Unit Owners shall make every effort to secure insurance policies that provide for the following:

(i) A waiver of subrogation by the insurer as to any claims against the Association, the Board of Directors, the Developer or the Owners;

(ii) An agreement by the insurer that the insurance coverage cannot be terminated or materially changed without thirty (30) days prior written notice to the Association and the Mortgagee of each Unit;

(iii) The Unit Owner's property and casualty insurance coverage will be primary for the structures on the Units, even if the Association has other insurance that covers the same loss;

(iv) The Association's liability insurance coverage will be primary for matters associated with the Common Elements;

(v) No act or omission by any Unit Owner, unless acting within the scope of his authority on behalf of the Association, will void the policy or be a condition to recovery under the policy.

8.04. Premiums. Premiums for insurance policies maintained by the Association shall be paid by the Association as a Common Expense; except that the amount of increase over the usual premium occasioned by the use, misuse, occupancy or abandonment of a Unit or the misuse of the Common Elements by an Owner shall be assessed against that Owner.

8.05. Loss to Common Elements Only. In the event of the loss of or damage to only Common Elements, real or personal, by reason of fire or other casualties, which loss or damage is covered by insurance, the proceeds paid to the Association to cover such loss or damage shall be applied to the repair, replacement or reconstruction of such loss or damage. If the insurance proceeds are in excess of the cost of the repair, replacement or reconstruction of such Common Elements, then such excess insurance proceeds shall be paid to the Owners of all Units, the distribution to be separately made to the Owner of each Unit and his respective Mortgagee, as their interests may appear, in such proportion that the share of such excess insurance proceeds paid to the Owner of each Unit and his Mortgagee shall bear the same ratio to the total excess insurance proceeds as the undivided interest in the Common Elements appurtenant to each Unit bears to the total undivided interest in the Common Elements appurtenant to all Units. If there is no insurance coverage for such loss or damage, or if it appears that the insurance proceeds covering the fire and casualty loss or damage payable to the Association are not sufficient to pay for the repair, replacement or reconstruction of the loss or damage, or that the insurance proceeds when collected will not be so sufficient, then the Association shall pay a sum, which together with the insurance proceeds received or to be received, if any, will enable said Association to completely pay for the repair, replacement or reconstruction of any loss or damage, as the case may be. The monies to be so paid, or deposited with the Association may be paid by the Association out of its reserve for replacement fund and if the amount in such reserve for replacement fund is not sufficient, or if the Board of Directors determines not to use such fund for said purpose, then the Association shall levy and collect an assessment against the Owners of all Units in an amount which shall provide the funds required to pay for said repair, replacement or reconstruction.

8.06. Loss to Private Elements. In the event of loss of or damage to any Private Element of any Unit by reason of fire or other casualty, which loss or damage is covered by fire and casualty insurance, the proceeds paid to the Unit Owner to cover such loss or damage, shall be directly applied to the repair, replacement or reconstruction of the improvements on any Unit which may have sustained any loss or damage so covered. The funds payable to the Unit Owners for the repair of the Unit shall be held for the benefit of the Owner and Mortgagee of the Unit sustaining the loss or damage and the funds shall be directly applied to the costs of the repair, replacement or reconstruction of the Unit. If the insurance proceeds are in excess of the cost of the repair, replacement or reconstruction of the improvements on the Unit sustaining loss or damage, then such excess insurance proceeds shall be paid and distributed to the Owner of the Unit damaged and for whose benefit the proceeds were paid, and to its Mortgagee, as their respective interests may appear. If there is no insurance coverage for the loss or damage to one or more Units, or if it appears that the insurance proceeds covering any loss or damage payable to the Unit Owners are not sufficient to pay for the repair, replacement or reconstruction of the loss or damage, then the Board of Directors of the Association shall, based on reliable and detailed estimates obtained by it from competent and qualified parties, determine the cost of repair, replacement or reconstruction of the improvements on the Units sustaining any loss or damage. If the proceeds of said insurance, if any, are not sufficient to repair, replace or reconstruct any loss of or damage to the Units sustaining damage, then the Association shall levy and collect an assessment from the respective Owners of the Units sustaining any loss or damage, and the assessment so collected from said Owners shall be deposited with the Association for the benefit of the Unit Owners and their Mortgagees so that the sum on deposit with said Association shall be sufficient to completely pay for the repair, replacement or reconstruction of the improvements on the Private Elements of the damaged Units.

8.07. Estimates of Repair; Plans and Specifications; Payment of Assessments. In the event of loss or damage to any portion of the Condominium Property, the Association or the Unit Owner, if only Private Elements are damaged, shall, within sixty (60) days after any such occurrence, obtain reliable and detailed estimates of the cost of restoring damaged improvements on the property to a condition as good as that which prevailed before such loss or damage. The estimate of repair shall be for each Unit and shall be based upon the plans and specifications of the original building or such other plans and specifications as may be approved by the Committee of the Association. Such estimates are to contain and include the cost of any professional fees and premiums for such bonds as the Board of Directors of the Association may deem to be in the best interest of the membership of said Association. Whenever it shall appear that the insurance proceeds payable for such loss or damage will not be sufficient to defray the cost of repair, replacement or reconstruction thereof, the additional money required to completely pay for such repair, replacement or reconstruction of said loss or damage whether to be paid by all of the Owners of Units or only by the Owners of Units sustaining loss or damage, or both, as herein provided, shall be paid to the Association and deposited with the Association for the benefit of the Owner and Mortgagee of the Unit damaged not later than thirty (30) days from the date on which the Association shall receive the monies payable from the policies of fire and casualty insurance.

ARTICLE IX

CONDEMNATION

9.01. Condemnation Considered a Casualty Loss. The taking of a portion of a Unit or the Common Elements by eminent domain shall be deemed to be a casualty loss, and except as otherwise provided in Section 9.02 below, the awards for such taking shall be deemed to be proceeds from insurance on account of the casualty and shall be applied and distributed by the Association in accordance with the provisions of Article VIII. Even though the awards may be payable to the Unit Owners, the Owners shall deposit the awards with the Association; and in the event of failure to do so, in the discretion of the Board of Directors of the Association, a special assessment shall be made against a defaulting Owner in the amount of his award, or the amount of such award shall be set off against the sums hereinafter made payable to such Owner. If any Unit or portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Mortgagee of such Unit shall be entitled to timely written notice of any such proceeding or proposed acquisition as provided in Section 7.01, and no provision hereof shall entitle the Owner of such Unit or other party to priority over such Mortgagee with respect to the distribution of any award or settlement to the Owner of the Unit.

9.02 Partial Condemnation. In the event that the Condominium Property is not to be terminated and one or more Units are taken in part, the taking shall have the following effects:

(a) If the taking reduces the size of a Unit and the remaining portion of that Unit can be made tenantable, the award for the taking for a portion of the Unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the Condominium Property:

(i) The Unit shall be made tenantable and if the cost of such work exceeds the amount of the award, the additional funds shall be assessed against the Owner of the Unit.

(ii) The balance of the award, if any, shall be distributed to the Owner of the Unit and the Mortgagee of the Unit, as their respective interests may appear.

(ii) If there is a balance of the award distributed to the Owner and the Mortgagee, the share of the Common Elements appurtenant to the Unit shall be equitably reduced. This shall be done by reducing such share by the proportion which the balance of the award so distributed bears to the market value of the Unit immediately prior to the taking, and then re-computing the shares of all Owners in the Common Elements as percentages of the total of their shares as reduced by the taking.

(b) If the taking destroys or so reduces the size of a Unit so that it may not be made tenantable, the award for the taking of the Unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the Condominium Property:

(i) The condemnation proceeds not to exceed the fair market value of such Unit immediately prior to the taking, shall be paid to the Owner of the Unit and to each Mortgagee of the Unit, as their respective interest may appear. If the condemnation proceeds are insufficient to pay the fair market value of the Unit, the entire proceeds shall be paid to the Unit Owner with no liability accruing to the Association.

(ii) The remaining portion of such Unit, if any, shall become a part of the Common Elements and shall be placed in condition for use by all of the Owners, in the manner approved by the Board of Directors of the Association; provided, however, that if the cost of such work shall exceed the balance of the fund from the award for the taking, such work shall be approved in the manner required for further improvement of the Common Elements under Section 5.03 above.

(iii) The shares in the Common Elements appurtenant to the Units which continue as a part of the Condominium Property shall be equitably adjusted to distribute the ownership to the Common Elements among the reduced number of Owners. This shall be done by re-computing the shares of such continuing Owners in the Common Elements as percentages of the total of the shares of such Owners as they exist prior to the adjustment.

(iv) If the market value of a Unit prior to the taking cannot be determined by agreement between the Owner and the Mortgagee and the Association within thirty (30) days after notice by any such party that agreement cannot be reached, such value shall be determined by three independent qualified appraisers with one appraiser to be selected by the Association, one appraiser to be selected by the Owner and Mortgagee, and the third appraiser to be selected by the two appraisers so appointed, and the fair market value of the Unit shall be deemed to be the average of the two appraisals of the fair market value of the Unit made by said appraisers having the least difference in amount. The cost of such appraisal shall be assessed against all Owners in the shares of the Owners in the Common Elements as they existed prior to the changes affected by the taking.

(c) Changes in the Units, in the Common Elements or in the ownership of the Common Elements and in the shares of liability for Common Expenses caused by condemnation which result in changes shall be evidenced by an amendment of this Declaration which need be approved only by a majority of the Board of Directors of the Association.

9.03. Association Appointed As Attorney-in-fact for Unit Owners. The Association shall be appointed as attorney-in-fact for each Unit Owner for the purpose of representing such Unit Owners in any proceeding, negotiation, settlement or agreement arising from the condemnation or taking by eminent domain of the Condominium Property or any portion thereof.

ARTICLE X

TERMINATION

10.01. Termination by Consent.

(a) Notwithstanding anything to the contrary contained in this Declaration, except in the case of condemnation as addressed in Article IX above, the termination of the Condominium and the removal of the Condominium Property from the condominium form of ownership and the provisions of the Act can only occur by an approval by the affirmative vote of at least eighty percent (80%) of the Owners of all Units (based upon one vote for each Unit) and by at least sixty-seven percent (67 %) of all Mortgagees (based upon one vote for each Mortgage) after notice given as provided in Section 7.01 hereof. The Declaration and plan of condominium ownership established herein shall be subject to termination as provided in the Act. If less than eighty percent (80%) of the Owners of

all Units and/or less than sixty-seven percent (67 %) of the Mortgagees vote in favor of terminating the Condominium Property as herein required, the Condominium Property shall remain under the provisions of the Act.

(b) In the event that the Unit Owners and Mortgagees agree to terminate the condominium as provided above, all of the Owners of Units shall be and become tenants in common as to ownership of the rights in the Common Elements, except that the Unit Owners shall own in fee simple the Land constituting his Unit. The undivided interest in the Land and improvements which constitute the Common Elements in the Condominium held by the Owner of each Unit after termination shall be the same as the undivided interest in the Common Elements which were formerly appurtenant to such Unit, and the lien of any Mortgage or other encumbrance upon each Unit shall attach to the percentage of undivided interest of the Owner of a Unit in the land and improvements located thereon as above provided. Upon termination of this Declaration and the plan of condominium ownership established herein, the Owners of all Units shall become the fee simple owner of his Unit with rights as tenants-in-common with respect to the Common Elements. Upon such termination of this Declaration and the plan of condominium ownership established herein, the Association shall distribute any insurance indemnity which may be due under any policy of casualty insurance to the Owners of the Units and their Mortgagees as their respective interests may appear, such distribution to be made to the Owner of each Unit in accordance with the Act. The Common Elements and any remaining improvements thereon shall be subject to all easements of record, except the easements created in the Condominium Documents. The assets of the Association upon termination of the plan of condominium ownership created by this Declaration shall then be distributed to the Owner of each Unit and his Mortgagee, as their respective interests may appear, in the same manner as is above provided for the distribution of any final insurance indemnity.

10.02. The Association Appointed as Attorney-in-fact for Unit Owners. The Association shall be appointed as attorney-in-fact for each Unit Owner for the purpose of representing such Unit Owners in any proceeding, negotiation, settlement or agreement arising from the termination of this Declaration and plan of condominium ownership established herein.

ARTICLE XI

AMENDMENT

11.01 Amendments by Developer. Without limiting the rights of the Developer to alter the plans as described in Section 2.02 above, and pursuant to the Developer's rights to amend under the Act, and notwithstanding any other provision herein contained, the following provisions shall be deemed to be in full force and effect, none of which shall be construed as to relieve the Developer from any obligations as a Unit Owner to pay assessments as to Units owned by it in accordance with the Condominium Documents.

(a) The Developer reserves the right to amend the By-Laws of the Association until such time as Developer relinquishes control of the Association as provided in Section 12.01 below.

(b) The Developer reserves the right to amend this Declaration so long as there is no Unit Owner other than the Developer.

(c) The Developer reserves the right to amend this Declaration without the consent of other Owners to relocate boundaries of Units in the Condominium Property as provided in Section 2.02 above.

(d) The Developer reserves the right to amend this Declaration at any time without the consent of other Owners if required by any Mortgagee as a condition of making a loan secured by an interest in a Unit in order to meet the requirements of the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association; provided that any such changes or amendments requested by a Mortgagee shall not materially affect the rights of the Unit Owners or the value of the Condominium Units or the undivided interest in the Common Elements attributable to each Unit Owner.

(e) The Developer reserves the right to amend this Declaration at any time during the period of Developer control without the consent of other Unit Owners to make corrections of errors or inconsistencies in the Condominium Documents.

11.02. Amendments by Unit Owners. At such time as there is a Unit Owner other than the Developer, then, in addition to the amendments permitted under Section 11.01 above and pursuant to § 35-8A-217 of the Act, the Declaration may be amended in the following manner:

(a) A proposal to amend this Declaration may be considered at any meeting of the members of the Association called for that purpose in accordance with the provisions of the By-Laws; provided that the Association must provide prior written notice of such meeting to the Mortgagees as provided in Section 7.01 above. The proposal to amend the Declaration must be approved by the affirmative vote of the members representing not less than sixty-seven percent (67 %) of the total allocated votes of the Association and by the affirmative vote of the Mortgagees representing fifty-one percent (51 %) of the total allocated votes of the Units subject to Mortgages.

(b) Notwithstanding the foregoing, no amendment to the Declaration under this Article XI shall:

(i) change a Unit, including the ownership in Common Elements, responsibility for Common Expenses and voting rights, without the prior written approval of the Unit Owner or Unit Owners so affected and prior written approval of the holders of record of any Mortgage or other liens on the Unit or Units so affected; or

(ii) change, impair or prejudice the rights of Developer or change the provisions of this Declaration with respect to the Developer's rights hereunder without Developer's prior written approval.

11.03. Effectiveness of Amendments. A copy of each amendment to the Declaration so adopted shall be certified by the President or a Vice President and Secretary or Assistant Secretary of the Association as having been duly adopted, and shall be effective when recorded in the Probate Court of Shelby County, Alabama.

ARTICLE XII

CONTROL OF THE ASSOCIATION

12.01. Election of Board of Directors. Developer, its successors or assigns, shall elect the members of the Board of Directors of the Association, and in the event of vacancies, the Developer shall fill the vacancies, until no later than sixty (60) days after 75 % of the total number of Units in all phases have been conveyed to purchasers of Units; provided that the Developer may, at its option, terminate its control of the Association at an earlier date; and further provided that Developer's right to appoint and renew officers and members of the Board shall be subject to Section 35-8A-303(e) of the Condominium Act for the gradual transition of control of the Board from the Developer.. The Developer shall be entitled to elect at least one member of the Board of Directors of the Association as long as the Developer holds for sale in the ordinary course of business one Unit within the Condominium.

12.02. Notice of Meeting. Within sixty (60) days before the date of termination of control of the Association by the Developer, the Association shall call and give not less than ten (10) days' nor more than thirty (30) days' notice of a meeting of the Unit Owners for the purpose of electing the members of the Board of Directors of the Association. Such meeting shall be called and the notice given in accordance with the By-Laws.

12.03. Status of Unsold Units.

(a) Developer shall be deemed to be the Owner of each Unit which has not been conveyed to a person other than the Developer. Unless otherwise provided in the Condominium

Documents, the Developer shall be entitled to all rights and privileges available to, and shall be subject to any and all obligations and duties imposed upon, the Owner of any such Unit under the Condominium Documents.

(b) Any person having a first mortgage lien against any Unit which has not been conveyed to a person other than Developer, whether under a blanket mortgage affecting the Condominium Property generally or under a mortgage on one or more specific Units, shall be deemed to be a Mortgagee with respect to any such Unit, and shall be entitled to all rights and privileges available to a Mortgagee of any such Unit under the Condominium Documents.

(c) Notwithstanding the provisions of Sections 4.02 and 12.03 (a) above, no assessments shall be imposed by the Association against the Developer as the Owner of unsold Units until such time as sixty (60) days after the conveyance of the first Unit. During such period, Developer shall be responsible for the Common Expenses of the Condominium Property, except that the Developer shall be entitled to use and apply to the payment of such Common Expenses all assessments made against the Unit Owners other than Developer and collected by the Association for Common Expenses, including the two months' assessment paid by each Owner as working capital. The Developer shall be solely responsible for the maintenance, repair and operation of the Private Elements of the unsold Units.

12.04. Professional Management and Other Contracts. Any agreement incurred by the Association prior to the passage of control of the Association from the Developer pursuant to Section 12.01 above (including contracts for professional management of the Condominium Property, whether it be the Developer, its successors and assigns, or any other person or entity) shall provide the following:

(a) The Association shall have the right of termination which is exercisable without penalty any time upon not more than ninety (90) days' written notice to the other party thereto; and

(b) The Association shall have the right of termination for cause which is exercisable without penalty at any time upon not more than thirty (30) days' written notice to the other party thereto.

ARTICLE XIII

MISCELLANEOUS

13.01. Rights and Powers of Successors and Assignees. The rights and powers reserved to or exercisable by the Developer under the Condominium Documents or the Act may be exercised by any successor or assignee of the Developer (i) who acquires title from the Developer by foreclosure or other judicial sale or deed in lieu of foreclosure, or (ii) to whom the Developer specifically assigns such rights and powers. Subject to the provisions of Section 13.13 below, Developer and the Association shall have the right to assign any and all of the rights, powers, reservations and duties contained herein to any person or entity who shall thereupon have the same rights, power, reservations and duties as Developer or the Association, respectively.13.02. Headings. The captions herein are used solely as a matter of convenience and shall not define, limit or expand any term or provision of this Declaration.

13.03. Gender/Number. Whenever the context so permits, the use of the plural shall include the singular, the singular shall include the plural, and any gender shall be deemed to include all genders.

13.04.Exhibits. Exhibits A, B, C, D, E and F attached to this Declaration are an integral part of this Declaration.

13.05. Invalidity and Severability. It is the intention of the Developer that the provisions of this Declaration are severable so that if any provision is invalid or void under any applicable federal, state or local law or ordinance, decree, order, judgment or otherwise, the remainder shall be unaffected thereby and each remaining provision shall be valid and enforceable to the fullest extent permitted by law.

13.06. Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of a condominium project. The provisions hereof shall be liberally interpreted and, if necessary, they shall be so extended or enlarged by implication so as to make them fully effective. The provisions of this Declaration shall be given full force and effect notwithstanding the existence of any zoning ordinance or building codes which are less restrictive. The effective date of this Declaration shall be the date of recordation hereof. This Declaration shall be construed under and in accordance with the laws of the State of Alabama.

13.07 Conflicts and Ambiguities. In the event of any conflict, ambiguity or inconsistency between the Condominium Act, this Declaration, the Articles of Incorporation, the Bylaws or any rules and regulations adopted from time to time by the Association, then the provisions of the Condominium Act, this Declaration, the Articles of Incorporation, the Bylaws and any rules and regulations adopted by the Association, in that order, shall prevail and each Owner, by acceptance of a deed or other conveyance to a Unit, covenants and agrees to vote in favor of and execute any amendments as may be necessary to remove or alleviate any such conflict, ambiguity or inconsistency. In the event of any conflict or ambiguity in the terms and provisions of this Declaration, the general rules of construction against one party as a result of that party having drafted this Declaration are hereby waived by each Owner and, to the fullest extent allowed by law, no conflicts or ambiguity shall be resolved in favor or to the advantage of one party as opposed to another in interpreting any ambiguity or conflict contained herein.

13.08 Binding Effect. The terms and provisions of this Declaration shall be binding upon each Owner and Mortgagee and the respective heirs, executors, administrators, personal representatives, successors and assigns of each Owner and Mortgagee, and shall inure to the benefit of Developer, the Association, all of the Owners and their respective Mortgagees and their respective heirs, executors, administrators, personal representatives, successors and assigns.

13.09 No Partition. Each Owner hereby waives any right to seek or obtain judicial partition of any portion of the Property.

13.10 Standards for Review. Whenever in this Declaration, Developer or the Association has the right to approve, consent to, or require any action be taken pursuant to the terms hereof, such approval, consent or required action shall, except as otherwise specifically provided herein to the contrary, be given or withheld in the sole and absolute discretion of Developer or the Association, as the case may be.

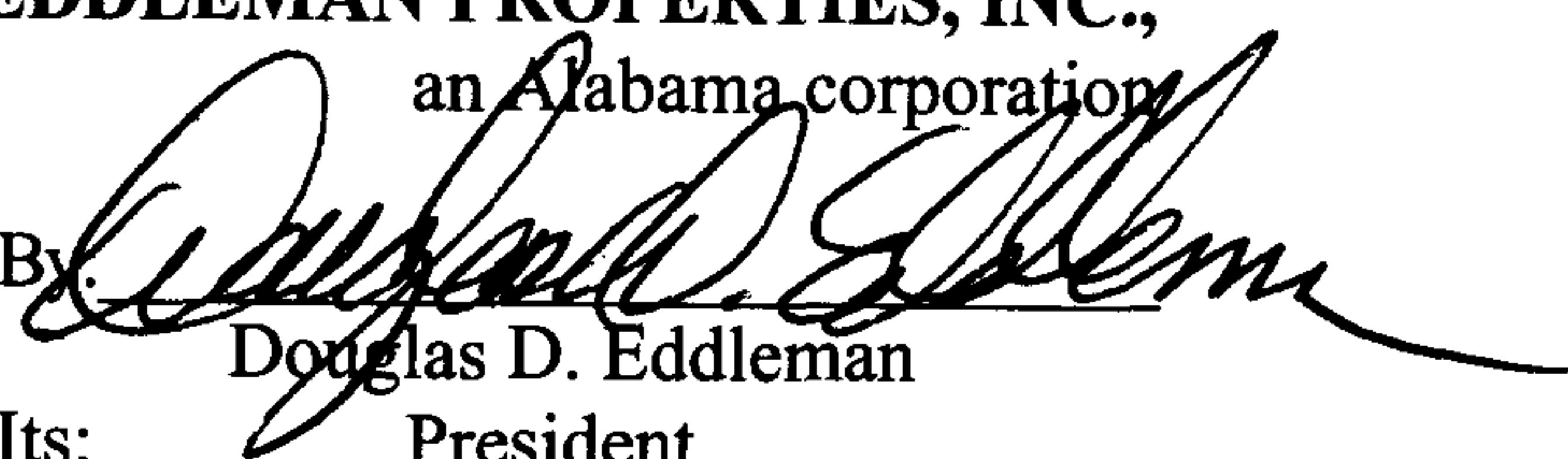
13.11 Further Assurances. Each Owner covenants and agrees to execute, sign and deliver, or cause to be executed, signed and delivered and to otherwise do or make, or cause to be done and made, any and all agreements, instruments, papers, deeds, acts or things, supplemental, conformity or otherwise, which may be reasonably requested by Developer or the Association for the purpose of or in connection with clarifying, amending or otherwise consummating any of the transactions and matters herein.

13.12 No Waiver. All rights, remedies and privileges granted to Developer and the Association pursuant to the terms and provisions of this Declaration and the Bylaws shall be deemed to be cumulative and the exercise of any one or more of such rights, remedies or privileges shall not be deemed to constitute an election of remedies nor shall it preclude the party exercising the same, or any other party, from pursuing such other and/or additional rights, remedies or privileges as may be available to such party at law or in equity. The failure at any time to enforce any covenant or restriction set forth herein shall in no event be deemed a waiver of the right thereafter to enforce such covenant or restriction.

13.13 Reservation of Rights. Notwithstanding anything provided herein to the contrary, no sale, transfer, conveyance, lease, pledge, encumbrance or other hypothecation of any Unit by Developer to a third party shall constitute or be deemed a transfer of any of the rights reserved herein or in the Articles of Incorporation or Bylaws to Developer unless express reference is made in such instrument of conveyance to the specific rights created in this Declaration and the Articles of Incorporation and Bylaws which Developer is transferring to any such third party.

IN WITNESS WHEREOF, the Developer by it duly authorized officers have hereunto set its signature and seal on the day and year first above written.

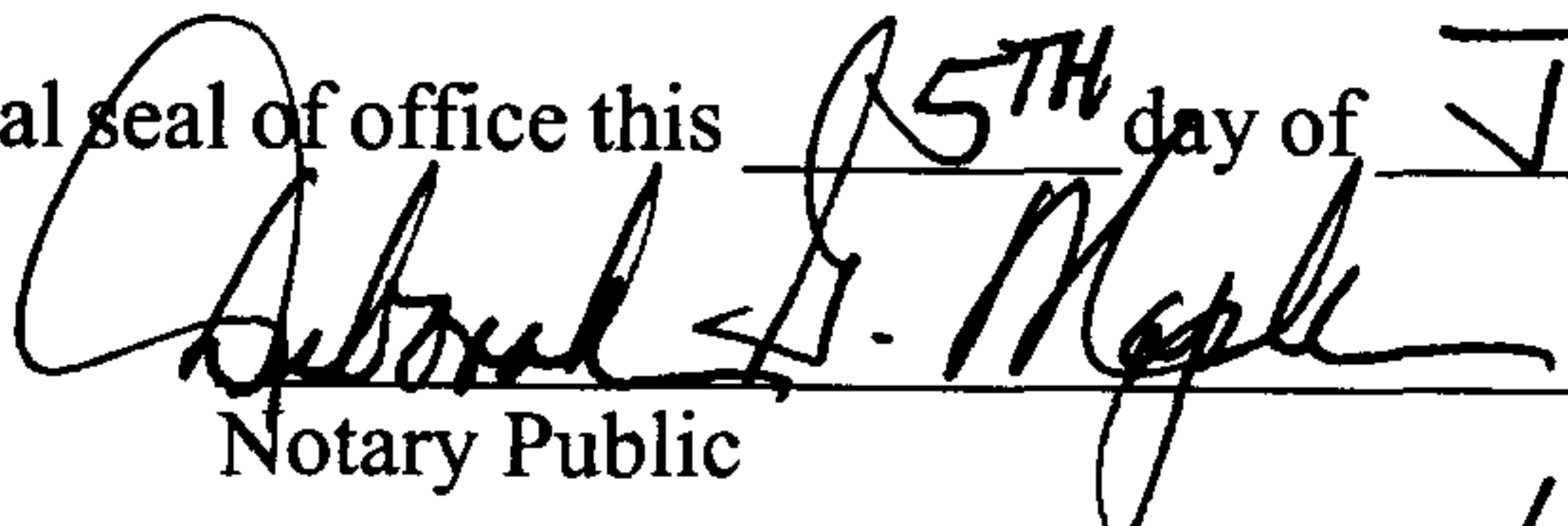
EDDLEMAN PROPERTIES, INC.,
an Alabama corporation

By: 
Douglas D. Eddleman
Its: President

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, DEBORAH G. MAPLE, 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, is signed to the foregoing Declaration of Condominium, and who is known to me, acknowledged before me on this day that, being informed of the contents of the above and foregoing Declaration of Condominium, he, as such officer and with full authority, executed the same voluntarily on the day the same hears date.

Given under my hand and official seal of office this 15TH day of JULY, 2001.


Notary Public

My commission expires: 10/16/04

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

COURTSIDE AT BROOK HIGHLAND, a condominium, according to the Plan thereof recorded in Map Book 28, Page 103 in the Office of the Judge of Probate of Shelby County, Alabama, being a resurvey of Lot 4, Brook Highland Commercial No. 3 as recorded in Map Book 23, Page 91, and a Resurvey of part of Tracts 1, 2, 3 & and 4, D.H. Lee Estates as recorded in Map Book 3, Page 115 in the Office of the Judge of Probate, Shelby County, Alabama and being situated in the SW 1/4 of Section 29 Township 18 S, Range 1 W, Shelby County, Alabama.

EXHIBIT B
BY-LAWS
OF
COURTSIDE AT BROOK HIGHLAND ASSOCIATION, INC.

ARTICLE I.

THE ASSOCIATION

Section 1. Identity. These are the By-Laws of **COURTSIDE AT BROOK HIGHLAND ASSOCIATION, INC.**, a not for profit corporation (the "Association"), which was formed under the Alabama Nonprofit Corporation Act [Code of Alabama 1975 § § 10-3A-1 et seq.] (the "Nonprofit Corporation Act") by filing the Articles of Incorporation of the Association (the "Articles") with the Office of the Judge of Probate of Shelby County, Alabama on 19 July, 2001. The Association has been organized for the purpose of providing for the operation, management, maintenance, control and administration of **COURTSIDE AT BROOK HIGHLAND**, a condominium, (the "Condominium"), pursuant to the provisions of the Alabama Uniform Condominium Act of 1991 [Code of Alabama 1975 § § 35-8A-1 et seq.] (the "Condominium Act") and the Declaration of Condominium of **COURTSIDE AT BROOK HIGHLAND, a condominium** (the "Declaration") as filed with the Office of the Judge of Probate of Shelby County, Alabama in accordance with the provisions of said Act.

Section 2. Principal Office. The principal office of the Association in the State of Alabama shall be located in the City of Birmingham, County of Jefferson, Alabama. The Association may have such other offices, either within or without the State of Alabama, as the Board of Directors may designate or as the business of the Association may require from time to time.

Section 3. Registered Office. The registered office of the Association, required by the Alabama Nonprofit Corporation Act to be maintained in the State of Alabama, may be, but need not be, identical with the principal office in the State of Alabama, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE II.

MEMBERSHIP

Section 1. Annual Meeting. The annual meeting of the Membership shall be held on the third Tuesday in the month of October in each year, beginning with the year 2002 at the hour of 6:00 P.M., or at such other time on such other day within such month as shall be fixed by the Board of Directors, for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Alabama, such meeting shall be held on the next succeeding business day. If the election of directors shall not be held on the day designated herein for any annual meeting of the Membership, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Membership as soon thereafter as conveniently may be.

Section 2. Special Meetings. Special meetings of the Membership, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President or by the Board of Directors and shall be called by the President or the Secretary at the request of holders of not less than one-fifth of all the outstanding votes of the Membership.

Section 3. Place of Meetings. The Board of Directors may designate any place, within or without the State of Alabama, as the place of meeting for any annual meeting or for any special meeting of the Membership. If no designation is made, or if a special meeting is otherwise called, the place of the meeting shall be the principal office of the Association in the State of Alabama.

Section 4. Notice of Meeting. Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, or of a meeting which is required by statute to be held

for any special purpose, or of an annual meeting at which special action is to be taken, the purpose or purposes for which the meeting is called, or the special action which is proposed to be taken, shall, unless otherwise prescribed by statute, be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the President, the Secretary, or the persons calling the meeting, to each member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the Association, with postage thereon prepaid.

Section 5. Fixing of Record Date. The Board of Directors may fix in advance a date as the record date for the purpose of determining the members entitled to notice of or to vote at any meeting of members or any adjournment thereof, or for any other proper purpose, such date in any case to be not more than fifty (50) days and, in case of a meeting of the Membership, not less than ten (10) days prior to the date on which the particular action, requiring such determination of members, is to be taken. If no record date is fixed for the determination of members entitled to notice of or to vote at a meeting of the Membership, the date on which notice of the meeting is mailed shall be the record date for such determination of members. When a determination of members entitled to vote at any meeting of the Membership has been made as provided in this section, such determination shall apply to any adjournment thereof.

Section 6. Voting Lists. The officer or agent having charge of the records of members of the Association shall make, at least ten (10) days before each meeting of the Membership, a complete list of the members entitled to vote at such meeting, or any adjournment thereof, arranged in alphabetical order, with the address of each member and the number of votes to which he is entitled, which list, for a period of ten (10) days prior to such meeting, shall be kept on file at the principal office of the Association and shall be subject to inspection by any member making written request therefor at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any member during the whole time of the meeting.

Section 7. Quorum. The presence at any meeting of the Membership of the members entitled to cast 50% of the votes in the Association, represented in person or by proxy, shall constitute a quorum. If a quorum is not present at any meeting, a majority of the members so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified. The members present or represented at a meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 8. Majority Vote. The vote of members entitled to cast a majority of the votes represented at a meeting of the Membership at which a quorum is present shall be the act of the members of the Association, unless the vote of a greater number is required by law, the Declaration, the Articles, or these By-Laws.

Section 9. Proxies. At all meetings of the Membership, a member may vote in person or by proxy executed in writing by the member or by his duly authorized attorney in fact. A proxy is void if it is not dated or purports to be revocable without notice. Such proxy shall be filed with the Secretary of the Association before or at the time of the meeting. No proxy shall be valid after ninety days from the date of its execution, unless otherwise provided in the proxy.

Section 10. Voting Rights. At any meeting of the Membership, the member who is owner of a Unit (as defined in the Declaration) shall be entitled to cast the vote of that Unit. If a Unit is owned by one person, his right to vote shall be established by record title to his Unit. If only one of the multiple Owners of a Unit is present at a meeting of the Association, he is entitled to cast all the votes allocated to that Unit. If more than one of the multiple Owners are present, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the multiple Owners. There is a majority agreement if any one of the multiple Owners casts the votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Unit. If a Unit is owned by a corporation, the person entitled to cast the votes for the Unit shall be designated by a certificate signed by the President or Vice

President and attested to by the Secretary or Assistant Secretary of the corporation and filed with the Secretary of the Association. Such certificate shall be valid until revoked or until superseded by a subsequent certificate or a change in the ownership of the Unit concerned. A certificate designating the person entitled to cast the votes of a Unit may be revoked at any time by any owner of a Unit. If such a certificate is not on file, the votes of such owner shall not be considered in determining the requirement for a quorum nor for any other purpose.

Section 11. Informal Action by Members. Any action required to be taken at a meeting of the Membership, or any other action which may be taken at a meeting of the Membership, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

ARTICLE III.

BOARD OF DIRECTORS

Section 1. General Powers. The business and affairs of the Association shall be managed by or under the direction of its Board of Directors.

Section 2. Number, Tenure and Qualifications. The number of directors of the Association shall consist of not less than three (3) nor more than five (5) directors with the exact number to be fixed from time to time by the members holding a majority of the votes of the Association. The initial Board of Directors shall consist of three (3) directors.

Section 3. Election of Directors.

(a) Election of directors shall be held at the annual meeting of the Membership. The election shall be by select ballot (unless dispensed with by unanimous consent) and by a plurality of the votes cast. The owner of each whole Unit shall be entitled to cast his votes for each of as many nominees as there are vacancies to be filled at the time of the election. There shall be no cumulative voting.

(b) Notwithstanding the provisions of subparagraph (a) above, the Developer (as defined in the Declaration), its successors and assigns, shall elect the members of the Board of Directors of the Association, and in the event of vacancies, the Developer shall fill vacancies, until such time as sixty (60) days have elapsed since 75 % of the Units have been conveyed to purchasers of Units other than Developer; provided however, that Developer's right to appoint and renew officers and members of the Board shall be subject to Section 35-8A-303(e) of the Condominium Act for the gradual transition of control of the Board from the Developer. The Developer shall be entitled to elect at least one member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business one Unit of the Units. Within sixty (60) days after the date of termination of control of the Association by the Developer, the Board of Directors shall call and give not less than ten (10) nor more than thirty (30) days notice of a special meeting of the Membership for the purpose of electing the members of the Board of Directors.

Section 4. Regular Meetings. A regular meeting of the Board of Directors shall be held without other notice than this By-Law immediately after, and at the same place as, the annual meeting of the Membership, provided, however, any such regular meeting may be held at any other time or place which shall be specified in a notice given as hereinafter provided for special meetings, or in a consent and waiver of notice thereof, signed by all Directors. The Board of Directors may provide, by resolution, the time and place within or without the State of Alabama, for the holding of additional regular meetings without other notice than such resolution.

Section 5. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two directors.

Section 6. Notice. Notice of any special meeting shall be given at least three (3) days previously thereto by written notice delivered personally or mailed to each director at this business address, or by telegram. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by telegram, such

notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 7. Quorum. A majority of the number of directors fixed by Section 2 of this Article III shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting; a majority of the directors present may adjourn the meeting from time to time without further notice.

If a quorum is present when the meeting is convened, the directors present may continue to do business, taking action by a vote of the majority of a quorum, until adjournment, notwithstanding the withdrawal of enough directors to leave less than a quorum present, or the refusal of any director present to vote.

Section 8. Manner of Acting. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 9. Action Without a Meeting. Any action that may be taken by the Board of Directors at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors.

Section 10. Vacancies. Subject to Article III, Section 3(b), any vacancy occurring in the Board of Directors and any directorship to be filled by reason of an increase in the number of directors may be filled by a majority of the remaining directors. A director elected or appointed, as the case may be, shall be elected or appointed for the unexpired term of his predecessor in office.

Section 11. Compensation. By resolution of the Board of Directors, the Directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors, and may be paid a fixed sum for attendance at each meeting of the Board of Directors or a stated salary as a Director or both. No such payment shall preclude any Directors from serving the Association in any other capacity and receiving compensation therefor.

Section 12. Committees. The Board of Directors may, by resolution or resolutions, passed by a majority of the whole Board, designate one or more committees, each of which shall consist of two or more directors and which to the extent provided in said resolution or resolutions or in the By-Laws of the Association shall have and may exercise all of the powers of the Board of Directors in the management of the activities and affairs of the Association and may have power to authorize the seal of the Association to be affixed to all papers which may require it; except that no such committee shall have the authority of the Board of Directors in reference to amending altering or repealing the By-Laws; electing, appointing or removing any member of any such committee or any director or officer of the Association; amending the Articles, restating the Articles, adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the Association; authorizing the voluntary dissolution of the Association or revoking proceedings therefor; adopting a plan for the distribution of assets of the Association; or amending, altering or repealing any action or resolution of the Board of Directors which by its terms provides that it shall not be amended, altered, or repealed by such committee. The designation of such committee or committees or the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual director of any responsibility imposed upon it or him by law.

Section 13. Resignations. Any director of the Association may resign at any time either by oral tender of resignation at any meeting of the Board or by giving written notice thereof to the Secretary of the Association. Such resignation shall take effect at the time specified therefor; and the acceptance of such resignation shall not be necessary to make it effective.

Section 14. Place of Meeting. The Board of Directors may designate any place within or without the State of Alabama as the place of meeting for any regular or special meeting of the Board of Directors.

Section 15. Presumption of Assent. A director of the Association who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

ARTICLE IV.

OFFICERS

Section 1. Number. The officers of the Association shall be a President, one or more Vice President(s), (the number thereof to be determined by the Board of Directors), a Secretary, and a Treasurer, each of whom shall be elected by the Board of Directors. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Directors. Any two or more offices may be held by the same person, except the President and Secretary. The failure of the Board of Directors to elect any officer other than a President and a Secretary shall not constitute a violation of these By-Laws.

Section 2. Election and Term of Office. The officers of the Association to be elected by the Board of Directors shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the Membership. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall have resigned or shall have been removed in the manner hereinafter provided.

Section 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed at any time, by the affirmative vote of the Board of Directors, whenever in their judgment the best interests of the Association will be served thereby. Any such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer shall not of itself create any contract rights in favor of such officer.

Section 4. Vacancies. A vacancy in any office elected or appointed by the Board of Directors because of death, resignation, removal, disqualification or otherwise may be filled by the Board of Directors, for the unexpired portion of the term.

Section 5. President. The President shall be the chief executive officer of the Association and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Association. He shall preside at all meetings of the Membership. He may sign, with the Secretary or an Assistant Secretary, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice President. In the absence of the President or in the event of his death, inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order designated at the time of their election, or in the absence of any designation, then in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 7. Secretary. The Secretary shall: (a) keep the minutes of the proceedings of the Members and of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; (c) be custodian of the corporate records and of the seal of the Association and see that the seal of the Association is affixed to all documents the execution of which on behalf of the Association under its seal is duly authorized; (d) keep a register of the mailing address of each member which shall be furnished to the Secretary by such member; (3) have general charge of the transfer books of the members of the Association; and (f) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 8. Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the Association; (b) receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article V of these By-Laws; and (c) in general perform all of the duties as from time to time may be assigned to him by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine.

Section 9. Assistant Secretaries and Assistant Treasurers. The Assistant Secretaries and Assistant Treasurers, in general, shall perform such duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the President or the Board of Directors. The Assistant Treasurers shall respectively, if required by the Board of Directors, give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine.

Section 10. Salaries. The salaries of the officers shall be fixed from time to time by the Board of Directors and no officer shall be prevented from receiving such salary by reason of the fact that he is also a Director of the Association.

ARTICLE V.

CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 4. Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors may select.

Section 5. Proxies. Unless otherwise provided by resolution of the Board of Directors, the President may from time to time appoint an attorney or agent of the Association, in the name and on behalf of the Association, to cast the votes which the Association may be entitled to cast as the holder of stock or other securities in any other corporation any of whose stock or other securities may be held by the Association, at meetings of the holders of the stock or other securities of such other corporation, or to consent in writing, in the name and on behalf of the Association, as such holder, to any action by such other corporation, and may instruct the person or persons so appointed as to the manner of casting such votes or giving such consent, and may execute or cause to be

executed, in the name and on behalf of the Association and under its corporate seal or otherwise, all such written proxies or other instruments as he may deem necessary or proper in the premises.

ARTICLE VI. BOOKS AND RECORDS

Section 1. Accounting. The Association shall keep correct and complete books and records of account and shall keep minutes of the proceedings of the members, Board of Directors and committees thereof and shall keep at its registered or principal office in Alabama a record of the names and addresses of members entitled to vote, directors and officers. The accounting records shall be maintained in accordance with generally accepted accounting principles. All books and records of the Association shall be open to inspection by the members or their authorized representatives for any proper purpose at any reasonable time. Such records shall include:

(a) Association Accounts. The receipts and expenditures of the Association shall be credited and charged to the appropriate account as set forth below.

(i) Current Expenses. All funds to be expended during the year for the maintenance of the Common Elements (as defined in the Declaration) and the operation and working capital of the Association shall be held in the Current Expense Account. Any balance in this fund at the end of each year may be used to pay Common Expenses incurred in any successive year or may be placed in the Reserve Fund Account.

(ii) Reserve Funds. All funds to be expended for replacement, acquisition and repair of capital improvements which are a part of Common Elements shall be held in the Reserve Fund Account.

(b) Member Accounts. An account for each member shall be maintained setting forth the name and address of the member, the amount of each assessment, the dates and amounts in which the assessments become due, the amounts paid upon the account and the balance due.

Section 2. Budget. Within sixty (60) days prior to the beginning of each calendar year, the Board of Directors shall adopt a proposed budget for each calendar year that shall include the estimated funds required to defray the Common Expenses and to provide and maintain funds for the foregoing accounts and reserves according to good accounting practices. Within thirty (30) days of adoption of the proposed budget, copies of the budget and proposed assessments shall be transmitted to each member of the Association and a date set for a meeting of the Unit Owners to consider ratification of the budget, not less than fourteen (14) days or more than thirty (30) days after delivery of the budget to the Unit Owners. Unless at the meeting a majority of all Unit Owners present in person or by proxy reject the budget, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected, the budget for the last year shall continue in effect until such time a new budget is ratified.

Section 3. Assessments. Assessments against the members for their shares of the items of the budget shall be made for the calendar year annually in advance on or before December 31, preceding the year for which the assessments are made. Such assessments shall be due in annual, quarterly or monthly installments, as may be determined by the Board of Directors of the Association. In the event an annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors.

Section 4. Assessments for Emergencies. Assessments for Common Expenses for emergencies that cannot be paid from the annual assessments for Common Expenses shall be made only after notice of the need for such is given to the members concerned, and it shall be due thirty (30) days after such notice in such manner as the Board of Directors of the Association may require in the notice of assessment.

Section 5. Audit or Compilation. An audit or compilation of the accounts of the Association may, at the discretion of the Board of Directors of the Association, be made annually by a certified public accountant, and a copy of the audit or compilation report shall be made available for review by each member.

Section 6. Bonds. Fidelity bonds shall be required by the Board of Directors from all persons handling or responsible for Association funds. The amount of such bonds shall be determined by the Board of Directors, but shall not be less than three times the amount of the total annual assessments against members for Common Expenses. The premiums of such bonds shall be paid by the Association.

ARTICLE VII.

WAIVER OF NOTICE

Whenever any notice is required to be given to any member or director of the Association under the provisions of these By-Laws, the Articles of Incorporation, the Declaration, the provisions of the Alabama Nonprofit Corporation Act, and any act amendatory thereof, supplementary thereto or substituted therefor, the provisions of the Condominium Ownership Act of Alabama, and any act amendatory thereof, supplemental thereto or substituted therefor, or the Alabama Constitution, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE VIII.

FISCAL YEAR

The fiscal year of the Association shall be fixed by resolution of the Board of Directors.

ARTICLE IX.

INDEMNIFICATION

Section 1. The 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 action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such 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 Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any 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 Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Section 2. The 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 action or suit by or in the right of the 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 Association, or is or was serving at the request of the Association, as a director, officer, 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 Association and except 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 negligence or misconduct in the performance of his duty to the 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 the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

To the extent that a director, officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in subsections (a) and (b), 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.

Any indemnification under Sections 1 and 2 above (unless ordered by a court) shall be made by the 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 Sections 1 and 2. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by the membership.

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this section.

The indemnification provided by this section shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by-law, 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.

ARTICLE X.

AMENDMENT

Section 1. Amendment to By-Laws. These By-Laws may be amended, altered or repealed in the following manner:

(a) By the Developer until such time as sixty (60) days have elapsed since 75 % of the Units have been conveyed to purchasers other than the Developer as provided in Article III, Section 3 of these By-Laws.

(b) By the members at any regular or special meeting upon the affirmative vote of the holders of not less than two-thirds of the outstanding votes.

Section 2. Recordation. No modification or amendment to the By-Laws shall be valid and effective until the President and Secretary of the Association shall certify as to the adoption of such amendment and shall file their certificate setting forth the text of the amendment with the Office of the Judge of Probate of Shelby County, Alabama.

ARTICLE XI.

MISCELLANEOUS

Section 1. Conflicts and Ambiguities. In the event of any conflict, ambiguity or inconsistency between the Condominium Act, Nonprofit Corporation Act, the Declaration, the Articles of Incorporation, these Bylaws or any rules and regulations adopted from time to time by the Association, then the provisions of the Condominium Act, the Nonprofit Corporation Act, the Declaration, the Articles of Incorporation, these Bylaws and any rules and regulations adopted by the Association, in that order, shall prevail and each Owner, by acceptance of a deed or other conveyance to a Unit, covenants and agrees to vote in favor of and execute any amendments as may be necessary to remove or alleviate any such conflict, ambiguity or inconsistency. In the event of

any conflict or ambiguity in the terms and provisions of these Bylaws, the general rules of construction against one party as a result of that party having drafted these Bylaws are hereby waived by each Owner and, to the fullest extent allowed by law, no conflicts or ambiguity shall be resolved in favor or to the advantage of one party as opposed to another in interpreting any ambiguity or conflict contained herein.

Section 2. Severability. If any provision of these Bylaws or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of these Bylaws or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each provision shall be valid and enforceable to the fullest extent permitted by law.

Section 3. Binding Effect. The terms and provisions of these Bylaws shall be binding upon each Owner and Mortgagee and the respective heirs, executors, administrators, personal representatives, successors and assigns of each Owner and Mortgagee, and shall inure to the benefit of Developer, the Association, all of the Owners and their respective Mortgagees and their respective heirs, executors, administrators, personal representatives, successors and assigns.

Section 4. Interpretation. In all cases, the provisions set forth and provided for in these Bylaws shall be construed together and given that interpretation or construction which, in the opinion of Developer or the Board, will best effect the intent of the general plan of development for the Property. The provisions hereof shall be liberally interpreted and, if necessary, they shall be so extended or enlarged by implication so as to make them fully effective. The provisions of these Bylaws shall be given full force and effect notwithstanding the existence of any zoning ordinance or building codes which are less restrictive. The effective date of these Bylaws shall be the date of recordation of the Declaration. These Bylaws shall be construed under and in accordance with the laws of the State of Alabama.

Section 5. No Partition. Each Owner hereby waives any right to seek or obtain judicial partition of any portion of the Property.

Section 6. Standards for Review. Whenever in these Bylaws, Developer or the Association has the right to approve, consent to, or require any action be taken pursuant to the terms hereof, such approval, consent or required action shall, except as otherwise specifically provided herein to the contrary, be given or withheld in the sole and absolute discretion of Developer or the Association, as the case may be.

Section 7. Assignment. Subject to the provisions of Section 10 below, Developer and the Association shall have the right to assign any and all of the rights, powers, reservations and duties contained herein to any person or entity who shall thereupon have the same rights, power, reservations and duties as Developer or the Association, respectively.

Section 8. Further Assurances. Each Owner covenants and agrees to execute, sign and deliver, or cause to be executed, signed and delivered and to otherwise do or make, or cause to be done and made, any and all agreements, instruments, papers, deeds, acts or things, supplemental, conformity or otherwise, which may be reasonably requested by Developer or the Association for the purpose of or in connection with clarifying, amending or otherwise consummating any of the transactions and matters herein.

Section 9. No Waiver. All rights, remedies and privileges granted to Developer and the Association pursuant to the terms and provisions of the Declaration and these Bylaws shall be deemed to be cumulative and the exercise of any one or more of such rights, remedies or privileges shall not be deemed to constitute an election of remedies nor shall it preclude the party exercising the same, or any other party, from pursuing such other and/or additional rights, remedies or privileges as may be available to such party at law or in equity. The failure at any time to enforce any covenant or restriction set forth herein shall in no event be deemed a waiver of the right thereafter to enforce such covenant or restriction.

Section 10. Reservation of Rights. Notwithstanding anything provided herein to the contrary, no sale, transfer, conveyance, lease, pledge, encumbrance or other hypothecation of any

Unit by Developer to a third party shall constitute or be deemed a transfer of any of the rights reserved herein or in the Declaration to Developer unless express reference is made in such instrument of conveyance to the specific rights created in the Declaration and these Bylaws which Developer is transferring to any such third party.

EXHIBIT D

PERCENT OWNERSHIP OF COMMON ELEMENTS
AND VOTES

UNIT #	% COMMON ELEMENT OWNERSHIP	% COMMON EXPENSE LIABILITY	# OF VOTES
1	1.3334	1.3334	1
2	1.3334	1.3334	1
3	1.3334	1.3334	1
4	1.3334	1.3334	1
5	1.3334	1.3334	1
6	1.3334	1.3334	1
7	1.3334	1.3334	1
8	1.3334	1.3334	1
9	1.3334	1.3334	1
10	1.3334	1.3334	1
11	1.3334	1.3334	1
12	1.3334	1.3334	1
13	1.3334	1.3334	1
14	1.3334	1.3334	1
15	1.3334	1.3334	1
16	1.3334	1.3334	1
17	1.3334	1.3334	1
18	1.3334	1.3334	1
19	1.3334	1.3334	1
20	1.3334	1.3334	1
21	1.3334	1.3334	1
22	1.3334	1.3334	1
23	1.3334	1.3334	1
24	1.3334	1.3334	1
25	1.3334	1.3334	1
26	1.3334	1.3334	1
27	1.3334	1.3334	1
28	1.3334	1.3334	1
29	1.3334	1.3334	1
30	1.3334	1.3334	1
31	1.3334	1.3334	1
32	1.3334	1.3334	1
33	1.3334	1.3334	1
34	1.3334	1.3334	1
35	1.3334	1.3334	1
36	1.3334	1.3334	1
37	1.3334	1.3334	1
38	1.3334	1.3334	1
39	1.3334	1.3334	1
40	1.3334	1.3334	1
41	1.3334	1.3334	1
42	1.3334	1.3334	1
43	1.3334	1.3334	1
44	1.3334	1.3334	1
45	1.3334	1.3334	1
46	1.3334	1.3334	1

47	1.3334	1.3334	1
48	1.3334	1.3334	1
49	1.3334	1.3334	1
50	1.3334	1.3334	1
51	1.3334	1.3334	1
52	1.3334	1.3334	1
53	1.3334	1.3334	1
54	1.3334	1.3334	1
55	1.3334	1.3334	1
56	1.3334	1.3334	1
57	1.3334	1.3334	1
58	1.3334	1.3334	1
59	1.3334	1.3334	1
60	1.3334	1.3334	1
61	1.3334	1.3334	1
62	1.3334	1.3334	1
63	1.3334	1.3334	1
64	1.3334	1.3334	1
65	1.3334	1.3334	1
66	1.3334	1.3334	1
67	1.3334	1.3334	1
68	1.3334	1.3334	1
69	1.3334	1.3334	1
70	1.3334	1.3334	1
71	1.3334	1.3334	1
72	1.3334	1.3334	1
73	1.3334	1.3334	1
74	1.3334	1.3334	1
75	1.3334	1.3334	1

TOTALS

100.005

100.005

75

EXHIBIT E

COURTSIDE AT BROOK HIGHLAND

2001 BUDGET

<u>ADMINISTRATIVE EXPENSES</u>	<u>MONTHLY COST</u>	<u>PER UNIT MONTHLY COST</u>
Management Fee @\$15.00/Unit/Month	\$ 1,125.00	\$ 15.00
Audit and Tax Return	42.00	.56
OPERATING EXPENSES		
Irrigation Water	201.00	2.68
Street Lights- Pole Lease and Light Charge 10 Poles	429.00	5.72
Bank Charges	23.25	.31
REPAIRS AND MAINTENANCE		
Common Elements Gardening and Landscaping	312.00	4.16
FIXED EXPENSES		
Insurance Premiums	102.00	1.36
Priviledge Tax	27.75	.37
REPLACEMENT RESERVES		
Paving Every 10 years- 5,500sy+/- @ \$4.00/sy	<u>183.75</u>	<u>2.45</u>
TOTAL MONTLY COST:	\$ 2,445.75	\$ 32.61

EXHIBIT F

EASEMENTS AND RESTRICTIONS OF RECORD

1. Building setback line as shown by plat to be recorded.
2. Easements as shown by recorded plat to be recorded.
3. Easement to Alabama Power Company as shown by instrument recorded in Real 220 page 521, Real 220 page 532 and Real 207 page 380 in Probate Office.
4. Reciprocal Easement Agreement between AmSouth Bank, N.A., as Ancillary Trustee for NCNB National Bank of North Carolina as Trustee for the Public Employees Retirement System of Ohio and Eddleman and Associates, as set out in instrument dated April 14, 1987 and recorded in Real 125 page 249 in Probate Office.
5. Brook Highland Common Property Declaration of Covenants, Conditions and Restrictions recorded in Real 307 page 950 in Probate Office.
6. Declaration of Protective Covenants for the "Watershed Property", which provides, among other things, for an Association to be formed to assess and maintain the Watershed Maintenance Areas, etc. of the development; all of said covenants, restrictions and conditions being set out in instrument recorded in Real 194 page 54 in Probate Office.
7. Drainage Agreement between AmSouth Bank, N.A., as Ancillary Trustee for NCNB National Bank of North Carolina, as Trustee of the Public Employees Retirement System of Ohio and Eddleman and Associates as set out in Real 125 page 238 dated April 14, 1987 in Probate Office.
8. Easement for sanitary sewer lines and water lines favor of The Water Works and Sewer Board of the City of Birmingham recorded in Real 194 page 1 in Probate Office.
9. Restrictive Agreement and Protective Covenants including restrictive use of property as set out in Inst. #1992-14567; Real 308 page 1; Inst. #1993-32511 and Real 220 page 339 in Probate Office.
10. Reciprocal Easement Agreement between AmSouth Bank, N.A., as Ancillary Trustee for NCNB National Bank of North Carolina as Trustee for the Public Employees Retirement System of Ohio and Betty and Doug Eddleman, as set out in instrument dated August 9, 1988 and recorded in Real 199 page 18 in Probate Office.
11. Agreement concerning Electric Service to NCNB National Bank of North Carolina as Trustee and Brook Highland dated February 5, 1988 and recorded in Real 306 page 119 in Probate Office.
12. Title to all minerals within and underlying the premises, together with all mining rights and other rights, privileges and immunities relating thereto, including rights set out in Deed Book 121 page 294 and Deed Book 28 page 581 in Probate Office. The Company insures against loss or damage to improvements located on the property which may be occasioned by the enforcement or attempted enforcement of the right to use the surface of the land in order to remove minerals without the consent of the surface owner(s).
13. Declaration of Easement & Restrictive Covenants for Lake Use dated September 14, 1992 and set out by Inst. # 1992-20483 in Probate Office.
14. Restrictive Covenants dated February 17, 1988 and set out by Real 181 page 995 in Probate Office.
15. Restrictions, limitations and conditions as set out in Map Book 23 page 91 in Probate Office.

16. Release of damages as set out in Inst. #1998-158396 in Probate Office.

17. Rights of tenant(s) in possession by any unrecorded/recorded leases.

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

COURTSIDE, being a resurvey of Lot 4, Brook Highland Commercial No. 3 as recorded in Map Book 23, Page 91, and a Resurvey of part of Tracts 1, 2, 3 & and 4, D.H. Lee Estates as recorded in Map Book 3, Page 115 in the Office of the Judge of Probate, Shelby County, Alabama and being situated in the SW 1/4 of Section 29 Township 18 S, Range 1 W, Shelby County, Alabama.