

STATE OF ALABAMA)

054412

MADISON COUNTY)

ARTICLES OF INCORPORATION

OF

COBBLESTONE CONDOMINIUM ASSOCIATION, INC.STATE OF ALA. MADISON CO.
I CERTIFY THIS INSTRUMENT
WAS FILED ON

SEP 14 2 35 PM '84

RECORDED & MTG TAX
& S. PD. ON THIS INSTRUMENT.
Frank J. Smith

We, the undersigned natural persons acting as Incorporators of a corporation under the Alabama Non-Profit Corporation Act (Section 10-31-1, 1975 Code of Alabama), and the Condominium Ownership Act (Section 35-8-1, 1975 Code of Alabama), adopt the following Articles of Incorporation for such corporation.

INAME

The name of the corporation shall be "COBBLESTONE CONDOMINIUM ASSOCIATION, INC."

IIPERIOD OF DURATION

The period of its duration is perpetual unless and until hereafter lawfully dissolved.

IIIPURPOSE AND POWERS

This association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for the maintenance, preservation and architectural control of the units and the common areas and facilities within that certain condominium known as COBBLESTONE CONDOMINIUMS, and to promote the health, safety and welfare of the residents within said condominium, and for these purposes to:

1. Exercise all of the powers and privileges and perform all of the duties and obligations of an association of unit owners as provided in the Condominium Ownership Act of Alabama, and as set forth in that certain Declaration applicable to the property and recorded or to be recorded in the Office of the Judge of Probate of Madison County, Alabama and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if herein set forth at large and at length.

THIS INSTRUMENT
WAS PREPARED BY:
RALD B. WEIR, JR.
ATTORNEY AT LAW
EUSTIS AVE. S. E.
MONTGOMERY, ALA.
35801
205/833-7111

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2. Fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; pay all expenses in connection therewith and all office or other expenses incident to the conduct of the business of the association.

3. Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use, or otherwise dispose of real or personal property in connection with the affairs of the association.

4. Borrow money and, with the assent of a majority of the votes entitled to be cast at a meeting of the association, mortgage, pledge or hypothecate any and all of its real and personal property as security for money borrowed or debts incurred.

5. Maintain the above mentioned condominium, and all improvements located thereon, make payments of taxes, insurance, repairs, and any other expenses necessary to the maintenance of said property as a condominium, and pay operating expenses of every kind and character whatsoever, and any other expenses necessary therefor, or beautify and make other desirable improvements from time to time as this corporation shall deem best.

6. Transact all business being not for profit consistent with the purposes for which the corporation is organized, and the proceeds of all operations of the corporation to remain with the corporation, to be used in the payment of all indebtedness that may be incurred by the corporation and for such other purposes as may be lawful.

7. Exercise all of the authorities and powers given and granted to an association of apartment owners under and pursuant to the provisions of the Condominium Ownership Act of Alabama, which a corporation organized under the Non-Profit Corporation Law of the State of Alabama by law may now or hereafter have or exercise.

IV

MEMBERSHIP

This corporation shall issue no shares of stock of any kind or nature whatsoever. Every person or entity who is a record owner of a fee or undivided fee interest in any apartment unit in Cobblestone Condominiums, shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any apartment unit which is subject to assessment

by the Association. The members shall enjoy such qualification, rights and voting rights as may be fixed in the Declaration of Cobblestone Condominiums, and in the By-Laws of the corporation.

V

REGISTERED AGENT

The address of the initial registered office of the corporation is 206 Eustis Avenue, SE, Huntsville, Alabama 35801, and the name of its initial registered agent as such address is Ann J. Bentley.

VI

BOARD OF DIRECTORS

The number of Directors constituting the Initial Board of Directors of the corporation is three (3), and the names and addresses of the persons who are to serve as the Initial Directors are:

W. John Hathaway	4900 Cotton Row Huntsville, Alabama 35805
Sue-Ellen I. Hathaway	4900 Cotton Row Huntsville, Alabama 35805
Ann J. Bentley	206 Eustis Avenue, SE Huntsville, Alabama 35801

VII

INCORPORATORS

The name and address of each Initial Incorporator of the corporation is as follows:

W. John Hathaway	4900 Cotton Row Huntsville, Alabama 35805
Sue-Ellen I. Hathaway	4900 Cotton Row Huntsville, Alabama 35805
Ann J. Bentley	206 Eustis Avenue, SE Huntsville, Alabama 35801

VIII

INDEMNIFICATION

The Association shall indemnify every officer and director against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any officer or director in connection with any action, suit or other proceeding (including settlement of any suit or proceeding if approved by the

then Board of Directors) to which he may be made a party by reason of being or having been an officer or director at the time such expenses are incurred. The officers and directors shall not be liable for any mistake of judgment, negligence, or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officer or directors may also be members of the Association) and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. The Association shall as a common expense maintain adequate general liability and officers' and directors' liability insurance to fund this obligation.

IX

AMENDMENTS

Amendments of these Articles shall require the assent of two-thirds (2/3rds) of the members entitled to vote.

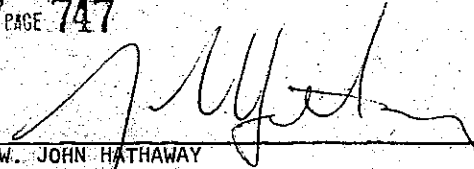
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DISSOLUTION

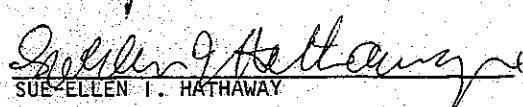
The corporation is not organized for pecuniary profit and no part of its net earnings shall inure to the benefit of any member, Director, or individual. The corporation shall be dissolved upon the termination of the condominium in the manner provided in the Condominium Ownership Act of Alabama, and in the manner provided by the Law of Alabama. Upon dissolution of the corporation the assets of the corporation, if any, and of all money received by the corporation from its operations, after the payment in full of all debts and obligations of the corporation of whatsoever kind and nature, shall be used and distributed solely and exclusively in the manner provided by the Condominium Ownership Act of Alabama.

IN WITNESS WHEREOF, the subscribers hereto have hereunto set their hands and seals, this the 14th day of September, 1984.

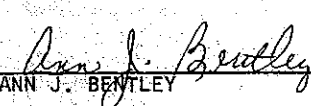
THIS INSTRUMENT
 WAS PREPARED BY:
 DONALD B. WEIR, JR.
 ATTORNEY AT LAW
 EUSTIS AVE. S. E.
 MOUNTAIN VIEW, ALA.
 35801
 205/533-7111



W. JOHN HATHAWAY (SEAL)



SUE-ELLEN I. HATHAWAY (SEAL)



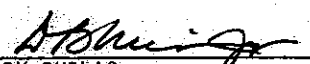
ANN J. BENTLEY (SEAL)

STATE OF ALABAMA

COUNTY OF MADISON

Before me, the undersigned authority, a Notary Public in and for said County and State, personally appeared W. John Hathaway, Sue-Ellen I. Hathaway, and Ann J. Bentley, who are known to me and who, being by me first duly sworn, deposes and says that they are the Initial Incorporators of Cobblestone Condominium Association, Inc.; that they are authorized to make this verification on behalf of the Initial Subscribers of the Corporation, and that the facts contained in the above and foregoing declaration are true and correct.

GIVEN under my hand, this the 14th day of September, 1984.



NOTARY PUBLIC
My Commission Expires: 7/8/87

STATE OF ALABAMA MADISON COUNTY PROBATE OFFICE

I hereby certify that the foregoing instrument was filed for record in this office on 9-14-84 at 2:35 o'clock P. M. and duly recorded. Debt Tax _____ Mortgage Tax _____ FRANK H. RIDDICK, Judge of Probate.

COBBLESTONE CONDOMINIUMS

STATE OF ALA. MADISON CO.
I CERTIFY THIS INSTRUMENT
WAS FILED ON

SEP 14 2 36 PM '84

INDEX

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Frank H. Smith

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THIS INSTRUMENT
IS PREPARED BY:
D. ALD B. WEIR, JR.
ATTORNEY AT LAW
EUSTIS AVE. S. E.
MONTGOMERY, ALA.
35801
205/533-7111

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DECLARATION OF CONDOMINIUM
OF
COBBLESTONE CONDOMINIUMS

THIS DECLARATION MADE this 14th day of September, 1984, by COTTON ROW DEVELOPMENT CORPORATION, an Alabama Corporation, herein called "Developer", for itself, its successors, grantees and assigns.

WHEREAS, COTTON ROW DEVELOPMENT CORPORATION is the fee simple owner of those certain parcels of land situated in the County of Madison, State of Alabama, hereinafter more particularly described, and intends to improve said lands in the manner hereinafter described; and,

WHEREAS, Developer proposes to establish a condominium which shall be known as "COBBLESTONE CONDOMINIUMS"; and,

WHEREAS, COBBLESTONE CONDOMINIUMS will consist of 198 units together with the access, parking and common facilities hereinafter described; and,

WHEREAS, the condominium will be created by the recording of this Declaration which may be amended by Developer without requiring the approval or consent of any of the unit owners.

NOW, THEREFORE, COTTON ROW DEVELOPMENT CORPORATION hereby makes the following declaration as to the division to which the said real estate and improvements thereon may be put, hereby specifying that said Declaration shall constitute covenants to run with the land and shall be binding upon Developer, its successors and assigns, and all subsequent owners of all or any part of said real estate and improvements, together with their grantees, successors, heirs, executors, administrators, devisees or assigns.

1. PURPOSE. The purpose of this Declaration is to submit the real estate hereinafter described and the improvements to be constructed thereon to the condominium form of ownership and use in the manner provided by the "Condominium Ownership Act", Section 35-8-1, et seq., Code of Alabama, 1975, as amended.

2. NAME. The name by which this condominium is to be known and identified is COBBLESTONE CONDOMINIUMS.

3. THE LAND. The lands owned by Developer which are herewith submitted to the condominium form of ownership are the following described lands situated, lying and being in the County of Madison, State of Alabama, to-wit:

All that part of the Southeast Quarter of Section 29, Township 3 South, Range 1 West of the Huntsville Meridian, Madison County, Alabama, more particularly described as: commencing at a point on the West margin of Sparkman Drive right-of-way located South 86 degrees 05 minutes West, 840.72 feet; North 01 degrees 52 minutes West, 864.00 feet; South 86 degrees 05 minutes 13 seconds West, 20.00 feet and North 01 degrees 52 minutes West, 682.70 feet from the Southeast corner of said Section 29; thence from the point of beginning South 88 degrees 08 minutes West, a distance of 178.47 feet to a point; thence South 01 degrees 52 minutes East, a distance of 358.87 feet to a point on the North boundary of Cotton Row Estates as recorded in Plat Book 12, page 68 in the Office of the Judge of Probate, Madison County, Alabama; said point is further described as being the Northeast corner of Lot 8, Block 2 of said Cotton Row Estates; thence South 86 degrees 05 minutes 13 seconds West along the North boundary of said Cotton Row Estates, a distance of 295.42 feet to a point; thence North 01 degrees 33 minutes 38 seconds West, a distance 247.27 feet to a point; thence South 78 degrees 08 minutes West, a distance of 51.39 feet to a point of curvature of a curve to the right having a radius of 240.50 feet; thence along said curve having an arc distance of 118.58 feet (chord bearing and distance North 87 degrees 44 minutes 30 seconds West, 117.38 feet) to a point; thence North 73 degrees 37 minutes West, a distance of 50.00 feet to a point of curvature of a curve to the left having a radius of 107.91 feet; thence along said curve having an arc distance of 96.50 feet (chord bearing and distance South 80 degrees 45 minutes 50 seconds West, 93.32 feet) to a point; thence South 55 degrees 08 minutes 40 seconds West, a distance of 98.03 feet to a point of curvature of a curve to the right having a radius of 166.81 feet; thence along said curve having an arc distance of 168.34 feet (chord bearing and distance South 84 degrees 03 minutes 20 seconds West, 161.29 feet) to a point; thence South 02 degrees 13 minutes 19 seconds West, a distance of 206.32 feet to a point; said point is further described as being the Northeast corner of Lot 26, Block 1 of Cotton Row Estates as recorded in Plat Book 12, page 68 in the Office of the Judge of Probate, Madison County, Alabama; thence South 86 degrees 05 minutes 13 seconds West, along the North boundary of said Cotton Row Estates, a distance of 110.00 feet to a point; thence North 03 degrees 54 minutes 47 seconds West, a distance of 110.00 feet to a point; thence North 32 degrees 41 minutes 22 seconds East, a distance of 146.67 feet to a point; thence North 22 degrees 58 minutes East, a distance of 24.00 feet to a point; thence South 67 degrees 02 minutes East, a distance of 50.00 feet to a point of curvature of a curve to the left having a radius of 142.81 feet; thence along said curve an arc distance of 144.12 feet (chord bearing and distance North 84 degrees 03 minutes 20 seconds East, 138.08 feet) to a point; thence North 55 degrees 08 minutes 40 seconds East, a distance of 98.03 feet to a point of curvature of a curve to the right having a radius of 131.91 feet; thence along said curve an arc distance of 117.97 feet (chord bearing and distance North 80 degrees 45 minutes 50 seconds East, 114.07 feet) to a point; thence South 73 degrees 37 minutes East, a distance of 50.00 feet to a point of curvature of a curve to the left having a radius of 216.50 feet; thence along said curve an arc distance of 106.75 feet (chord bearing and distance South 87 degrees 44 minutes 30 seconds East, 105.67 feet) to a point; thence North 78 degrees 08 minutes East, a distance of 55.75 feet to a point; thence North 01 degrees 33 minutes 38 seconds West, a distance of 141.02 feet to a point; thence North 87 degrees 50 minutes East, a distance of 472.50 feet to a point on the West margin of Sparkman Drive

right-of-way; thence South 00 degrees 36 minutes 45 seconds East, along the West margin of Sparkman Drive right-of-way, a distance of 45.74 feet to the point of beginning and containing 3.79 acres more or less. The foregoing real estate constitutes all of the lands embraced in Cobblestone Condominiums, Phase I, as shown on plat of same recorded in Plat Book 14, pages 26 & 27, Madison County Probate Records.

As to the above described property, Developer reserves for itself, its successors, assigns, grantees and invitees, two (2) non-exclusive rights-of-way thirteen (13) feet in width for use as ingress and egress. Said rights-of-way shall be used solely to service and provide access to the subject property.

4. POST OFFICE ADDRESS. The post office address of said land is Seven Pine Circle, Huntsville, Alabama 35805.

5. DEFINITIONS. The terms used herein and in the By-Laws shall have the meanings stated in the Condominium Ownership Act of Alabama, and as follows:

(a) "ASSOCIATION" means COBBLESTONE CONDOMINIUM ASSOCIATION, INC., and its successors, and is the association of unit owners referred to in said Act.

(b) "COMMON ELEMENTS" means common areas and facilities as defined in said Act, including, but not limited to, all parts of the condominium property not included within the unit boundaries as described hereinafter, and shall include the parking spaces, and the tangible personal property required for the maintenance and operation of the condominium, as well as the items stated in the Condominium Ownership Act of Alabama.

(c) "COMMON EXPENSES" includes those as defined in said Act, together with the expenses for which unit owners are liable to the Association, actual or estimated.

(d) "PRIVATE ELEMENTS" means private areas and facilities as defined in said Act, and intended for exclusive ownership or possession by a unit owner.

(e) "DECLARATION" means this Declaration and all amendments thereto hereafter made.

6. DEVELOPMENT PLAN.

A. Improvements will be constructed by Developer substantially in accordance with the plan attached hereto as Exhibit "A" which identifies common

elements and private elements, incorporates a set of floor plans of each type of unit showing the layout of each, and the designating numbers of each unit, all of which are incorporated therein. The said buildings have no name, but each unit has a separate street number. There are three (3) types of units: one bedroom "A" type, two bedroom "B" type, and the expanded two bedroom "C" type. The type of each unit and its corresponding street number may be determined by reference to Exhibit "A", which is hereto attached and by reference made a part hereof. The dimensions of each unit are found by determining the type of the unit by reference to the type drawings and floor plans which are incorporated in Exhibit "A".

B. This Declaration may be amended by filing such additional plans as may be required to accurately describe the improvements of the condominium and in order to show completion of improvements. No such amendment shall change the location of any unit, after such unit as been deeded by Developer, without the prior written consent of the owner of such unit and the mortgagee thereof, if any.

C. The plans and specifications of units may be altered or amended from time to time by Developer to meet marketing requirements as Developer, in its sole discretion, deems necessary. No such alteration or amendment shall substantially reduce the size or quality of any unit.

D. ANNEXATION OF ADDITIONAL PROPERTY:

(1) Annexation Without Approval of Membership. As the owner thereof, or if not the owner, with the consent of the owner thereof, Developer shall have the unilateral right, privilege and option, from time to time at any time until January 1, 1990, to subject to the provisions of this Declaration and the jurisdiction of the Association all or any portion of the real property described in Exhibit "B" entitled "General Narrative Description of Property", which is attached hereto and incorporated herein by reference, including residences as may be constructed thereon, by filing in the Madison County, Alabama Records an amendment annexing such property, subject to prior written approval of the Veterans Administration. Such amendment to this Declaration shall not require the vote of the members. Any such annexation

shall be effective upon the filing for record of such amendment unless otherwise provided therein. Developer shall have the unilateral right to transfer to any other person the said right, privilege and option to annex additional property which is herein reserved to Developer, provided that such transferee or assignee shall be the developer of at least a portion of said real property described herein which at the time of such transfer and assignment (or contemporaneously therewith) is subjected to the provisions of this Declaration. Any provision to the contrary notwithstanding, the maximum number of residence units which may be located on said real property described herein which is subject to the provisions of this Declaration and jurisdiction of the Association shall not exceed 214 unless the members of the Association agree thereto.

(2) Annexation With Approval of Membership. Subject to the consent of the owner thereof, upon the affirmative vote of a majority of the members of the Association present or represented by proxy at a meeting duly called for such purpose, the Association may annex real property other than that described herein by filing in the Madison County, Alabama Records an amendment annexing such property.

7. EASEMENTS. Easements are reserved throughout the condominium property as may be required for utility service in order to adequately serve the condominium; provided, however, such easements to a unit shall be only in accordance with the plans and specifications for the building or as the buildings are constructed unless approved in writing by the unit owner. Each unit owner shall have an easement in common with the owners of all other units to use all pipes, wires, ducts, cables, conduits, public utility lines and other common elements located in any of the other units and serving his unit. Each unit shall be subject to an easement in favor of the owners of all other units to use the pipes, ducts, cables, wires, conduits, public utility lines and other common elements serving such other units and located in such unit. The Association shall have a right of access to each unit to inspect the same, to remove violations therefrom, and to maintain, repair or replace the common elements contained therein or elsewhere in any building.

8. IMPROVEMENTS AND PRINCIPAL MATERIALS OF WHICH CONSTRUCTED.

Improvements constructed or to be constructed upon the land hereinbefore described will include and will be limited to a total of 214 units. The buildings will be reinforced concrete slabs, or block foundation, and will be of wood frame throughout. Each unit will be equipped with range, oven, disposal, dishwasher, central heating and air conditioning. The condominium will also include access areas, parking areas and lawn areas.

9. COMMON ELEMENTS. The common elements of the condominium will include the common areas and facilities located substantially as shown upon the site plan which said plan is identified in Exhibit "A" hereto attached and by reference made a part hereof. Such facilities will include the following improvements:

- A. The land described in paragraph 3 hereof.
- B. All central and appurtenant installations for services such a power, light, telephone, storm drains, sewer and water; heat and air conditioning, including all pipes, ducts, wires, cables and conduits used in connection therewith, whether located in common areas or in units, and all utility and mechanical equipment, buildings and spaces, which are not used or reserved for the exclusive use of certain units.
- C. Automobile parking spaces.
- D. All outdoor and exterior lights.
- E. All foundations, columns, girders, beams, and support of buildings, and such component parts of walls, roofs, floors and ceilings as are not located within the units.
- F. Lawn areas, landscaping, streets and walkways.
- G. Pool and other amenities.
- H. All other parts of the development existing for the common use or necessary to the existence, maintenance and safety of the development.

10. LIMITED COMMON ELEMENTS. There are no limited common elements.

11. PRIVATE ELEMENTS. The private elements of the condominium are those reserved and set aside to each unit for the exclusive possession, use and ownership by the owner of such unit. They consist of the following:

A. PATIOS. The concrete areas commonly known as "patios", directly to the rear of, adjacent and contiguous to each unit, shall be a private elements reserved to such unit.

B. DECK: The covered decks located directly above the patios described in subparagraph A above, and adjacent and contiguous to each unit, shall be a private element reserved to the unit to which it lies immediately adjacent to.

12. UNIT BOUNDARIES. Each unit shall include that part of the structure containing the unit which lies within the boundaries of the unit, which boundaries shall be determined in the following manner:

(a) Horizontal Boundaries. The upper and lower boundaries of each unit shall be:

(i) Upper Boundary - The horizontal plane of the undecorated finished ceilings, extended to intersections with the perimetrical boundaries.

(ii) Lower Boundary - The horizontal plane of the undecorated finished floors, extended to intersections with the perimetrical boundaries.

(b) Perimetrical Boundaries. The perimetrical boundaries of the unit shall be the vertical planes of the undecorated finished interior of the walls bounding the unit extended to intersections with each other and with the upper and lower boundaries. When there is attached to the building a balcony, deck, porch, canopy, stairway or other portion of the building serving only the unit being bounded, the perimetrical boundaries shall be extended to include the intersection vertical planes adjacent to and which include all of such structures and fixtures therein.

13. SURFACES. An owner shall not be deemed to own the studs, wall board and structural components of the perimeter walls and/or load-bearing walls, nor the windows and doors bounding the unit. An owner, however, shall be deemed to

own and shall have the exclusive right and duty to repair and maintain, paint, repaint, tile, wallpaper or otherwise finish and decorate the surfacing materials of the floors of his unit, and all window screens and windows and door glass; and all appurtenant installations, including all pipes, ducts, wires, cables and conduits used in connection therewith, for services such as power, light, telephone, sewer, water, heat and air conditioning, whether located in the boundaries of the unit or in common areas, which are for the exclusive use of the unit; and all ceilings and partition (non load bearing) walls. An owner shall have the exclusive right and duty to wash and keep clean the interior and exterior surfaces of windows and doors bounding his unit.

14. THE UNITS. The description and location of the particular units and the appurtenances thereto are determined with the aid of the site and floor plans therefor, as set out in paragraph 6.A. hereinbefore, and as follows:

(1) Units Numbered. Each unit is assigned a number which is indicated on the site plan hereto attached.

(2) Changes. The Developer reserves the right to change the interior design and arrangement of all units owned by it. The Developer further reserves the right to alter the boundaries between units which said change shall be reflected by an amendment of this Declaration which may be executed by the Developer alone, notwithstanding the proceedings for an amendment described in paragraph 30 of this Declaration. However, no such change of boundaries shall increase the units nor alter the boundaries of the common elements without amendment of this Declaration in the manner described in paragraph 30 of this Declaration.

15. DETERMINATION OF PERCENTAGES OF OWNERSHIP IN COMMON ELEMENTS, COMMON EXPENSES AND COMMON PROFITS. The common profits shall be distributed among, and the common expenses shall be charged to the unit owners according to the percentages of the undivided interests of the respective units in the common elements. For purposes of percentage interest in the common elements, common expenses and common profits, each unit owner's percentage shall be based on the ratio of the square footage of floor area of the family unit(s) which he owns to the total square footage of floor space of all family units within the condominium.

16. ENCROACHMENTS. If any portion of the common elements now encroaches upon any unit, or if any unit now encroaches upon any other unit or upon any portion of the common elements, as a result of the construction of any building, or if any such encroachment shall occur hereafter, a valid easement for the encroachment and for the maintenance of the same so long as such building stands shall exist. In the event any building, any unit, any adjoining unit, or any adjoining common element, shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings, and then rebuilt, encroachments of parts of the common elements upon any unit or of any unit upon any other unit or upon any portion of the common elements, due to such rebuilding, shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist so long as such building shall stand.

17. UNITS SUBJECT TO DECLARATION, BY-LAWS AND RULES AND REGULATIONS. All present and future owners, tenants and occupants of units shall be subject to, and shall comply with the provisions of this Declaration, the By-Laws, the Rules and Regulations, and the Regulatory Agreement as they may be amended from time to time. The acceptance of a deed or conveyance of the entering into of a lease or the entering into occupancy of any unit shall constitute the agreement that the provisions of this Declaration, By-Laws, the Rules and Regulations, and the Regulatory Agreement as they may be amended from time to time, are accepted and ratified by such owner, tenant and occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any such owner, tenant and occupant as such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

18. EXCLUSIVE OWNERSHIP. Each owner shall be entitled to the exclusive ownership and possession of his unit.

19. MAINTENANCE. The responsibility for the maintenance of the condominium property shall be as follows:

1. UNITS.

(a) By the Association. The responsibility of the Association shall be as follows:

(i) To maintain, repair and replace all portions of a unit, except interior surfaces and surfacing materials, contributing to the support of the building, which portions shall include, but not be limited to, the outside walls of the building and all fixtures thereon; and boundary walls of units, floors, load-bearing columns and load-bearing walls.

(ii) To maintain, repair and replace all conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services which are contained in the portions of a unit maintained by the Association, and all such facilities contained within a unit which service part or parts of the condominium other than the unit within which contained.

(iii) To repair all incidental damage caused to a unit in the performance of any of the foregoing work.

(b) By the Unit Owner. The responsibility of the unit owner shall be as follows:

(i) To maintain, repair and replace all portions of his unit except the portions to be maintained, repaired and replaced by the Association. Such shall be done without disturbing the rights of other unit owners.

(ii) Not to paint or otherwise decorate or change the appearance of any portion of the exterior of the building.

(iii) To maintain and replace all exterior glass doors and windows of his unit.

(iv) To maintain, repair and replace all heating, air conditioning, utility and mechanical equipment, and all sewer and water lines; including all pipes, ducts, wires, cables and conduits used in connection therewith, which are for the exclusive use of his unit, whether or not located within the boundaries of his unit.

(v) To promptly report to the Association any defect or need for repairs, the responsibility for the remedying of which is that of the Association.

(c) Alteration and Improvement. Neither a unit owner nor the Association shall make any alterations in the portions of a unit or building which are to be maintained by the Association, or remove any portion thereof, or make any additions thereto, or to do any work which would jeopardize the safety or soundness of the building, or impair any easement, without first obtaining approval in writing of the owners of all other units in the building concerned and the approval of the Board of Directors of the Association.

20. COMMON ELEMENTS.

(a) By the Association. The maintenance and operation of the common elements shall be the responsibility and the expense of the Association.

(b) Alteration and Improvement. After the completion of the improvements included in the common elements which are contemplated by this Declaration, there shall be no alteration or further improvement of common elements without prior approval in writing of fifty-one (51%) percent of the votes of the unit owners, and the approval in writing of all mortgagees who are the holders of mortgages comprising first liens on the units so approved; provided, however, that the initial cost of and subsequent cost of maintenance of any alteration or improvement of the common elements bearing the approval in writing of unit owners entitled to cast fifty-one (51%) percent of the votes in the Association, and the approval in writing of all mortgagees who are the holders of mortgages comprising first liens on the units of such approving unit owners, shall be borne by all of the owners of family units in proportion to their percentage interest as set out in paragraph 15 herein. There shall be no change in the share and rights and obligations of a unit owner in the common elements which are altered or further improved.

21. ASSESSMENTS. The making and collection of assessments against unit owners for common expenses shall be pursuant to the By-Laws and subject to the following provisions:

A. Share of Common Expenses. Each unit owner shall be liable for a proportionate share of the common expenses, and shall share in the common surplus, such share being the same as his percentage of ownership in the common elements.

B. Interest, Application of Payments. Assessments, and installments thereon, paid on or before ten (10) days after the date when due, shall not bear interest, but all sums not paid on or before ten (10) days after the date when due shall bear interest at the maximum legal contract rate from the date when due until paid. Further, a late charge, not to exceed that permitted by law, may be levied and collected upon all sums not paid on or before ten (10) days after the date when due. All payments upon account shall be first applied to interest and then to the assessment payment first due.

C. Liens for Assessments. The Association is hereby granted a lien upon each unit and its appurtenant undivided interest in common elements, which lien shall secure and does secure the monies due for all assessments now or hereafter levied or subject to being levied against the owner of each unit, which lien shall also secure interest, if any, which may be due on the amount of any delinquent assessment owing the Association, and which lien shall also secure all costs and expenses, including a reasonable attorney's fee, which may be incurred by the Association in enforcing this lien upon said unit and its appurtenant undivided interest in the common elements. The said lien for non-payment of common expenses shall have priority over all other liens and encumbrances, recorded or unrecorded, except only (1) a tax lien on the unit in favor of the State, the County, any municipality and any special district, and (2) all sums unpaid on a first mortgage of record, including any sum which the mortgagor is obligated to pay under the terms of the promissory note or mortgage, including, but not limited to, attorney's fees. In any suit for the foreclosure of said lien, the Association shall be entitled to rental from the owner of any unit from the date on which the payment of any assessment or installment thereof becomes delinquent and shall be entitled to the appointment of a receiver for said unit, without notice to the owner of such unit. The rental required to be paid shall be determined by the Board of Directors of the Association. The lien granted to the Association shall further secure such advances for taxes and other payments which may be required to be advanced or paid by the Association in order to preserve and protect its lien, and the Association shall further be entitled to interest at the maximum legal contract rate on any such advances made for such purposes. All persons, firms or corporations who shall acquire,

by whatever means, any interest in the ownership of any unit, or who may be given to acquire a mortgage, lien or other encumbrance thereon, are hereby placed on notice of the lien granted to the Association.

D. Rental Pending Foreclosure. In any foreclosure of a lien for assessments, the owner of the unit subject to the lien shall be required to pay a reasonable rental for the unit. Nothing contained in the paragraph 21 shall impair a first mortgagee's right to intercept rents as provided in its mortgage.

E. No Exemption from Assessments. No owner of a unit may exempt himself from liability for contribution toward the common expenses by waiver of the use or enjoyment of any of the common elements or by the abandonment of his unit, or by any other means.

In a voluntary conveyance of a family unit the grantee of the unit shall be jointly and severally liable with the grantor for all unpaid assessments by the Association against the latter for his share of the common expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. However, any such grantee shall be entitled to a statement from the manager or Board of Directors of the Association, as the case may be, setting forth the amount of the unpaid assessments against the grantor due the Association, and such grantee shall not be liable for, nor shall the family unit conveyed be subject to, a lien for any unpaid assessments made by the Association against the grantor in excess of the amount therein set forth.

Where the mortgagee of a first mortgage of record or other purchaser of a family unit obtains title to the unit as a result of foreclosure of the first mortgage, such acquirer of title, his successors and assigns, shall not be liable for the share of the common expenses or assessments by the Association chargeable to such family unit which became due prior to the acquisition of title to such family unit by such acquirer. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all of the family units including such acquirer, his successors and assigns.

F. The Association shall promptly provide any unit owner and/or the holder of a mortgage comprising a first lien on any unit so requesting the same in writing a written statement of all unpaid assessments due from the unit owner. Any such statement furnished in writing shall be binding upon the Association.

22. SPECIAL ASSESSMENTS. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment, applicable to that year only, provided that any such assessment shall have the assent of fifty-one (51%) percent of the votes of the unit owners who are voting in person or by proxy at a meeting duly called for this purpose. The said lien for non-payment of special assessments shall have priority over all other liens and encumbrances, recorded or unrecorded, except only (1) a tax lien on the unit in favor of the State, the County, any municipality and any special district, and (2) all sums unpaid on a first mortgage of record, including any sum which the mortgagor is obligated to pay under the terms of the promissory note or mortgage, including, but not limited to, attorney's fees.

23. ASSOCIATION. The operation and administration of the condominium shall be by the Association of the unit owners, pursuant to the provisions of the Condominium Ownership Act of Alabama, which said Association shall be incorporated by Articles of Incorporation recorded in the Office of the Judge of Probate of Madison County, Alabama.

The Association shall make available to unit owners, lenders and the holders, insurers and guarantors of the first mortgage on any unit, current copies of the Declaration of Condominium, By-Laws and other rules and regulations governing the condominium, and other books, records and financial statements of the Association. Current copies of the Declaration, By-Laws and other rules and regulations shall be available to prospective purchasers of units. "Available" shall mean available for inspection at a reasonable time, upon request upon an officer of the Association under reasonable circumstances.

24. INSURANCE. Insurance (other than title insurance) which shall be carried upon the condominium property and the property of the unit owners shall be governed by the following provisions:

A. Authority to Purchase. All insurance policies upon the condominium property shall be purchased by the Association in the name of the Association as Trustee for each of the unit owners in the percentages of ownership set forth in the Declaration, and their mortgagees as their interest may appear, and provision shall be made for the issuance of certificates of mortgage endorsements to the mortgagees of unit owners. Such policies shall be deposited with the Association.

B. Coverage.

(1) Casualty. All buildings and improvements upon the land and all personal property comprising the condominium property shall be insured with a company with a Best's rating of A+AAA or better in an amount sufficient to avoid application of a co-insurance clause, but not more than the maximum insurable replacement value, without deduction for depreciation, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association. For the purpose of the terms and provisions hereof relating to insurance, condominium property shall be deemed to include, but not necessarily be limited to, all kitchen cabinets, pantries, sinks, fixtures, bathroom lavatories, vanities and fixtures. Provision shall be made for the issuance of certificates of mortgage endorsements to the mortgagees of unit owners. Such coverage shall afford protection against:

(i) Loss or damage by fire and other hazards covered by a standard extended coverage endorsement; and

(ii) Such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use as the buildings on the land, including, but not limited to, vandalism and malicious mischief.

(2) Public Liability in such amounts and with such coverage as shall be required by the Board of Directors of the Association.

(3) Workmen's Compensation policy, if needed to meet the requirements of the law.

(4) Fidelity bond insurance shall be required in an amount equal to at least 150% of the estimated annual operating expenses of the Condominium Association, including reserves, and shall be required to cover any person(s) or entities handling funds of the Association.

(5) Flood Insurance. If the condominium property should become located within a flood zone, then flood insurance shall be obtained by the Association.

(6) Such other insurance as the Board of Directors of the Association shall determine from time to time to be desirable.

C. Provisions. Every such policy of insurance shall in substance effect:

(1) Provide that the liability of the insurer thereunder shall not be affected by, and that the insurer shall not claim any right of setoff, counterclaim, apportionment, proration, or contribution by reason of, any other insurance obtained by or for any unit owner.

(2) Contain no provision relieving the insurer from liability for a loss occurring while the hazard to such building is increased, whether or not within the knowledge or control of the Association, or because of any breach of warranty to condition or any other act or neglect by the Association or any unit owner or any other persons under either of them.

(3) Provide that such policy may not be cancelled (whether or not requested by the Association) except by the insurer giving at least thirty (30) days' prior written notice thereof to the Association, the fee owner, mortgagee and every other person in interest who shall have requested such notice of the insurer.

(4) Contain a waiver by the insurer of any right of subrogation to any right of the Association, or either against the owner or lessee of any unit.

(5) Contain a standard mortgagee clause which shall:

(i) Provide that any reference to a mortgagee in such policy shall mean and include all holders of mortgages of any unit, whether or not named therein;

(ii) Provide that such insurance as to the interest of any mortgagee shall not be invalidated by any act or neglect of the Association or unit owners or any persons under any of them;

(iii) Waive any provision invalidating such mortgage clause by reason of the failure of the mortgagee to notify the insurer of any hazardous use or vacancy, any requirement that the mortgagee pay any premium thereon, and any contribution clause; and

(iv) Provide that such policy cannot be cancelled or the coverage reduced unless prior written notice is furnished all mortgagees at least thirty (30) days prior to such cancellation or reduction.

D. Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a common expense.

E. Insurance Trustee: Shares of Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the unit owners and their mortgagees as their interests may appear, and shall provide that all proceeds covering casualty losses shall be paid to the Association, as Trustee for each of the unit owners in the percentages established by the Declaration, which said Association, for the purpose of these provisions, is hereby referred to as the Insurance Trustee. Any mortgagee of an affected unit may appoint a co-trustee, whose authority shall be co-equal with that of the Association. Such co-trustee, if any, shall be appointed, and shall be compensated by the appointing mortgagee. The duty of the Insurance Trustee shall be to receive such proceeds as are paid and hold the same in trust for the purposes elsewhere stated herein and for the benefit of the unit owners and their mortgagees as follows:

(1) Common Areas and Facilities. Proceeds on account of damage to common areas and facilities, an undivided share for each unit owner, such share being the same as his undivided share in the common areas and facilities appurtenant to his unit.

(2) Units. Proceeds on account of units shall be held for the owners of damaged units in proportion to the cost of repairing the damage suffered by each unit owner, which cost shall be determined by the Trustee or Trustees.

(3) Mortgagees. In the event a mortgagee endorsement has been issued as to a unit, the share of the unit owner shall be held in trust for the mortgagee and the unit as their interests may appear.

F. Distribution of Proceeds. If the damage for which the proceeds are paid is to be repaired or reconstructed, the proceeds shall be used to defray the cost thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by him.

G. Association as Agent. The Association is hereby irrevocably appointed agent for each unit owner to adjust all claims arising under insurance policies purchased by the Association, and to execute and deliver releases upon the payment of claims.

25. RECONSTRUCTION OR REPAIR AFTER CASUALTY. In the event of the damage or destruction of all or part of the property, then, unless it is determined by a vote of one hundred (100%) percent of the Association not to repair or reconstruct such damaged or destroyed property, the following provisions shall apply:

A. Reconstruction or Repair. If any part of the condominium property shall be damaged by casualty, it shall be reconstructed or repaired. In no event shall any mortgagee be obligated to advance any sums or pay any costs above insurance proceeds to repair or rebuild damaged or destroyed property, nor shall any mortgagee have any liability in connection with such reconstruction or repair.

(1) Common Areas and Facilities. If the damaged improvement is a common area or facility, the damaged property shall be reconstructed, replaced or repaired.

(2) Building.

(i) Partial Destruction. If the damaged improvement is part of a building, the damaged property shall be reconstructed or repaired.

(ii) Total Destruction. If a building is so damaged that the same is untenable, the building shall be reconstructed.

(3) Plans and Specifications. Any such reconstruction or repair must be substantially in accordance with the plans and specifications for the original building, or as the building was last constructed, or according to plans approved by the Board of Directors of the Association and the mortgagees of any affected units, which approval shall not be unreasonably withheld.

B. Responsibility. If the damage is only to those parts of a unit for which the responsibility of maintenance and repair is that of a unit owner, then the unit owner shall be responsible for the reconstruction and repair after casualty. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Association.

C. Estimates of Costs. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair so as to place the damaged property in condition as good as that before the casualty.

D. Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, assessments shall be made against the unit owners who own the damaged property, and against all unit owners in the case of damage of common areas and facilities, in sufficient amounts to provide funds to pay the estimated costs. If at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made against the unit owners who own the damaged property, and against all unit owners in the case of damage to common areas and facilities, in sufficient amounts to provide funds for the payment of such costs. Such assessments against unit owners for reconstruction and/or repair of damages to units shall be in proportion to the cost of reconstruction and repair of their respective units. Such assessments for reconstruction and/or repair of damage to common areas and facilities shall be in proportion to the owner's share in the common areas and facilities.

E. Construction Funds. The funds for payment of costs of reconstruction and repair after casualty for which the Association is responsible which shall consist of proceeds of insurance held by the Insurance Trustee and funds collected by the Association from assessment against unit owners, shall be disbursed in payment of such costs in the following manner:

(1) Association. The proceeds of insurance collected on account of a casualty, and the sums deposited with the Association from collection of assessments against the unit owners on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner:

(i) Unit Owner. The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with the unit owner shall be paid by the Insurance Trustee to the unit owner, or if there is a mortgagee endorsement, then to the unit owner and the mortgagee jointly. However, no funds shall be paid to a unit owner until bills incurred for the repair or reconstruction of such unit have been fully paid.

(ii) Association - Lesser Damage. If the amount of the estimated costs of reconstruction and repair which are the responsibility of the Association is less than the total of the annual assessments for recurring expenses to be made during the year in which the casualty occurs, then the construction funds shall be disbursed in payment of such costs upon the order of the Association; provided, however, that upon request to the Insurance Trustee by a mortgagee which is a beneficiary of an insurance policy the proceeds of which are included in the construction funds, such funds shall be disbursed in the manner hereafter provided for the reconstruction and repair of major damage.

(iii) Association - Major Damage. If the amount of estimated costs of reconstruction and repair which are the responsibility of the Association is more than the total of the annual assessments for recurring expenses to be made during the year in which the casualty occurs, then the construction funds shall be disbursed in payment of such costs in the manner required by the Board of Directors of the Association.

(1v) Surplus. It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds; and if there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere herein provided. In the event any unit owner entitled to receive any such funds is delinquent in the payment of any assessment to the Association or to the mortgagee of such unit, such funds shall be paid first to the Association and such mortgagees.

26. USE RESTRICTIONS. The use of the property of the condominium shall be in accordance with the following provisions:

A. Single Family Residences. The condominium property shall be used only for single family residences, and for the furnishing of services and facilities herein provided for the enjoyment of such residences. Each of the units shall be occupied only by a single family and its guests as a residence and for no other purposes.

B. Nuisances. No nuisances shall be allowed upon the condominium property nor any use or practice which is the source of annoyance to residents or which interferes with the peaceful possession and property use of the property by its residents. All parts of the property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate nor any fire hazard allowed to exist.

C. Parking. The parking spaces and facilities shall be used exclusively for parking of automobiles. No trailers, tractors, campers, wagons, trucks (that exceed three-quarter ton) or other commercial type motor vehicles shall be parked therein except vehicles while loading and unloading at any designated loading area. No repair work on motor vehicles shall be carried out in the parking spaces except emergency repair. Automobiles or other allowed motor vehicles shall not be washed in the parking spaces or upon the grounds of the condominium.

D. Noises. No unit owner shall make or permit any disturbing noises in the common areas and facilities or his unit by either the unit owner, his

family, servants, employees, agents, visitors, guests, invitees, licensees, tenants or lessees, or do or permit to be done by such persons anything that will interfere with the rights, comfort or convenience of the other unit owners or occupants. No unit owner shall play any musical instrument, phonograph, radio, television or sound amplifier in such a manner or volume so as to disturb or annoy any other unit owner or occupant.

E. Pets. Pets shall be kept or maintained in or about the condominium units only if the unit owner is granted a conditional license to maintain one (1) pet by the Association. Such a license will be granted subject to the following conditions and reservations:

(1) Acceptable Pets. The only pets to be permitted on the condominium property shall be dogs under thirty (30) pounds when fully grown, cats, small birds and fish.

(2) It shall be the responsibility of the unit owner to pay for any and all costs involved in restoring to the original new condition any damage caused to the condominium property by the unit owner's maintenance of a pet.

(3) A unit owner shall be financially responsible for any personal injury or personal property damage caused to any other unit owner, tenant, guest, employee of the Association, or to any member of the public as a result of the unit owner's maintenance of a pet.

(4) Pets must be carried in arms or on a leash when taken in and out of the building.

(5) Pets shall not be permitted in the public rooms under any circumstances. Pets must not be curbed near the buildings, walkways, shrubbery, pool area, gardens, planting areas, open areas or other public space, and pets must be walked off the condominium property.

(6) Guests, tenants and visitors of a unit owner shall not be permitted to bring any pets onto the condominium property.

(7) The Board of Directors may, upon its sole determination, revoke or terminate the above conditional license if a pet is either vicious or is annoying other unit owners or occupants, or is otherwise a nuisance.

F. Advertisements. No ads, signs, posters or advertisement of any kind shall be posted on the walls, windows or doors in the interior or exterior of the common areas and facilities. Under no circumstances will signs offering the units for rent or sale be posted on the interior or exterior of the units or upon the common areas and facilities except in form and in such location as provided by the Association. The provisions of this subsection shall not be applicable to the mortgagee of any first mortgage which comes into possession of any unit by reason of any remedies provided by law or in such mortgage or as a result of a foreclosure.

G. Business Activities. No business of any type or office relating to a business shall be permitted to exist on the condominium property.

H. Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the condominium property nor any part thereof; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies which required maintenance, modification or repair of the condominium property shall be the same as the responsibility for the maintenance and repair of the property concerned.

I. Leasing. Entire units may be leased, for a period of six (6) months or longer, and not less, provided the occupancy is only by the lessee and his family. The respective "family units" shall not be rented by the owners thereof for transient or hotel purposes, which shall be defined as (a) rental for any period less than thirty (30) days; or (b) any rental if the occupants of the "family unit" are provided customary hotel services, such as room service for food and beverage, maid service, furnishing laundry and linen, and bellboy service. Copies of all leases shall be deposited with the Association by the unit owner. Other than the foregoing obligations, the owners of the respective "family units" shall have the absolute right to lease same provided that said lease is made subject to the covenants and restrictions contained in this Declaration and further subject to the By-Laws and Regulatory Agreement attached hereto. No individual rooms may be rented. All leases must be in written form.

J. Occupancy of units by guests of owners or lessees and use of common areas and facilities by such guests shall be governed by the Rules and Regulations as adopted or amended from time to time by the Developer and the Board of Directors.

K. Air Conditioning Units. No unit owner shall install or cause to be installed window units or wall air conditioning units. Only condenser units tied into an approved system and approved in writing by the Board of Directors of the Association may be placed on the balconies, decks or patios.

L. Hazard. Nothing shall be done or maintained in any unit or upon any common area or facility which will increase the rate of insurance on any unit or on the common area or facility, or result in the cancellation thereof, without the prior written approval of the Board of Directors. Nothing shall be done or maintained in any unit which would be in violation of any law. Barbecuing is absolutely prohibited upon any common area or facility, balconies, decks, patios or in any units, provided, however, that barbecuing is permitted in the area designated for same on Exhibit "A" attached hereto.

M. Commercial Activities. No unit or common area or facility shall be used for commercial activities of any character. This subsection shall not apply to the use of the common areas or facilities and units owned by the Developer for display, marketing, promotional or sales purposes or as a "model" unit.

N. Recreational Vehicle Parking. No boats or trailers shall be placed, parked or left on the grounds of the condominium property.

O. Exterior Walls, Decks and Balconies. No unit owner shall paint, modify, attach to or improve the exterior walls, decks or balconies of this unit without prior written consent of the Board of Directors of the Association.

P. Awnings. No blinds, shades, glass, jalousies, ironwork, screens, awnings, panels or coverings shall be affixed or attached to the outside of the units or the exterior windows, doors, decks, balconies, patios or interior doors leading into the corridors without the prior written consent of the Board of Directors of the Association.

Q. Right of Access to Units. The Board of Directors or its designated agent may retain a passkey to have access to each unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the common elements therein or accessibility therefrom, or making emergency repairs therein necessary to prevent damage to the common elements or any other unit. No unit owner shall alter any lock or install new locks on any door of the unit without prior written consent of the Board of Directors.

R. Use of Common Elements. Each unit owner, tenant or occupant of a unit may use the elements held in common in accordance with the purpose for which they are intended, without hindering or encroaching upon the lawful rights of the other unit owners, tenants or occupants

S. Regulations. Reasonable rules and regulations concerning the use of the condominium property may be made by the Developer and amended from time to time by the Board of Directors of the Association; provided, however, that all such amendments thereto shall be approved by not less than a majority of the votes of the Association before such shall become effective. Members not present at meetings considering such regulations or amendments thereto may express their approval or disapproval in writing. Copies of such regulations or amendments thereto shall be furnished by the Association to all unit owners and residents of the condominium upon request.

T. Proviso. Provided, however, with respect to Phase I, that until Developer of the condominium has completed and sold all of the units of Phase I of the condominium, or until Developer elects to terminate its control of Phase I of the condominium whichever shall first occur; and provided, further, in the event of the incremental increase of the project by the filing of a certificate or certificates by the Developer of its election to incorporate subsequent phases into the condominium, as elsewhere herein provided, then with respect to Phase I and subsequent phases and sold all of the units thereof, or until Developer elects to terminate its control of the condominium, whichever shall first occur, neither the unit owners nor the Association, nor the use of the condominium property by unit occupants, shall interfere with the completion of the contemplated improvements and the sale of the units. Developer may make

such use of the unsold units and of the common areas and facilities as may facilitate such completion and sale, including, but not limited to, the showing of the property and the display of signs.

U. Violations. Violation of any of the preceding use restrictions by a unit owner, tenant or occupant shall be sufficient to bring judicial action against the violator. Action can be filed by the Board of Directors on behalf of the unit owners, and the Board shall be entitled to recover any reasonable court costs and attorney's fees from the violator, which sum shall be charged to the same extent, force and effect as if the charge were a part of the common expense.

27. NOTICE OF LIEN OF SUIT.

A. Notice of Lien. A unit owner shall give notice to the Association of every lien upon his unit other than for permitted mortgages, taxes and special assessments, within five (5) days after the owner's receipt of notice thereof.

B. Notice of Suit. A unit owner shall give notice to the Association of every suit or other proceeding which may affect the title to his unit, such notice to be given within twenty-four (24) hours after the unit owner receives knowledge thereof.

C. Failure to Comply with this subsection concerning liens will not affect the validity of any judicial sale.

28. COMPLIANCE AND DEFAULT. Each unit owner shall be governed by and shall comply with the terms of the condominium documents and regulations as they may be amended from time to time. A default shall entitle the Association or other unit owners to the following relief in addition to the remedies provided by the Condominium Ownership Act:

A. Negligence. A unit owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, negligence or carelessness or by that of any member of his family or his or their guests, employees, agents or lessees, but only to the extent that such expense is not

met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of a unit or its appurtenances.

B. Costs and Attorney's Fees. In any proceeding arising because of an alleged default by a unit owner, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be awarded by the Court.

C. No Waiver of Rights. The failure of the Association or any unit owner to enforce any covenant, restrictions or other provisions of the Condominium Ownership Act, this Declaration, the By-Laws or the Rules and Regulations, shall not constitute a waiver of the right to do so thereafter.

D. Remedies of Unit Owner. The Association shall be governed by and shall comply with the terms of the condominium documents and regulations as they may be amended from time to time. Each unit owner may exercise any and all remedies available under the laws of the State of Alabama and under the condominium documents and regulations to enforce such compliance.

29. COVENANT AGAINST PARTITION. There shall be no judicial or other partition of the project or any part thereof, nor shall Developer or any person acquiring any interest in the project or any part thereof seek any such partition unless the property has been removed from the provisions of the Condominium Ownership Act, as in said Act provided.

30. AMENDMENT. This Declaration of Condominium may be amended in the following manner:

A. Notice. Notice of the subject matter of the proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

B. Resolution. A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by ten (10%) percent of the members of the Association. During the first twenty (20) years after the recording of the Declaration, it may only be amended by an instrument executed by not less than ninety (90%) percent of the unit owners, and

thereafter by an instrument executed by not less than seventy-five (75%) percent of the unit owners. Provided that, any such amendment shall have been approved in writing by all mortgagees who are the holders of mortgages comprising first liens on units comprising ninety (90%) percent of the votes of the Association, if amended within the first twenty (20) years after recording of the Declaration, and by all mortgagees who are the holders of mortgages comprising first liens on units comprising seventy-five (75%) percent of the votes of the Association of amended thereafter.

C. Recording. A copy of each amendment shall be certified by the President and Secretary of the Association as having been duly adopted and shall be effective when recorded in the Office of the Judge of Probate of Madison County, Alabama.

D. Agreement. In the alternative, an amendment may be made by an agreement signed and acknowledged by all of the record owners, including first mortgagees, of units in the condominium in the manner required for the execution of a deed, and such amendment shall be effective when recorded in the Office of the Judge of Probate of Madison County, Alabama.

E. Proviso. Provided, however, that no amendment shall discriminate against any unit owner nor against any unit or class or group of units, nor change any condominium unit nor increase the owner's liability for common expenses unless the record owner thereof and all record owners of liens thereon shall join in the execution of the amendment.

F. Provisions Pertaining to the Developer.

(1) Notwithstanding any other provisions herein contained, for so long as the Developer continues to own any of the units, the Developer reserves the unrestricted right to sell, assign or lease any unit which it continues to own after the recording or filing of this Declaration, and to post signs on the condominium property. Developer may not lease or rent any unit for a period of less than thirty (30) days.

(2) Developer shall relinquish all special rights, expressed or implied, through which the Developer may directly or indirectly control, direct,

modify or veto any action of the Association, its Board of Directors or a majority of unit owners, and control of the Association shall pass to the owners of units within the project not later than the earlier of the following:

(i) One hundred twenty (120) days after date by which seventy-five (75%) percent of the units have been conveyed to unit purchasers; or

(ii) Five (5) years from the date on which the Declaration was recorded.

(3) Until such time as the relinquishment of rights and control by the Developer takes place in accordance with paragraph (b) above, the following additional provisions shall be deemed to be in full force and effect:

(i) The Developer reserves the right to amend the By-Laws of the Association, subject to the prior written approval of the Veterans Administration; and

(ii) The Directors of the Association shall be elected as provided in the By-Laws, and such Directors as may be so designated need not be unit owners.

(iii) Notwithstanding any other provisions herein contained, Developer may not amend the Declaration without prior written approval of the Veterans Administration.

(4) The Developer shall furnish a warranty to each initial purchaser of a unit warranting that such unit has been constructed in a good and workmanlike manner. Any repairs resulting from defective materials or workmanship shall be at Developer's expense if the unit owner furnishes written notice of such defects within one (1) year from date of possession or closing of sale, whichever occurs first.

31. AMENDMENT OF BY-LAWS. The By-Laws of COBBLESTONE CONDOMINIUM ASSOCIATION, INC., a copy of which is attached hereto as Exhibit "C" and incorporated herein by reference, may be amended in the following manner:

A. The By-Laws may be amended in accordance with the provisions of the Code of Alabama, Section 10-3-1, et. seq.

B. Notice. Notice of the subject matter of the proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

C. Resolution. A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by ten (10%) percent of the members of the Association, and after being so proposed and thereafter approved by one (1) of such bodies, it must then be approved by the other to become effective. Directors and members not present at the meeting considering the amendment may express their approval or disapproval in writing, providing such approval or disapproval is delivered to the Secretary at or prior to such meeting. Such approvals must be by not less than a majority of the Directors and by not less than a majority of the votes of the Association; and provided further, that any such amendment shall have been approved in writing by all mortgagees who are the holders of mortgages comprising first liens on units comprising a majority of the votes of the Association.

D. Recording. A copy of each amendment shall be certified by the President and Secretary of the Association as having been duly adopted and shall be effective when recorded in the Office of the Judge of Probate of Madison County, Alabama.

E. Agreement. In the alternative, an amendment may be made by an agreement signed and acknowledged by all of the record owners, including first mortgagees, of units in the condominium in the manner required for the execution of a deed, and such amendment shall be effective when recorded in the Office of the Judge of Probate of Madison County, Alabama.

F. Proviso. Provided, however, that no amendment shall discriminate against any unit owner nor against any unit or class or group of units, nor change any condominium unit nor increase the owner's liability for common expenses unless the record owner thereof and all record owners of liens thereon shall join in the execution of the amendment.

32. VOTING. For the purpose of voting on all matters requiring action by the owners, each unit owner shall have one vote for each family unit which he owns. Where a single, or multiple, units are owned by more than one person or entity, the joint owners shall collectively cast one vote for each unit owned.

33. TERMINATION. The condominium may be terminated in the manner provided by the Condominium Ownership Act; provided, however, that in the event of termination, each unit shall be subject to the payment of a share of the common expenses as heretofore defined.

34. CONDEMNATION. In the event of condemnation of all or a portion of the condominium property, the disposition of proceeds of the award shall be governed by the following provisions:

A. Entire Property. In the event of condemnation of the entire condominium property, the Association shall be entitled to receive the proceeds of the award which shall be distributed by the Association to the unit owners and their mortgagees, as their interests may appear, in proportion to their percentage interests.

B. Partial Taking. In the event of condemnation of a portion of the condominium property, the Association shall be entitled to receive the proceeds of the award which shall be distributed in accordance with the findings of a panel of three (3) arbitrators to be selected by the Board which shall proceed in accordance with the then existing rules of the American Arbitration Association to determine the portion of the award due to be distributed to each of the several unit owners and their mortgagees, as their interests may appear, by virtue of the unit owner's interest in the units or portions thereof taken and the portion of the award allocable to the common elements taken by condemnation. The portion of the award allocable to the common elements shall be retained by the Association which shall treat the same as insurance proceeds and proceed under Section 10 hereof to reconstruct and restore the affected portion of the condominium property to a complete architectural unit if the Board determines that such is feasible. The panel of arbitrators shall also determine the percentage of undivided interest of the remaining unit owners in the common elements following the condemnation and each unit owner shall be deemed to have

consented to the amendment of this Declaration in accordance with such findings and the continuation of the condominium regime with respect to the condominium property remaining following condemnation. If it is determined not to be feasible to restore the condominium property to a complete architectural unit, the portion of the award allocable to the common elements shall be distributed to the unit owners and their mortgagees, as their interests may appear, in proportion to their percentage interests. The expense of the arbitration shall be paid by the Association, and shall constitute a common expense.

C. Priority. No unit owner or other party shall have a priority over any first mortgagee in connection with the distribution of any condemnation proceeds. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by such mortgagee.

35. LENDER'S NOTICES. Upon written request to the Owner's Association, identifying the name and address of the holder, insured or guarantor and the unit estate, number and address, any such eligible mortgage holder, or any eligible insured or guarantor, will be entitled to timely written notice of:

A. Any condemnation loss or casualty loss which affects the material portion of the project, or any unit estate on which there is a first mortgage held, insured or guaranteed by such eligible mortgage holder, or eligible insured or guarantor, as applicable;

B. Any delinquency in the payment of assessments or charges owed by an owner of a unit estate subject to a first mortgage held, insured or guaranteed by such eligible holder or eligible insured or guarantor, which remains uncured for a period of sixty (60) days;

C. Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Owner's Association; and

D. Any proposed action which would require the consent of a specified percentage of mortgage holders.

36. SEVERABILITY. The invalidity in whole or in part of any covenant, or restrictions, or any section, subsection, sentence, clause, phrase or word, or other provision of this Declaration of Condominium and the By-Laws of the Association shall not affect the validity of the remaining portions thereof.

IN WITNESS WHEREOF, the said COTTON ROW DEVELOPMENT CORPORATION, an Alabama Corporation, has caused this instrument to be executed by its President, and attested by its Vice President, who are duly authorized, and its corporate seal to be affixed hereto, on this the 14th day of September, 1984.

COTTON ROW DEVELOPMENT CORPORATION

BY:

[Signature]
Its President

ATTEST:

[Signature]
Its Vice President

STATE OF ALABAMA)

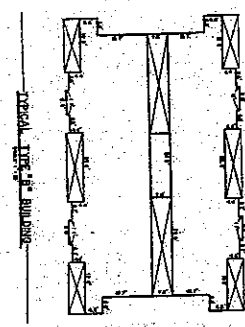
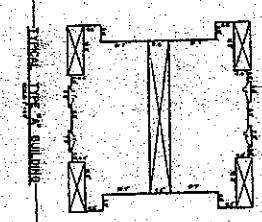
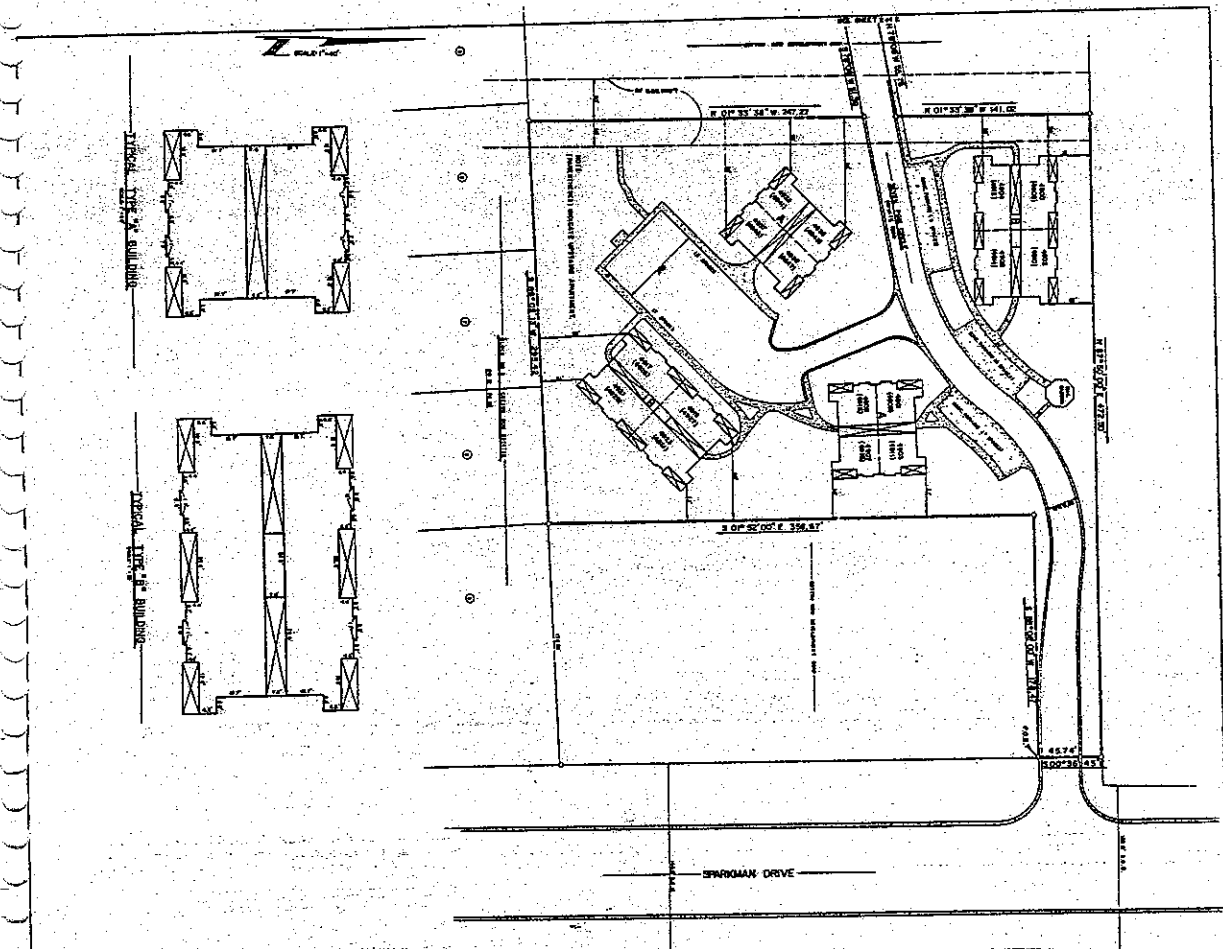
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COUNTY OF MADISON)

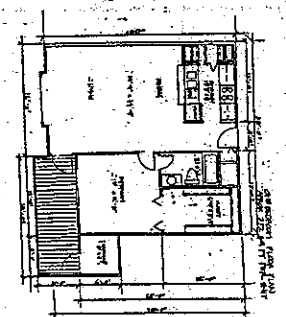
I, the undersigned, a Notary Public, in and for said County and State, hereby certify that W. JOHN HATHAWAY and SUE-ELLEN I. HATHAWAY, whose names as President and Vice President, respectively, of COTTON ROW DEVELOPMENT CORPORATION, an Alabama Corporation, are signed to the foregoing Instrument and who are known to me acknowledged before me on this day that being informed of the contents of the Instrument, they as such Officers and with full authority executed the same voluntarily for and as the act of the said Corporation on the day the same bears date.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 14th day of September, 1984.

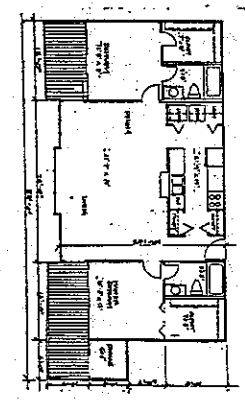
[Signature] (SEAL)
NOTARY PUBLIC
My Commission Expires: 7/8/87



TYPICAL UNIT FLOOR PLAN
TYPE A BUILDING



TYPICAL UNIT FLOOR PLAN
TYPE B BUILDING



COBLESIDE CONDOMINIUM PHASE 1

DATE: 11/11/2011

BY: [Signature]

SCALE: 1/8" = 1'-0"

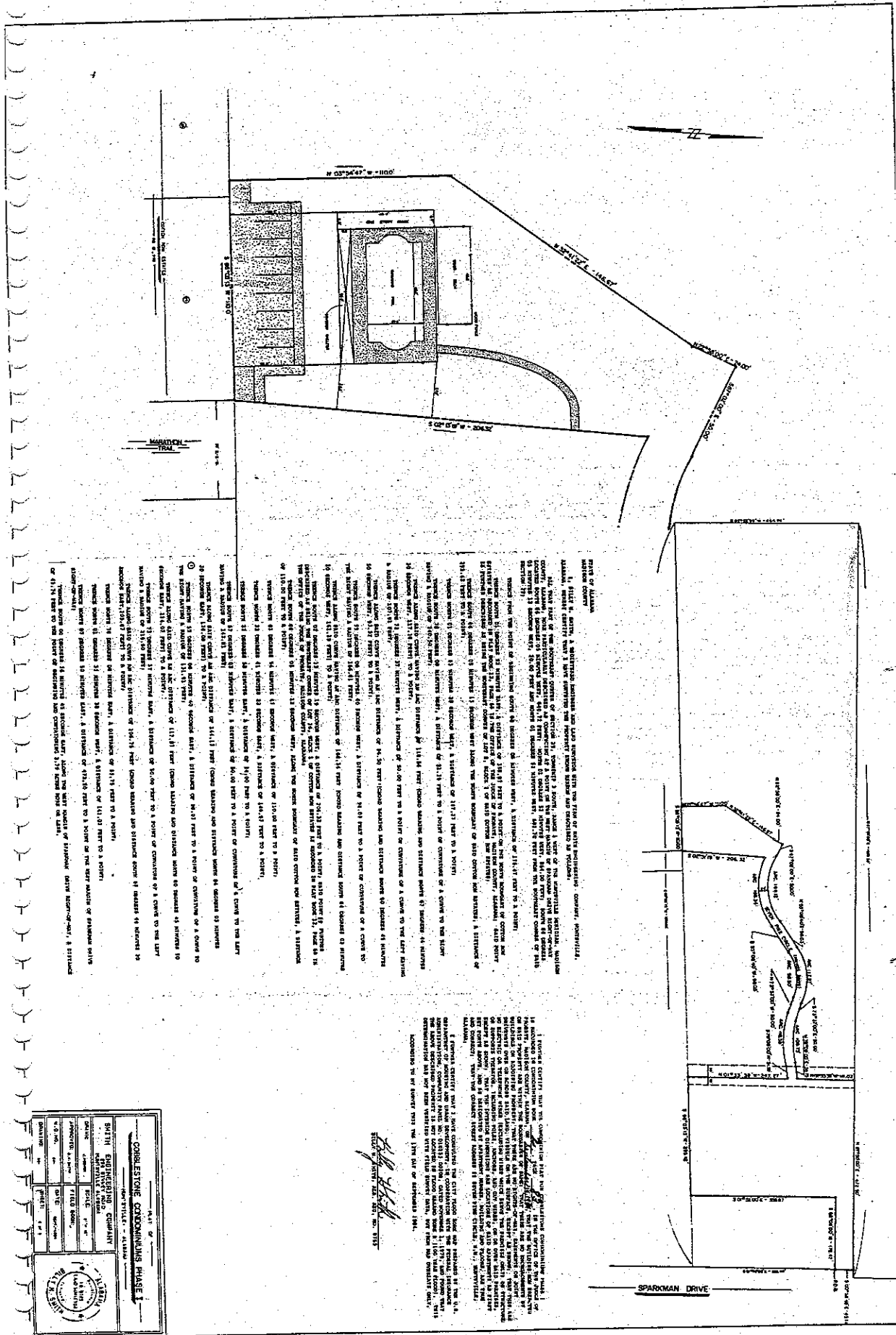
PROJECT: 11111

DATE: 11/11/2011

PROJECT: 11111

DATE: 11/11/2011

PROJECT: 11111



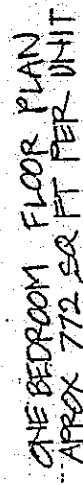
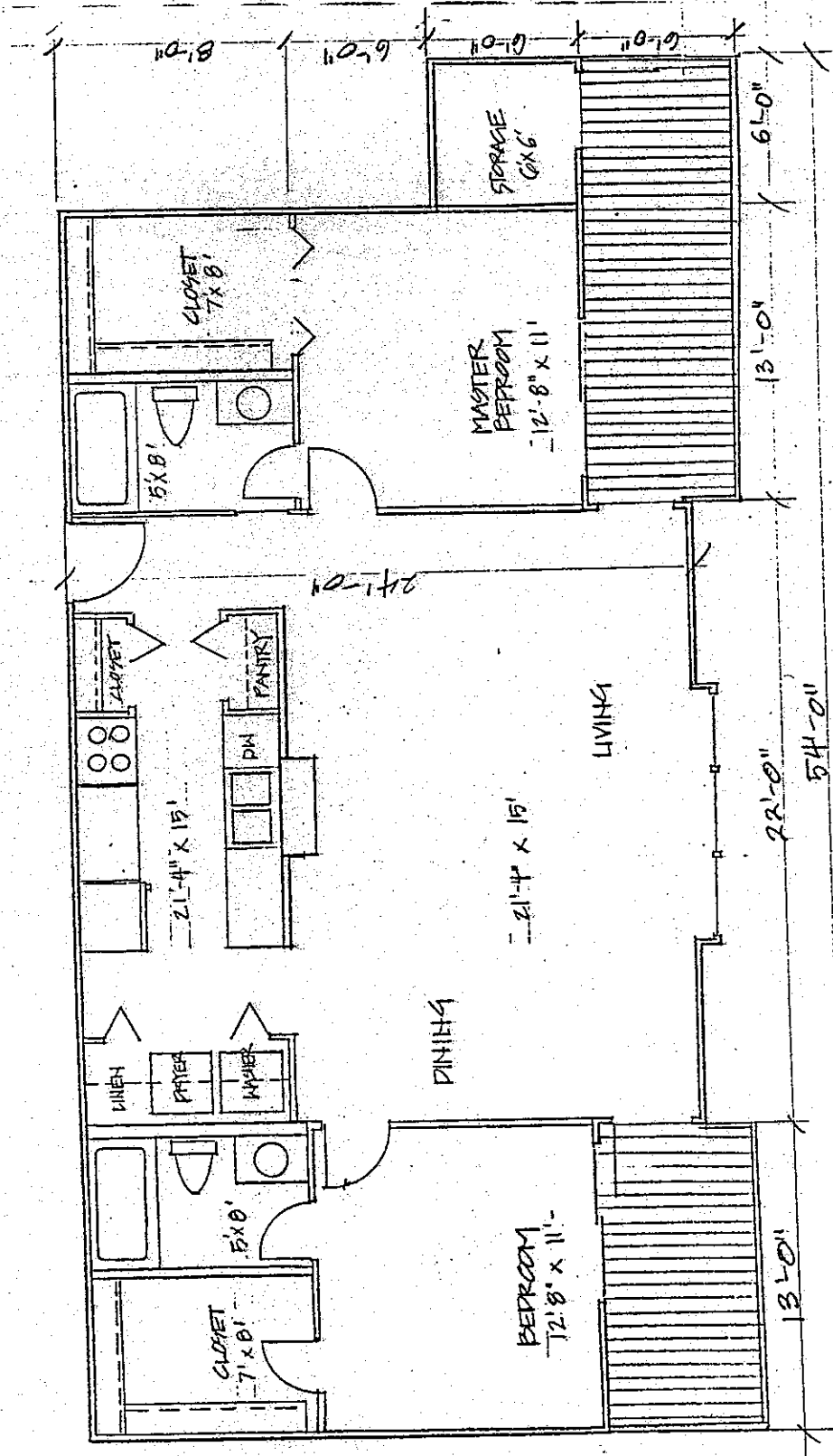


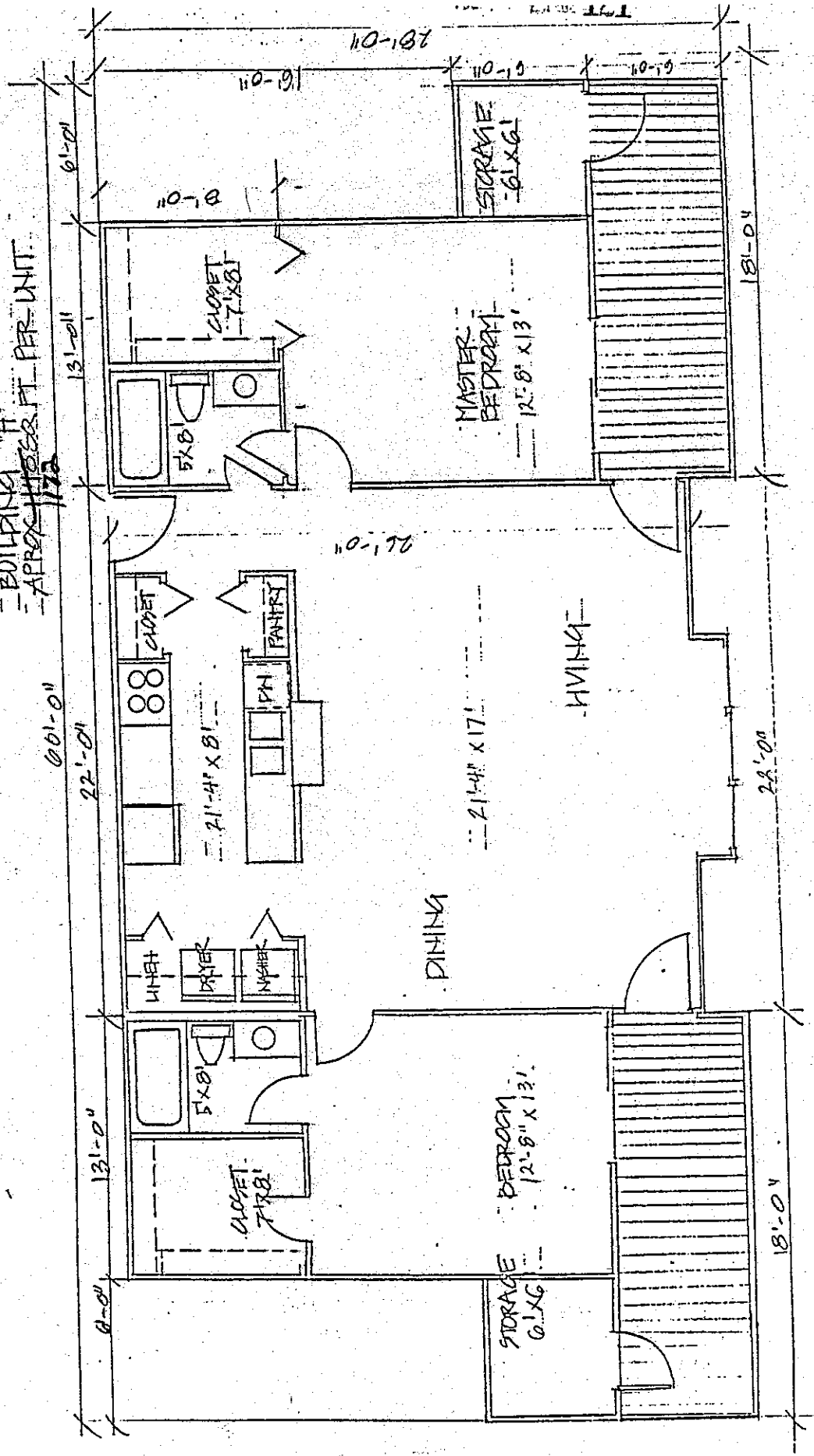
EXHIBIT "A"
TYPE "B"

TWO BEDROOM FLOOR PLAN
APPROX 1078 SQ FT PER UNIT



- TYPE "C"

- TWO BEDROOM FLOOR PLAN
- BUILDING "H"
- APPROX. 1100 SQ. FT. PER UNIT



<u>BUILDING A</u>	<u>STREET ADDRESS</u>	<u>UNIT TYPE</u>
Unit 1	4901 Seven Pine Circle	A
Unit 2	4903 Seven Pine Circle	A
Unit 3	4905 Seven Pine Circle	A
Unit 4	4907 Seven Pine Circle	A
Unit 5	4909 Seven Pine Circle	A
Unit 6	4911 Seven Pine Circle	A
Unit 7	4913 Seven Pine Circle	A
Unit 8	4915 Seven Pine Circle	A
<u>BUILDING B</u>		
Unit 1	4917 Seven Pine Circle	B
Unit 2	4919 Seven Pine Circle	B
Unit 3	4921 Seven Pine Circle	B
Unit 4	4923 Seven Pine Circle	B
Unit 5	4925 Seven Pine Circle	B
Unit 6	4927 Seven Pine Circle	B
Unit 7	4929 Seven Pine Circle	B
Unit 8	4931 Seven Pine Circle	B
<u>BUILDING C</u>		
Unit 1	4933 Seven Pine Circle	A
Unit 2	4935 Seven Pine Circle	A
Unit 3	4937 Seven Pine Circle	A
Unit 4	4939 Seven Pine Circle	A
Unit 5	4941 Seven Pine Circle	A
Unit 6	4943 Seven Pine Circle	A
Unit 7	4945 Seven Pine Circle	A
Unit 8	4947 Seven Pine Circle	A
<u>BUILDING D</u>		
Unit 1	4900 Seven Pine Circle	B
Unit 2	4902 Seven Pine Circle	B
Unit 3	4904 Seven Pine Circle	B
Unit 4	4906 Seven Pine Circle	B
Unit 5	4908 Seven Pine Circle	B
Unit 6	4910 Seven Pine Circle	B
Unit 7	4912 Seven Pine Circle	B
Unit 8	4914 Seven Pine Circle	B

EXHIBIT "B"

COBBLESTONE CONDOMINIUMS

HUNTSVILLE, MADISON COUNTY, ALABAMA

GENERAL NARRATIVE DESCRIPTION OF PROPERTY:

All that certain piece or lot of land lying and being situated in Huntsville, Madison County, Alabama, known as COBBLESTONE CONDOMINIUMS, and containing 16.71 acres, more or less, as is more particularly shown and delineated on an unrecorded plat of same, said plat being incorporated hereby by reference as part of this description.

According to said plat, the property is more particularly described as follows, to-wit:

All that part of the Southeast Quarter of Section 29, Township 3 South, Range 1 West of the Huntsville Meridian, Madison County, Alabama, more particularly described as commencing at a point on the West margin of Sparkman Drive right-of-way located South 86 degrees 05 minutes West, 840.72 feet, North 01 degrees 52 minutes West, 864.00 feet, South 86 degrees 05 minutes 13 seconds West, 20.00 feet, and North 01 degree 52 minutes West, 682.70 feet from the Southeast corner of said Section 29; thence from the point of beginning South 88 degrees 08 minutes West a distance of 178.47 feet to a point; thence South 01 degree 52 minutes East a distance of 358.87 feet to a point; thence South 86 degrees 05 minutes 13 seconds West a distance of 1676.08 feet to a point; thence North 02 degrees 22 minutes 59 seconds West a distance of 454.74 feet to a point; thence North 87 degrees 50 minutes East a distance of 1858.60 feet to a point on the West margin of Sparkman Drive right-of-way; thence South 00 degrees 36 minutes 45 seconds East along the West margin of Sparkman Drive right-of-way a distance of 45.74 feet to the point of beginning and containing 16.71 acres, more or less.