

STATE OF ALABAMA     )

COUNTY OF SHELBY     )

**ACKNOWLEDGMENT OF TURNOVER**

**THIS ACKNOWLEDGMENT OF TURNOVER** (this "**Acknowledgment**") is made and entered into as of the 26th day of February, 2019 (the "**Effective Date**") by and between FIRST US BANK, an Alabama bank ("**Declarant**"), and CHELSEA VILLAGE OWNERS' ASSOCIATION, INC., an Alabama nonprofit corporation (the "**Association**").

**RECITALS**

Declarant is the "Declarant" under the Declaration of Covenants, Conditions and Restrictions for Chelsea Village, a commercial development, filed on March 27, 2017, and recorded as Instrument No. 20170327000101370 in the Office of the Judge of Probate of Shelby County, Alabama (the "**Probate Office**") (the "**Declaration**"). *Capitalized terms not otherwise expressly defined herein shall have the same meanings given to them in the Declaration.*

Pursuant to the Statutory Warranty Deed dated September 25, 2017, and recorded as Instrument No. 2017003000359310, on October 3, 2017, in the Probate Office (the "**Common Areas Deed**"), and subject to the terms set forth therein, Declarant has conveyed all of its right, title and interest in and to all Common Areas to the Association.

Declarant desires to acknowledge that it is relinquishing its exclusive right to appoint and remove members of the Board of Directors of the Association and all officers of the Association, its exclusive right previously reserved by Declarant to exercise all voting rights under the Declaration and under the Articles of Incorporation and the Bylaws of the Association, and certain other rights heretofore reserved unto Declarant under the Declaration.

**NOW, THEREFORE**, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Declarant and the Association do hereby agree as follows:

1.     **Relinquishment of Control and Certain Other Rights.**

(a)     On and as of the Effective Date, Declarant does hereby relinquish and release all rights reserved by Declarant to appoint and remove the members of the Board of Directors of the Association as established in Sections 2.01, 3.02 and 3.03 of the Bylaws of the Association. From and after the Effective Date, the members of the Board of Directors of the Association shall be elected (and shall be subject to removal) by the Owners pursuant to the terms and provisions of Sections 3.02 and 3.03 of the Bylaws, subject to the provisions of Section 3.10 of the Bylaws with respect to the filling of vacancies on the Board.

(b)     On and as of the Effective Date, Declarant does further relinquish and release all rights reserved by Declarant to exercise all voting rights reserved to Declarant for so long as Declarant owns any Lot as established in Section 2.01 of the Bylaws. From and after the

Effective Date, each Owner (including Declarant, to the extent Declarant is the Owner of any Lot) shall have the right to exercise all voting rights of the Owners as set forth in the Bylaws.

2. **Assignment of Certain Rights to Association.** In addition to the foregoing, on and as of the Effective Date, Declarant does hereby assign to the Association, all of its rights under the Declaration.

3. **No Implied Waiver; Reservation of Remaining Rights and Powers.** Nothing contained in this Acknowledgment shall be deemed to constitute a waiver or release of any rights or powers of Declarant under the Declaration except as expressly set forth herein. In furtherance, and not in limitation, of the foregoing, except as expressly set forth in Sections 1 and 2 of this Acknowledgment, Declarant does hereby expressly reserve and retain, for itself and its successors and assigns, all other rights, easements and benefits set forth in the Declaration and Bylaws which rights shall continue in full force and effect and may be exercised from time to time and at any time by Declarant, until such time as Declarant no longer owns any Lot in the Property.

4. **Acknowledgments by Association.**

(a) The Association acknowledges and agrees that (i) Declarant has relinquished and released the rights described in Sections 1 and 2 above, (ii) Declarant shall no longer have any right to appoint or remove members of the Board of Directors of the Association or any of the officers of the Association or to otherwise exercise the exclusive voting rights heretofore reserved into Declarant in the Bylaws (except to the extent Declarant constitutes an Owner of any Lot at any time after the date hereof), and (iii) Declarant has no further obligation to fund or pay to or for the benefit of the Association or the Property any further amounts or sums of any nature other than Assessments imposed in accordance with the Declaration which may be due and owing by Declarant after the Effective Date as a result of Declarant's ownership of any Lot.

(b) In addition to the foregoing, in consideration of (i) the Declarant's agreements contained herein and (ii) the conveyance of the Common Areas to the Association pursuant to the Common Areas Deed, the Association does hereby accept and assume all of the rights and obligations assigned to it pursuant to Section 2 of this Acknowledgment and does hereby further covenant and agree that, from and after the Effective Date, the Association shall, at its sole cost and expense, fully and completely perform all of the obligations of the Declarant and the Association under the Declaration with respect to the Property and under any and all statutes, code provisions, rules, regulations or requirements of law applicable to the Property (collectively, "**Applicable Laws**"), including, without limitation, all obligations of the Association to maintain the Common Areas in good condition and repair as and to the extent required by the Declaration and Applicable Laws. The Association, by its execution of this Acknowledgment, does hereby indemnify, defend and agree to hold Declarant harmless from and against any and all actions, causes of action, liabilities, losses, claims, demands, costs and expenses, including reasonable attorneys' fees, suffered, paid or incurred by Declarant as a result of the breach by the Association of its covenants contained in this Section 4(b).

5. **Turnover Date.** The Turnover Date referenced in the Bylaws shall be the same as the Effective Date.

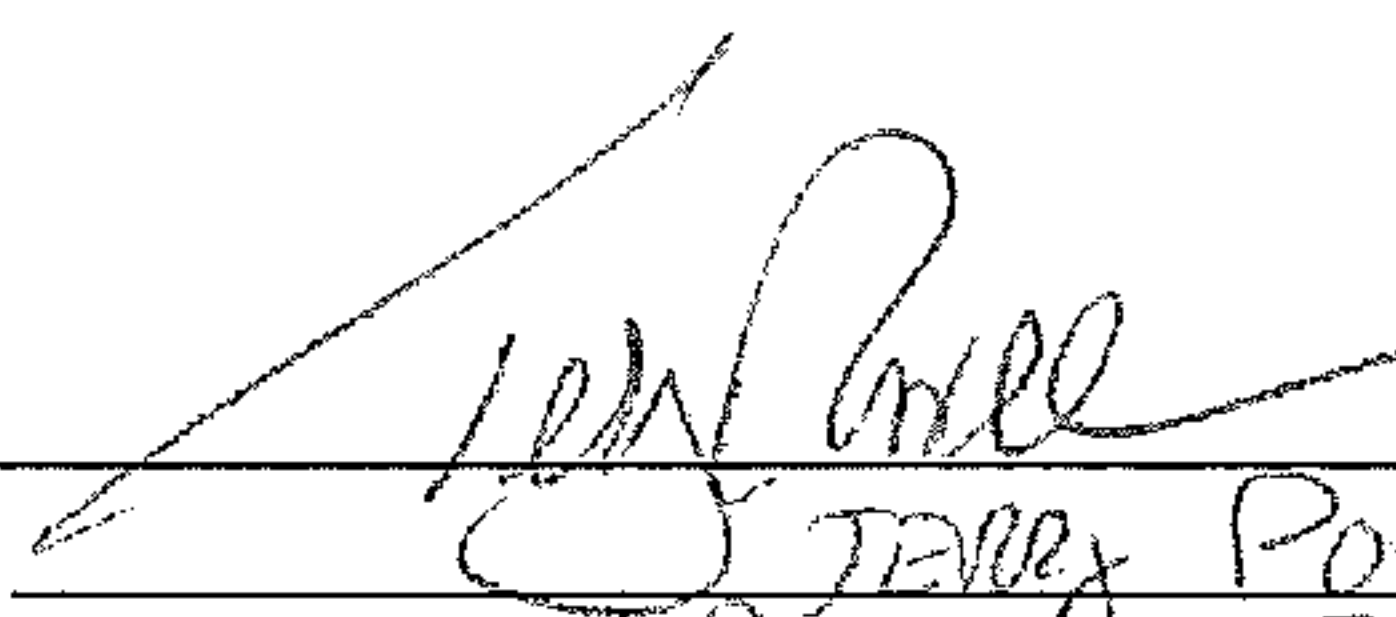
6. **Amendment.** This Acknowledgment may not be modified or amended except by a written instrument executed by both Declarant and the Association.

**IN WITNESS WHEREOF**, the parties hereto have executed this Acknowledgment as of the day and year first above written.

**FIRST US BANK,**  
an Alabama bank

  
By: Parrish Argo  
Its: Vice President

**CHELSEA VILLAGE OWNERS'**  
**ASSOCIATION, INC.,**  
an Alabama nonprofit corporation

  
By: Terry Ponder  
Its: President

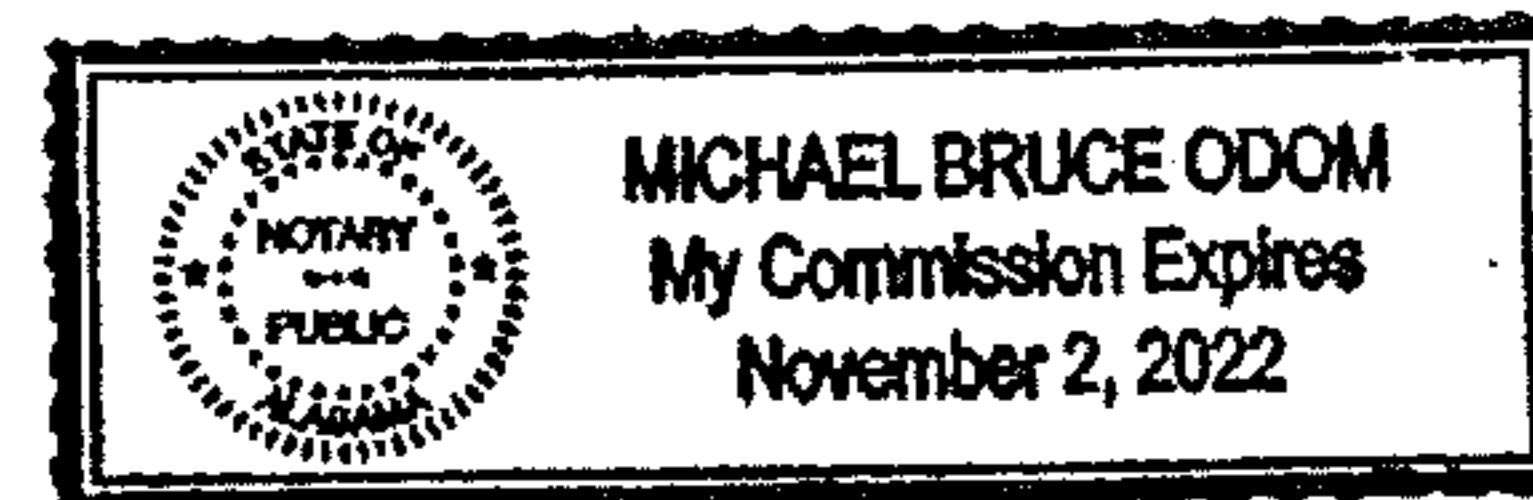
STATE OF ALABAMA )

SHELBY COUNTY )

I, the undersigned, a Notary Public in and for said county, in said state, hereby certify that Parrish Argo, whose name as Vice President of First US Bank, an Alabama bank, 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 manager and with full authority, executed the same voluntarily for and as the act of First US Bank.

Given under my hand and official seal this the 26<sup>th</sup> day of February, 2019.

M. Bruce Odom  
NOTARY PUBLIC  
My Commission Expires: 11-2-22



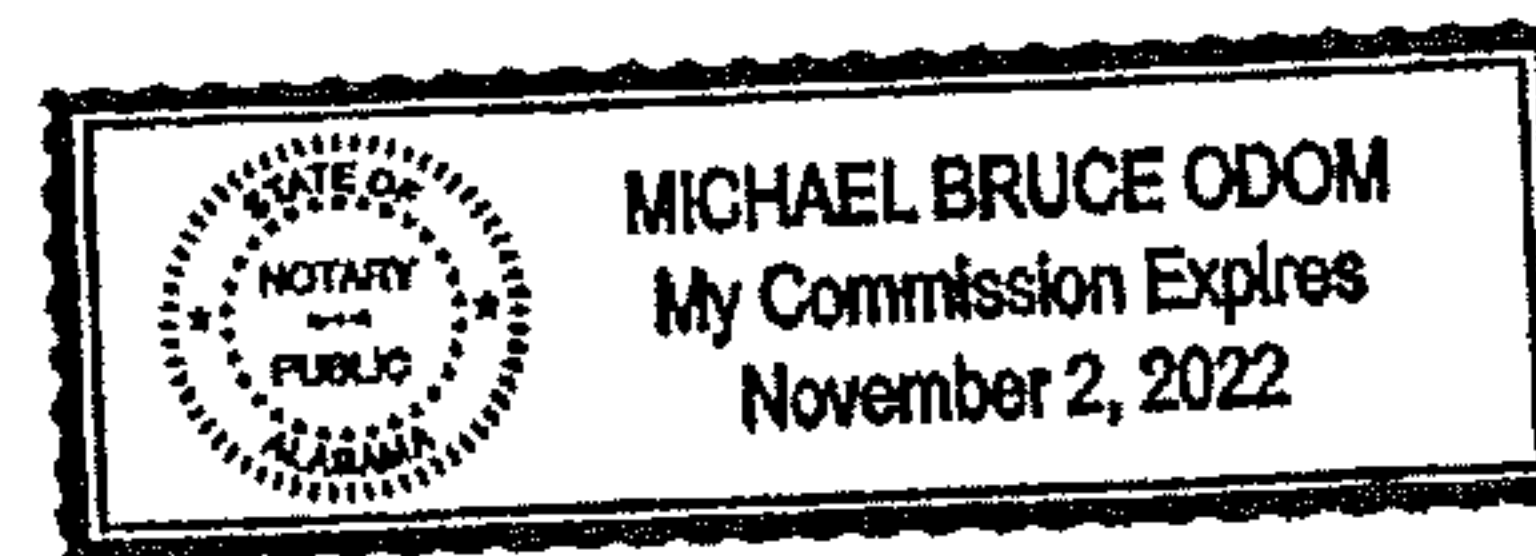
STATE OF ALABAMA )

SHELBY COUNTY )

I, the undersigned, a Notary Public in and for said county, in said state, hereby certify that Terry Ponder, whose name as President of Chelsea Village Property Owners' Association, Inc., an Alabama nonprofit 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 and with full authority, executed the same voluntarily for and as the act of such corporation.

Given under my hand and official seal this the 26<sup>th</sup> day of February, 2019.

M. Bruce Odom  
NOTARY PUBLIC  
My Commission Expires: 11-2-22



This instrument prepared by and upon recording should be returned to:

Michael B. Odom  
McGlinchey Stafford PLLC  
505 20<sup>th</sup> Street North, Suite 800  
Birmingham, Alabama 35203

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Filed and Recorded  
Official Public Records  
Judge of Probate, Shelby County Alabama, County  
Clerk  
Shelby County, AL  
02/27/2019 02:15:06 PM  
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Allen S. Bayl