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**BY-LAWS
OF
MAGNOLIA KEY TOWNHOMES OWNERS' ASSOCIATION, INCORPORATED**

IDENTITY

The following shall constitute the By-Laws of Magnolia Key Townhomes Owners' Association, Incorporated, an association organized pursuant to the Alabama Condominium Ownership Act, Section 35-8-1, et seq., Code of Alabama, 1975, as amended, for the purpose of administering Magnolia Key Townhomes, a Condominium, situated in Baldwin County, Alabama.

1. The office of the association shall be such as is from time to time fixed by the Board of Directors of the association.
2. The fiscal year of the association shall be such as is from time to time fixed by the Board of Directors of the association.

MEETINGS OF MEMBERS

1. The annual meeting of members shall be held at the office of the association at 7:30 p.m. on the third Friday in March of each year for the purpose of electing Directors and of transacting other business authorized to be transacted by the members; provided, however, if that day is a legal holiday, the meeting shall be held at the same hour on the next day following that is not a legal holiday.

2. The time of holding the annual meeting of members may be changed at any time prior to fifteen (15) days before the regular day for holding such meeting by a resolution duly adopted by the Board of Directors or by the members, provided that notice of such change be mailed to each member of record, at such address as appears upon the records of the association, not less than ten (10) days before the holding of such meeting; and further provided that each annual meeting of members shall be held within one (1) month of the date on which it should regularly have been held but for such change.

3. Special meetings of members shall be held whenever called by the President or Vice President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members entitled to cast twenty-five percent (25%) of the votes in the Association.

4. Notice of all meetings of members stating the time and place and the objects for which the meeting is called shall be given by the President or Vice President or Secretary unless waived in writing. Such notice shall be in writing to each member at his address as it appears on the books of the association and shall be mailed not less than ten (10) days nor more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of meeting may be waived before or after meetings.

5. Voting shall be on a percentage basis and the percentage of the vote to which a member is entitled is the percentage assigned to the unit of which the member is the owner, as stated in the Declaration of Condominium of Magnolia Key Townhomes, a Condominium.

6. A quorum at meetings of members shall consist of persons entitled to cast a majority of the votes of the entire membership. As used herein, the term "majority" shall mean more than fifty percent (50%) of the votes in accordance with the

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percentages assigned in the Declaration of Condominium.

7. Votes may be cast in person or by proxy. Proxies may be made by any person entitled to vote and shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting.

8. When a quorum is present at any meeting, the holders of a majority of the voting rights present in person or represented by written proxy shall decide any questions brought before the meeting, unless the question is one which, by express provision of the Alabama Condominium Ownership Act, the Declaration of Condominium, or the By-Laws, a different number is required, in which case the express provision shall govern and control the decision in question.

9. Any meeting of the association may be adjourned from time to time to such date and time as may be determined by a majority vote of the members present, whether a quorum be present or not, without notice other than the announcement at the meeting. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted by a quorum at the meeting as originally called.

10. The order of business at annual meetings of members and, as far as practical, at all other meetings of members, shall be as follows:

Call to order

Calling of the roll and certifying of proxies

Proof of notice of meeting or waiver of notice

Reading and disposal of any unapproved minutes

Reports of officers

Reports of committees

Election of directors

Unfinished business

New business

Adjournment

11. Provided, however, that until such time as the Developer has completed and conveyed seventy percent (70%) of the units to be constructed in Phase I or any subsequent phase or phases, or until the Developer elects to terminate its control of the condominium, then consisting of Phase I and any subsequent phase or phases which have been properly submitted to the condominium form of ownership and use, or five (5) years from the date of the recordation of the Declaration of Condominium, there shall be no meeting of the members of the association, unless a meeting is called by the Board of Directors.

BOARD OF DIRECTORS

1. The affairs of the association shall be conducted by a Board of Directors which shall consist of such number not less than three (3) nor more than (5) as shall from time to time be determined and fixed by vote of a majority of the voting rights present at any annual meeting of the members. Each director shall be a person entitled to cast a vote in the association, except as provided in subsection 2(D) below.

2. Election of directors shall be conducted in the following manner:

A. Directors shall be elected at the annual meeting of the members of the association.

B. Except as to vacancies created by removal of directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining directors.

C. Any director may be removed by concurrence of two-thirds (2/3) of the members of the association at a special meeting of the members called for such purpose. The vacancy thus created shall be filled at the same meeting by the members of the association in the same manner as was such removed director elected.

D. Provided, however, that until and no later than the earlier of four (4) months after seventy-five percent (75%) of the units in Phase I and any additional phase or phases have been sold, closed, and conveyed to the unit purchasers, or three (3) years after the first unit in Phase I is sold, closed, and conveyed to that unit purchaser, or the Developer elects to terminate its control of the condominium, there shall be no meeting of the members of the Association, unless a meeting is called by the Board of Directors, and the rules adopted by the Developer shall control.

3. The term of each director's service shall extend until the next annual meeting of the members and thereafter until his successor is duly elected and qualified or until he is removed in the manner herein provided.

4. The organizational meeting of a newly elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary provided a quorum shall be present.

5. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

6. Special meetings of the directors may be called by the President and must be called by the Secretary at the written request of one-third (1/3) of the votes of the Board. Not less than three (3) days notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

7. Any director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

8. A quorum at directors' meetings shall consist of the directors entitled to cast a majority of votes of the entire Board of Directors. The acts of the Board approved by a majority of votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except where approval by a greater number of directors is required by the Declaration of Condominium or by these By-Laws. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such director for the purpose of determining a quorum.

9. The presiding officer of directors' meetings shall be the President. In the absence of the President, the directors present shall designate one of their number to preside.

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19. Directors shall serve without compensation, and a director may not be an employee of the association.

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

The Board of Directors, for the benefit of the owners, shall have the following powers and duties:

1. To exercise all of the powers of the association with respect to the operation and regulation of the condominium project which are conferred upon the Board by the Alabama Condominium Ownership Act, the Declaration of Condominium, or these By-Laws;

2. To make contracts and incur liabilities in connection with the exercise of any of the powers and duties of the Board;

3. To provide or cause to be provided all goods and services required by law, the Declaration of Condominium or by these By-Laws, or which the Board in its discretion may deem necessary for the proper operation of the condominium project, or which are used in common or jointly by the common elements and condominium units, in each case to the extent such good and services shall not be otherwise provided;

4. To collect monthly assessments from the owners and to render or cause to be rendered statements, when required or useful, of any assessments which remain unpaid by any owner;

5. To maintain a class action and to settle a cause of action on behalf of owners with reference to the common elements, the roof and structural components of a building or other improvement, and mechanical, electrical and plumbing elements serving an improvement or a building as distinguished from mechanical elements serving only a unit; and to bring an action and to settle the same on behalf of two (2) or more of the owners, as their respective interests may appear, with respect to any cause of action relating to the common elements or more than one (1) condominium unit, all as the Board deems advisable.

6. To elect the officers of the association and otherwise exercise the powers regarding officers of the association as set forth in these By-Laws.

7. To determine who shall be authorized to make and sign all instruments on behalf of the association and the board.

8. To employ for the condominium a "Managing Agent" at a compensation established by the Board. The managing agent shall perform such duties and services as the Board shall authorize, including, but not limited to, all of the duties listed in the Act, the Declaration and these By-Laws; provided, however, where a managing agent does not have the power to act under the Act, the Declaration or these By-Laws, such duties shall be performed as advisory to the Board. The Board may delegate to the managing agent all of the powers granted to the Board by the Act, the Declaration and these By-Laws other than the following powers:

(1) to adopt the annual budget, any amendment thereto or to assess any common expenses;

(2) to adopt, repeal or amend Rules and Regulations;

(3) to designate signatories on Association bank accounts;

(4) to borrow money on behalf of the Association;

(5) to acquire and mortgage units;

(6) to designate reserved common elements;

(7) to allocate limited common elements.

Any contract with the managing agent must provide that it may be terminated with cause by the Board on no more than thirty (30) days' written notice and without cause and without penalty or any termination fee on no more than ninety (90) days' written notice. The term of any such contract may not exceed one (1) year.

9. To designate and remove personnel necessary for the maintenance, repair and replacement of the common elements.

10. To procure such fidelity bonds as the Board deems advisable covering officers and employees of the Association handling and/or responsible for the Association's funds and personal property, and to procure directors' and officers' liability insurance, if the Board deems advisable, and the premiums for such bonds and insurance shall be paid by the Association as common expenses.

11. To determine policies and to adopt administrative rules and regulations governing the details of the operation and use of the condominium property, including the common elements, and to amend such administrative rules and regulations from time to time as the Board may deem advisable.

OFFICERS

1. The executive officers of the association shall be a President, who shall be a director; a Vice President, who shall be a director; and a Secretary-Treasurer, all of whom shall be elected annually by the Board of Directors and who may be preemptorily removed by vote of the directors at any meeting. Any person may hold two (2) or more offices, except that the President shall not also be Secretary-Treasurer. The Board of Directors shall from time to time elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the association.

2. The President shall be the chief executive officer of the association. He shall have all of the powers and duties which are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the members from time to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the association.

3. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the directors.

4. The Secretary-Treasurer shall keep the minutes of all proceedings of the directors and the members. He shall attend to the giving and serving of all notices to the members and directors and other notices required by law. He shall have custody of the seal of the association and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the association, and shall perform all other duties incident to the office of the secretary of an association as may be required by the directors or the President.

In addition, the Secretary-Treasurer shall have custody of all property of the association, including funds, securities, and evidences of indebtedness. He shall keep the financial records and books of account of the association in accordance with good accounting practices; shall keep detailed, accurate records in chronological order of the receipts and expenditures affecting the common areas and facilities, specifying and itemizing the maintenance and repair expenses of the common areas and facilities and any other expenses incurred; and he shall perform all other duties incident to the office of Treasurer. The records, books of account, and the vouchers authorizing payments; shall be available

for examination by a member of the association at convenient hours of week days.

FISCAL MANAGEMENT

1. The board of Directors shall adopt a budget for each calendar year which shall include estimated common expenses, including a reasonable allowance for contingencies and reserves less the unneeded fund balances on hand. Copies of the budget and proposed assessments shall be transmitted to each member on or before December 1st preceding the year for which the budget is made. If the budget is subsequently amended before the assessments are made, a copy of the amended budget shall be furnished each member.

2. Assessments for recurring common expenses shall be made for the calendar year annually in advance, on or before December 20th preceding the year for which the assessments are made. The Board may include a maintenance fund reserve for contingencies in such assessments, and such assessments may from time to time be increased or reduced at the discretion of the Board. The proportionate interest of each unit owner in said fund shall not be withdrawn or separately assigned, but shall be deemed to be transferred with such unit, even though not expressly mentioned or described in the conveyance thereof. In the event the condominium regime hereby created shall be terminated and the property removed from the Alabama Condominium Ownership Act, any part of the said fund remaining after full payment of all common expenses of the association shall be distributed to all unit owners in their respective proportionate shares. Such assessments shall be due in monthly installments on the 1st day of each month of the year for which the assessments are made, or at such other time as the Board may from time to time establish. If such annual assessment is not made as required, an installment in the amount required by the last prior assessment shall be due upon each installment payment date until changed by a new assessment. The total of the assessments for recurring common expenses shall be not more than one hundred and fifteen percent (115%) of the assessment for each individual unit for the preceding year unless the same shall be approved by a majority of the unit owners. In the event any annual assessment shall prove to be insufficient, it may be amended at any time after approval in writing by unit owners entitled to cast a majority of the votes in the association, and the amended assessment for the remaining portion of the calendar year shall be due at the time the next monthly installment is due. The first assessment shall be determined by the Board of Directors of the association.

3. If a unit owner shall be in default in the payment of any installment upon any assessment, the Board of Directors may accelerate the remaining installments of such assessment upon notice thereof to the unit owner, and thereupon the unpaid balance of the assessment shall become due upon the date stated in the notice, but not less than ten (10) days after delivery thereof to the unit owner, or not less than twenty (20) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur. Upon default in the payment of an installment upon any assessment, the Board of Directors of the association shall be entitled to charge interest at the rate of twelve percent (12%).

4. Assessments for common emergencies which cannot be paid from the assessments for recurring expenses shall be made only after notice of the need therefor to the unit owners concerned. After such notice and upon approval in writing of more than one-half (1/2) of such unit owners concerned, the assessment shall become effective, and shall be due after thirty (30) days notice thereof in such manner as the Board of Directors of the association may require.

5. In the event an owner of a unit does not pay any sums, charges or assessments required to be paid to the association within thirty (30) days from the due date, the association may foreclose the lien encumbering the unit created by the non-

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payment of the required funds in the same manner as mortgage liens are foreclosed; provided that thirty (30) days prior notice of the intention to foreclose shall be mailed, postage prepaid, to the unit owner and to all persons having a mortgage lien or other interest of record in such unit as shown in the association's records of ownership. The association shall be entitled to the appointment of a receiver, if it so requests. The association shall have the right to bid-in the unit at a foreclosure sale and to acquire, hold, mortgage and convey the same. In any such foreclosure proceeding, the lien of the association shall be subordinate to the lien of a recorded first mortgage encumbering such unit at the time of the commencement of the foreclosure action by the association. In lieu of foreclosing its lien, the association may bring suit to recover a money judgment for any sums, charges or assessments required to be paid to the association without waiving its lien securing same. In any proceeding either to foreclose its lien or to recover a money judgment, brought by or on behalf of the association against a unit owner, the association shall be entitled to recover interest, costs and reasonable attorney's fees, which shall be added to the amount of the unpaid assessment, as provided in the Alabama Condominium Ownership Act.

If the association shall become the owner of a unit by reason of foreclosure, it shall offer said unit and properties for sale and at such time as a sale is consummated it shall deduct from such proceeds all sums of money due it for monthly installments and charges, all costs incurred in the bringing of the foreclosure suit, including reasonable attorney's fees, and any and all expenses incurred in the resale of the unit, which shall include but not be limited to advertising expenses, real estate brokerage fees and expenses necessary for the repairing and /or refurbishing of the family unit in question. All moneys remaining after the deduction of the foregoing items of expense shall be returned to the former owner of the unit in question.

6. The depository of the association shall be such bank or banks as shall be designated from time to time by the directors and in which moneys of the association shall be deposited. Withdrawal of moneys from such accounts shall be only by checks signed by such persons as are authorized by the directors.

7. An audit of the accounts of the association shall be made annually by a certified public accountant who shall not be a member of the association, and a copy of the report shall be furnished to each member not later than March 1st of the year following the year for which the report is made.

8. Fidelity bonds shall be required by the Board of Directors from all officers and employees of the association and from any manager handling and/or responsible for association funds. The amount of such bonds shall be determined by the Board, but shall be at least the amount of the total annual assessments against members for recurring expenses. The premiums on such bonds shall be paid by the association.

OBLIGATIONS OF THE OWNERS

1. Every owners of any unit in the condominium shall contribute toward the expense of administration of the condominium, as provided in the Declaration of Condominium and in these By-Laws.

2. (a) Every owner must perform promptly all maintenance and repair work within his own unit, which if omitted would affect the condominium in its entirety or in a part belonging to other owners, and shall be expressly responsible for any damage or liability resulting from his failure to do so.

(b) Except as may be otherwise provided in the Declaration of Condominium, all of the repairs of internal and appurtenant installations of the unit, such as water, light, power, air conditioning and heating systems, sewage, telephones, sanitary installations, doors, windows, lamps, and other accessories belonging to the unit area shall be maintained at the unit owner's expense.

any expenditures incurred in repairing or replacing any common areas and facilities damaged through his fault.

3. All units shall be utilized in accordance with the provisions of the Declaration, By-Laws, and Rules and Regulations.

4. The Board of Directors, in order to assure the peaceful and orderly use and enjoyment of the condominium project, may from time to time adopt, modify and revoke in whole or in part, reasonable Rules and Regulations by a vote of sixty-seven percent (67%) of the members present in person or represented by proxy at a meeting duly called for such purpose. Such Rules and Regulations, upon adoption, amendment, modification or revocation, shall be delivered promptly to each owner and shall be binding upon all members of the association, their occupants, lessees, and guests.

5. In any suit to foreclose the lien against any owner of a unit, the association may represent itself in like manner as any mortgagee of real property. The association acting on behalf of the unit owners shall have the power to bid and acquire such unit at a foreclosure sale. The delinquent owner shall be required to pay to the association a reasonable rent for such unit until sale or foreclosure, together with all costs and reasonable attorney's fees. Suit to recover a money judgment for unpaid common expenses shall be maintainable with all costs and reasonable attorney's fees without foreclosing or waiving the lien securing the same.

6. The manager and any person authorized by the Board of Directors shall have the right to enter each unit in case of any emergency originating in or threatening such unit whether or not the owner or occupant is present at the time. Every unit owner and occupant, when so required, shall permit other unit owners or their representative, or the authorized representative of the association, to enter his unit at reasonable times for the purpose of performing authorized installations, alterations, or repairs to the common elements therein for central services provided that requests for entry are made in advance.

7. Every unit owner shall promptly cause to be duly recorded in the office of the Judge of Probate, Baldwin County, Alabama, the deed or other conveyance to him of his unit or other evidence of his title thereto and file such evidence with the association, and the Secretary-Treasurer shall maintain such information in the record of the ownership of the association.

8. Any mortgagee of a unit may file a copy of its mortgage with the association, and the Secretary-Treasurer shall maintain such information in the record of ownership of the association. After the filing of the mortgage, the association shall be required to notify the mortgagee of any unit owner who is in default in the expenses for the administration of the condominium and the mortgagee at its option may pay the delinquent expenses.

PARLIAMENTARY RULES

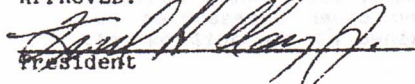
Roberts Rules of Order (latest edition) shall govern the conduct of the association meetings when not in conflict with the Alabama Condominium Ownership Act, the Declaration or these By-Laws.

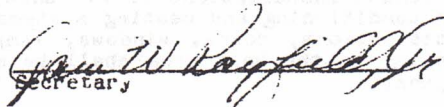
AMENDMENTS

These By-Laws may be amended in accordance with the provisions of Paragraph 20 of the Declaration of Condominium.

The foregoing were adopted as the By-Laws of Magnolia Key Townhomes Owners' Association, Incorporated, at the first meeting of the Board of Directors, on the 28th day of October, 1985.

APPROVED:


President


Secretary

SCHEDULE OF THE PERCENTAGE OF UNDIVIDED INTEREST OF EACH UNIT OF
PHASE I, MAGNOLIA KEY TOWNHOMES, A CONDOMINIUM IN THE COMMON
ELEMENTS.

Phase I Unit No.	Square feet of Unit divided by Total Square Footage	Percentage of Undivided Interest
1-A	$1423/5128 = 0.27749$	27.749
2-A	$1136/5128 = 0.22153$	22.153
3-A	$1136/5128 = 0.22153$	22.153
4-A	$1433/5128 = 0.27945$ $5128/5128 = 1.00000$	27.945 100.000%

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Exhibit "E"

RULES AND REGULATIONS

OF

MAGNOLIA KEY TOWNHOMES OWNERS' ASSOCIATION, INCORPORATED

**Governing The Use by
Unit Owners, Tenants, Occupants And Guests**

The following Rules and Regulations shall be binding upon and shall apply to all unit owners, tenants, occupants and guests and shall be enforceable by Magnolia Key Townhomes Owners' Association, Incorporated (hereinafter known and referred to as the "association") in any manner permitted by applicable law or by the Declaration of Condominium of Magnolia Key Townhomes, a Condominium, as the same may from time to time be amended. Unit owners shall exercise their best efforts in order to insure that said Rules and Regulations are faithfully observed by their families, guests, invitees, servants, lessees and all persons over whom they exercise control and supervisions.

1. Each unit owners shall regulate and shall be responsible for the occupancy and use of his unit. The owner may not occupy or use or allow his unit to be used in any manner which will unreasonably disturb other residents or the general operation of the condominium property. The owner shall not cause or permit any disturbing noises in the unit nor shall he interfere or permit any interference with the rights, comforts or conveniences of other residents. The owner shall not permit any musical instrument to be played or any phonograph, television, radio or hi-fi stereo equipment to be operated in his unit in any manner which will disturb or annoy other residents of the condominium property. The owner shall use all reasonable efforts to minimize the noises emanating from his unit.

2. Automobiles may be parked only in the areas provided for such purpose.

3. An owner may identify his unit with a name plate of a type and size approved by the association and mounted in a place and manner approved by the association. No other signs may be displayed except as approved by the association; provided, however, that this restriction shall not apply to the Developer until such time as all units owned by the Developer shall have been sold.

4. No flower pots, boxes or similar materials shall be suspended from windows. Hanging plants may be hung from balconies provide that they do no create an eyesore. In the event that any hanging plant is adjudged by the association's Board of Directors to constitute an eyesore or a safely hazard, the Board of Directors may order that such plant be removed, and any person refusing to obey such an order shall be in violation of these Rules and Regulations.

5. The balconies, terraces and stairways shall not be used for hanging bathing suits, towels, garments, rugs or other objects.

6. With the exception of the master antenna, if any, and/or the cable television system, if any, maintained by the association, no antenna shall be installed outside of any unit or building. No citizens band or shortwave radio or similar apparatus which may have an adverse effect on the reception of television or radio signals by other residents shall be permitted.

7. No liquid or gel mattresses shall be allowed in any unit.

8. No storage of any kind shall be permitted in walkways or other common areas, except as such common areas may be

Exhibit "F"

designated for such use by the Board of Directors.

9. Common areas shall be used only for the purposes for which such areas are customarily used and are to be kept free of obstruction. No articles belonging to unit owners, tenants, occupants or guests shall be kept in such areas. Each owner, tenant and occupant shall be responsible for the removal of any refuse he or his guest may have left in any common area.

10. No alteration, repair or work of any kind shall be performed upon any exterior building wall or interior boundary wall without first obtaining the approval of the Board of Directors, as required by the Declaration.

Except as provided in Paragraph 3 hereinabove, entrance doors shall not be permanently changed or altered in any manner. This regulation shall not, however, be construed to prohibit the temporary decoration of entrance doors in observance of festive holiday periods. No owner, tenant or occupant shall alter the exterior appearance of any balcony or patio except with planters as provided in Paragraph 4 hereinabove.

11. No owner, tenant or occupant shall attach any awning, shutter, shielding or any other projection of a similar nature to any window or to the outside walls of any building nor to any balcony or patio without the approval of the Board of Directors of the association.

12. No garbage or trash shall be disposed of on the premises except through the use of garbage disposal units or receptacles in areas designated by the association.

13. Each owner shall have no more than one pet, which shall be of weight less than twenty-two (22) pounds. No pets or animals other than cats or dogs of the abovesaid weight shall be permitted upon the premises. All pets shall be maintained on a leash while upon any part of the common areas. Persons other than unit owners shall not bring pets or other animals upon the condominium property.

14. All unit owners shall inform lessees of the Rules and Regulations.

15. The speed limit upon the condominium property shall be five (5) miles per hour.

16. No person shall repair or maintain, store or place on blocks any motor vehicle, including automobiles, motorcycles, recreational vehicles, campers, trucks and trailers, upon the condominium property.

17. All interior window treatments and decoration shall be limited to appropriate and normally used materials.

18. No owner, tenant or occupant shall give any direct order or direction to any employee of the association. All requests for services shall be directed to an officer of the association or to the manager.

19. No owner, tenant or occupant shall alter the unit entrance door or install a new additional lock without the prior written consent of the Board of Directors.

By permission of the Board of Directors, an owner may install on the exterior door(s) of his unit a safety lock, provided that such lock may be opened from the outside by use of a key. In the event any such lock is installed pursuant to this section, the owner shall deliver a passkey to the lock to the President of the association, which passkey shall be kept in a sealed envelope and used to enter the unit in emergency situations only.

20. No owner, tenant or occupant shall install any

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plumbing or wiring without the prior written approval of the Board of Directors.

The foregoing Rules and Regulations are subject to amendment and further regulations may be promulgated by the Board of Directors in accordance with the provisions of the By-Laws of Magnolia Key Townhomes Owners' Association, Incorporated.

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THIS INSTRUMENT PREPARED BY:

Martha E. Durant
Burke, Burke & Durant
Post Office Box 2817
Gulf Shores, Alabama 36542

MAGNOLIA KEY TOWNHOMES, a Condominium

Proposed Budget

Phase I

Insurance	\$1,880.00
Grounds and Maintenance	1,000.00
Pest Control	280.00
Refuse	650.00
Sewer and Water (Common)	600.00
Miscellaneous	500.00
Power (Common)	300.00
Reserve for replacement	1,700.00*
Legal and Accounting	<u>600.00</u>
TOTAL:	\$7,510.00

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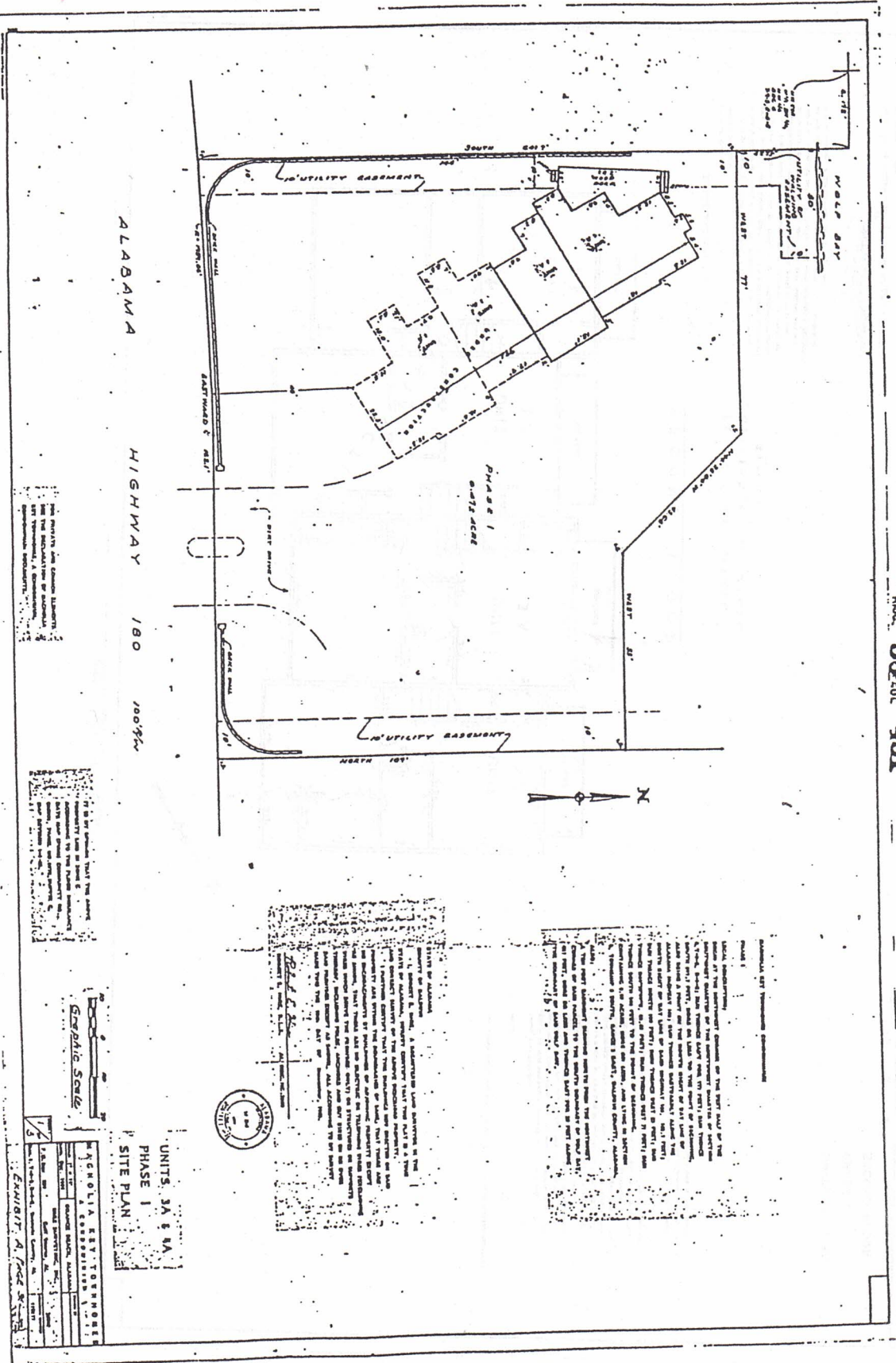
*Composed of the following:

	<u>Costs:</u>	<u>Life:</u>	<u>Reserve per year:</u>
Roofing	\$5000.00	10 yrs.	\$500.00
Paint & Repair	\$3500.00	5 yrs.	\$700.00
Misc. (drives, walks & fences	\$2500.00	5 yrs.	\$500.00

BUDGET IS ONLY ESTIMATE AND SUBJECT TO CHANGE.

EXHIBIT Q

MSL 56-AGE 431



THE PROPERTY AND EASEMENTS SHOWN ON THIS MAP ARE THE PROPERTY OF THE ALABAMA HIGHWAY DEPARTMENT AND ARE NOT TO BE USED FOR ANY OTHER PURPOSE.

THIS MAP IS FOR INFORMATION ONLY AND DOES NOT CONSTITUTE A GUARANTEE OF THE ACCURACY OF THE INFORMATION SHOWN THEREON. THE ALABAMA HIGHWAY DEPARTMENT ASSUMES NO LIABILITY FOR ANY LOSS OR DAMAGE RESULTING FROM THE USE OF THIS MAP.

GRAPHIC SCALE

ALABAMA HIGHWAY DEPARTMENT	
UNIT 1	UNIT 2
UNIT 3	UNIT 4
UNIT 5	UNIT 6
UNIT 7	UNIT 8
UNIT 9	UNIT 10
UNIT 11	UNIT 12
UNIT 13	UNIT 14
UNIT 15	UNIT 16
UNIT 17	UNIT 18
UNIT 19	UNIT 20
UNIT 21	UNIT 22
UNIT 23	UNIT 24
UNIT 25	UNIT 26
UNIT 27	UNIT 28
UNIT 29	UNIT 30
UNIT 31	UNIT 32
UNIT 33	UNIT 34
UNIT 35	UNIT 36
UNIT 37	UNIT 38
UNIT 39	UNIT 40
UNIT 41	UNIT 42
UNIT 43	UNIT 44
UNIT 45	UNIT 46
UNIT 47	UNIT 48
UNIT 49	UNIT 50
UNIT 51	UNIT 52
UNIT 53	UNIT 54
UNIT 55	UNIT 56
UNIT 57	UNIT 58
UNIT 59	UNIT 60
UNIT 61	UNIT 62
UNIT 63	UNIT 64
UNIT 65	UNIT 66
UNIT 67	UNIT 68
UNIT 69	UNIT 70
UNIT 71	UNIT 72
UNIT 73	UNIT 74
UNIT 75	UNIT 76
UNIT 77	UNIT 78
UNIT 79	UNIT 80
UNIT 81	UNIT 82
UNIT 83	UNIT 84
UNIT 85	UNIT 86
UNIT 87	UNIT 88
UNIT 89	UNIT 90
UNIT 91	UNIT 92
UNIT 93	UNIT 94
UNIT 95	UNIT 96
UNIT 97	UNIT 98
UNIT 99	UNIT 100

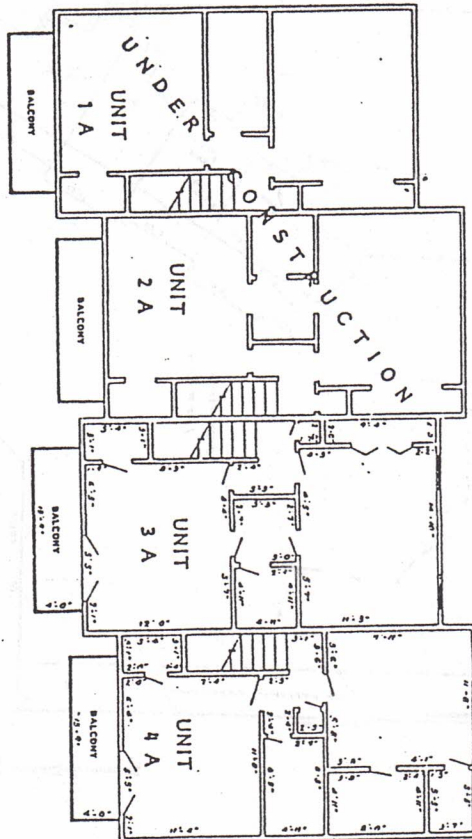
UNIT 1
PHASE 1
SITE PLAN



ALABAMA HIGHWAY DEPARTMENT
PHASE 1
0.475 ACRES
UNIT 1
PHASE 1
SITE PLAN

ALABAMA HIGHWAY DEPARTMENT
PHASE 1
0.475 ACRES
UNIT 1
PHASE 1
SITE PLAN

EXHIBIT "A-1"



SECOND FLOOR

FLOOR ELEV. = 28.9 M.S.L.
CEILING ELEV. = 32.8 M.S.L.
SCALE 1/8" = 1'-0"

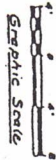
NOTE: THE ABOVE FLOOR PLAN IS BASED ON THE INFORMATION PROVIDED BY THE ARCHITECT. THE ARCHITECT HAS CONDUCTED VISUAL GENERAL VERIFICATION OF THE INFORMATION PROVIDED BY THE ARCHITECT. THE ARCHITECT HAS NOT CONDUCTED A DETAILED SURVEY OF THE PROPERTY. THE ARCHITECT HAS NOT CONDUCTED A DETAILED SURVEY OF THE PROPERTY. THE ARCHITECT HAS NOT CONDUCTED A DETAILED SURVEY OF THE PROPERTY.

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NO.	DATE	DESCRIPTION	BY
1	10/1/11	Initial Design	ARCHITECT
2	10/1/11	Revised Design	ARCHITECT
3	10/1/11	Final Design	ARCHITECT

EXHIBIT A, Page 23

Begin at the Northwest corner of the West half of the Southwest quarter of the Northwest quarter of Section 4, Township 9 South, Range 5 East; run thence East for 172 feet to point of beginning; run thence East for 222 feet; run thence South for 100 feet; thence continue South for 50 feet, more or less, to an iron post set; run thence West for 48.50 feet; run thence South for 50 feet; run thence West for 11.5 feet; run thence South for 439.3 feet to the North right-of-way of Alabama Highway No. 180; run thence westward along said North right-of-way for 162.1 feet; run thence North for 571.40 feet to the South shore of Bay La Launch; continue thence North for 70.3 feet to the point of beginning. Said land being in Section 4, Township 9 South, Range 5 East; Baldwin County, Alabama.

REC. 56-40E 434

Exhibit "B"

