

STATE OF ALABAMA)
COUNTY OF SHELBY)

**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS
FOR
HIGHLAND LAKES, A RESIDENTIAL SUBDIVISION
28TH SECTOR**

THIS DECLARATION OF PROTECTIVE COVENANTS (hereinafter referred to as the "Declaration") is made as of this 8th day of November, 2004 by **HIGHLAND LAKES DEVELOPMENT, LTD.**, an Alabama limited partnership (hereinafter referred to as the "Developer"), and **HIGHLAND LAKES RESIDENTIAL ASSOCIATION, INC.**, an Alabama nonprofit corporation (hereinafter referred to as the "Association"), which declares that the real property hereinafter described and defined as Highland Lakes 28th Sector is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth (sometimes hereinafter referred to as the "Protective Covenants").

WHEREAS, the Developer is presently the owner of all of the real property described in the Plat of Highland Lakes 28th Sector, as recorded in the Office of the Judge of Probate of Shelby County, Alabama, in Map Book 34, Page 30 (the "Property"); and

WHEREAS, the Developer desires to establish and enforce uniform standards of development quality and to provide for the effective preservation of the appearance and value of the Property, which benefit all owners of property therein and, to this end, desires to subject said real property, together with such additions thereto as may hereafter be made, to the Protective Covenants, all of which are for the benefit of the said Property and each owner thereof; and

WHEREAS, the Developer has acquired by fee simple, easement or lease, certain other property located adjacent to or near the Property ("Common Areas") which the Developer intends to be for the use and benefit of the owners of the Property and the Developer has created a nonprofit corporation (herein referred to as the "Association") under the Declaration of Easements and Master Protective Covenants for Highland Lakes recorded as Instrument Number 1994-07111 in the Probate Office of Shelby County, Alabama, as amended by the documents recorded as Instrument Number 1996-17543 and Instrument Number 1999-31095 in said office (the "Master Covenants") for the purpose of maintaining the Common Areas and Lakes, regulating the use thereof and levying assessments for the maintenance, preservation and regulation of the Common Areas;

NOW, THEREFORE, the Developer declares that the real property described in Section 2.1 hereof, and such additions thereto as may hereafter be made pursuant to Section 2.2 hereof, is and shall be held, transferred, sold, conveyed and occupied subject to the Protective Covenants and the Master Covenants, all of which shall be construed as and deemed to be covenants running with the land and shall be binding on and inure to the benefit of all parties having a right, title or interest in the said real property, as well as their heirs, successors and assigns.

**ARTICLE I
DEFINITIONS**

As used throughout this Declaration, the following terms shall have the meanings set forth below, which meanings shall be applicable to both the singular and plural forms and tenses of such terms:

1.1 **ARC.** The term or letters "ARC" shall mean the architectural review committee appointed pursuant to Section 5.2 hereof with the rights and obligations conferred upon such architectural review committee pursuant to this Declaration.

1.2 **Architectural Standards.** The term "Architectural Standards" shall mean the standards prepared, issued and amended from time to time by the ARC pursuant to Section 5.5 below for the purpose of reviewing and

approving all exterior improvements, landscaping and any other Improvements which may be made to any Lot or Dwelling.

1.3 **Assessment.** The term "Assessment" shall mean the assessments described in Article VII hereof.

1.4 **Association.** The term "Association" shall mean Highland Lakes Residential Association, Inc., an Alabama nonprofit corporation created under the Master Covenants (herein defined).

1.5 **Certificate of Compliance.** The term "Certificate of Compliance" shall mean and refer to the certificate issued by the Association pursuant to Section 5.15 hereof as prima facie evidence that a Dwelling or other Improvements are in compliance with this Declaration.

1.6 **Common Areas.** The term "Common Areas" shall mean and refer to the Common Areas defined in Section 1.7 of the Master Covenants as the same may be amended from time to time hereafter.

1.7 **Declaration.** The term "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions for Highland Lakes, a Residential Subdivision, 28th Sector, and all amendments thereto.

1.8 **Developer.** The term "Developer" shall mean Highland Lakes Development, Ltd., an Alabama limited partnership, its successors and assigns, if such successors or assigns acquire any portion of the Property and/or the Development and are designated as successor developer by Developer.

1.9 **Development.** The term "Development," with an initial capital letter, shall mean and refer to the Property and all Improvements thereon and any property which has been, or may in the future be, submitted to the provisions of the Master Covenants.

1.10 **Dwelling.** The term "Dwelling," with an initial capital letter, shall mean and refer to any improved Lot intended for use as single-family detached residential housing units.

1.11 **Governmental Authority.** The term "Governmental Authority" shall mean any and all city, county, state and federal governmental or quasi-governmental agencies, bureaus, departments, divisions or regulatory authorities having jurisdiction over any portion of the Development.

1.12 **Improvement.** The term "Improvement," with an initial capital letter shall mean and refer to all Dwellings, any building, structure or device constructed, erected or placed upon any Lot, Common Area which in any way affects the exterior appearance of any Lot, Dwelling or Common Area. Improvements shall include, by way of illustration and not limitation, buildings, sheds, foundations, covered patios, underground utilities, roads, driveways, walkways, paving, curbing, parking areas, trees, shrubbery, landscaping, fences, screening, walls, piers, signs and any other artificial or man-made changes or alterations to the natural condition of any Lot or Dwelling. "Improvements" shall also mean any grading, any excavation or fill, the volume of which exceeds eight (8) cubic yards.

1.13 **Institutional Mortgagee.** The term "Institutional Mortgagee" shall mean and refer to any federal or state chartered bank, trust company, life insurance company, federal or state savings and loan association, real estate investment trust or other recognized lending institution which normally and customarily engages in the business of making Mortgage loans and shall include any institutional or governmental purchaser of mortgage loans in the secondary market, such as Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, which holds a first Mortgage on any Lot or Dwelling which has been duly and property recorded in the Probate Office of Shelby County, Alabama.

1.14 **Lake Lot or Lake Dwelling.** The term "Lake Lot" or "Lake Dwelling" shall mean and refer to each Lot or Dwelling within the Development that abuts or lies contiguous to a Lake, as determined by the Developer. Developer has determined that the Lake Lots in the Property are Lots numbered 2826 through and including 2835 as reflected on the Record Map for the Property.

**STATE OF ALABAMA)
COUNTY OF SHELBY)**

I, the undersigned, a notary public in and for said County in said State, hereby certify that Douglas D. Eddleman, whose name as President of EDDLEMAN PROPERTIES, INC., an Alabama corporation, which serves as general partner of HIGHLAND LAKES DEVELOPMENT, LTD., an Alabama limited partnership, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer with full authority, executed the same voluntarily for and as the act of said corporation in its capacity as general partner.

Given under my hand and official seal, this the 8th day of November 2004.

Donna O. Rainey
Notary Public

**NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: Dec 1, 2006
BONDED THRU NOTARY PUBLIC UNDERWRITERS**

STATE OF ALABAMA)
COUNTY OF SHELBY)

I, the undersigned, a notary public, in and for said County in said State, hereby certify that Douglas D. Edloma, whose name as President of HIGHLAND LAKES RESIDENTIAL ASSOCIATION, INC., an Alabama corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal, this the 8th day of November, 2004.

Donna O. Rainey
Notary Public

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

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: Dec 1, 2006
BONDED THRU NOTARY PUBLIC UNDERWRITERS