

This instrument was prepared by:

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STATE OF ALABAMA)
COUNTY OF SHELBY)

**SUPPLEMENTARY DECLARATION AND AMENDMENT TO
THE DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR HIGHLAND LAKES,
A RESIDENTIAL SUBDIVISION,
WITH RESPECT TO
22ND SECTOR, PHASE II**

KNOW ALL MEN BY THESE PRESENTS THAT,

WHEREAS, Highland Lakes Development, Ltd. ("Developer") and Highland Lakes Residential Association, Inc. (the "Association") previously filed a Declaration of Covenants, Conditions and Restrictions in the Probate Office of Shelby County, Alabama, recorded on August 23, 2004, as Instrument Number 20040823000471390 (the "Original Declaration") with respect to certain real property situated in Shelby County, Alabama, which is part of a residential subdivision known as Highland Lakes, A Residential Subdivision (the "Development"), and which is more particularly described in the Plat of the 22nd Sector of Highland Lakes, Phase I, as recorded in Map Book 33, at page 79A and 79B in said office, all being recorded in the Probate Office of Shelby County, Alabama;

WHEREAS, Developer owns certain additional real property (the "Subject Property") situated in Shelby County, Alabama, which is proposed to be developed as part of the Development, and which is more particularly described in the Plat of Highland Lakes, 22nd Sector, Phase II, as recorded in Map Book 36 at pages 94A, 94B and 94C in the Probate Office of Shelby County, Alabama;

WHEREAS, Developer has created the Association pursuant to 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 and in said office (the "Master Covenants"), for the purpose of maintaining certain lakes (the "Lakes") and other property located adjacent to or near the Subject Property (the "Common Areas") which the Developer intends to be for the non-exclusive use and benefit of the owners of the Subject Property as part of the Development, regulating the use of the Lakes and Common Areas, and levying assessments for the maintenance, preservation and regulation of the Common Areas and the Lakes;

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

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

ARTICLE I

The Declarants hereby reaffirm and restate the terms and provisions of the Original Declaration and the Master Covenants in their entirety without any change whatsoever, except as follows:

1. The legal description of the property subject to the Original Declaration and the Master Covenants is hereby amended to include the Subject Property.
2. It is the intention of the Developer to submit the Subject Property to the Master Covenants pursuant to Section 2.2(a) of the Master Covenants and to the Original Declaration pursuant to Section 2.2 of the Original Declaration so that the Subject Property will be part of the Development (as defined in the Original Declaration) and the members of the ARC (as defined in the Original Declaration) will be members of the Association. The Subject Property shall be subject in all respects to the Master Covenants and the Original Declaration.

ARTICLE II

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

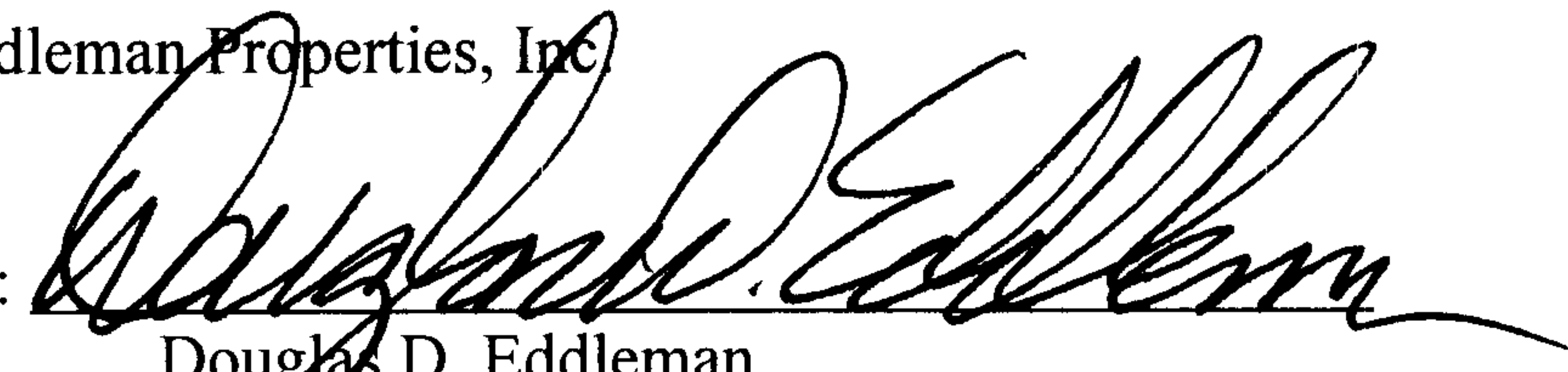
ARTICLE III

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

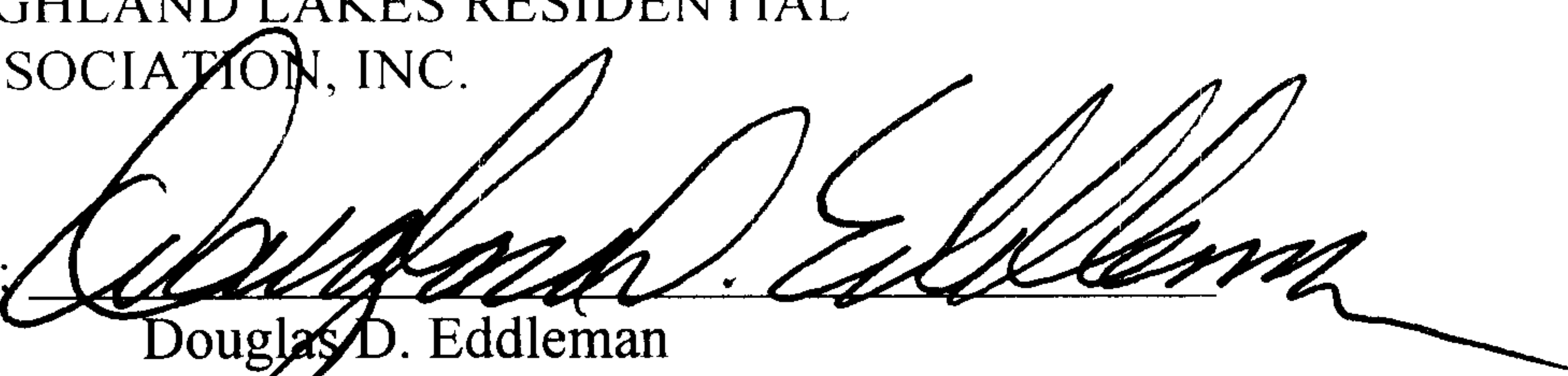
IN WITNESS WHEREOF, the undersigned have caused this Declaration to be executed as of the 22nd day of May, 2006.

DECLARANTS:

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

By: 
Douglas D. Eddleman
President

HIGHLAND LAKES RESIDENTIAL
ASSOCIATION, INC.

By: 
Douglas D. Eddleman
President

STATE OF Alabama)
Jefferson COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Douglas D. Eddleman, whose name as President of Eddleman Properties, Inc., a corporation, as General Partner for Highland Lakes Development, Ltd., a limited partnership, is signed to the foregoing Supplementary Declaration, and who is known to me, acknowledged before me on this day that, being informed of the contents of the above and foregoing Supplementary Declaration, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation acting in its capacity as General Partner as aforesaid.

Given under my hand and official seal of office this 22nd day of May, 2006.

Donna O. Rainey
Notary Public
My Commission Expires: _____

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: Dec 1, 2006
BONDED THIRTY NOTARY PUBLIC (THIRTYTHREE)

STATE OF Alabama)
Jefferson COUNTY)

I, the undersigned, a Notary Public in and for said County in said State hereby certify that Douglas D. Eddleman, whose name as President of Highland Lakes Residential Association, Inc., an Alabama nonprofit corporation, is signed to the foregoing Supplementary Declaration, and who is known to me, acknowledged before me on this day that, being informed of the contents of the Supplementary Declaration, he as such officer, and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal of office this 22nd day of May, 2006.

Donna O. Rainey
Notary Public
My Commission Expires: _____

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: Dec 1, 2006
BONDED THIRTY NOTARY PUBLIC (THIRTYTHREE)

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