

STATE OF ALABAMA
BALDWIN COUNTY

I certify that this instrument was

JUN - 8 1983

and that no tax was collected. Recorded

Book 45

Page 193

555

Index

Shirley D. Davis
Judge of Probate

2:43P
Miss

DECLARATION
OF
THE GULF SHORES PLANTATION,
A CONDOMINIUM
Baldwin County, Alabama

MISC. 45 PAGE 493

This Declaration was prepared and reviewed by ADAMS, QUACKENBUSH, HERRING & STUART, Attorneys at Law, Post Office Box 394, Columbia, SC 29202; and JOHN N. PAPPANASTAS, Attorney at Law, Post Office Box 1402, Montgomery, Alabama 36102.

DECLARATION OF CONDOMINIUM
OF
THE GULF SHORES PLANTATION, A CONDOMINIUM

KNOW ALL MEN BY THESE PRESENTS, THIS DECLARATION is made this 7th day of June, 1983, by RESORT INVESTMENT CORPORATION OF ALABAMA (hereinafter called the "Declarant"), an Alabama corporation with its principal office and place of business being located at Highway 59, Post Office Box 1038, Gulf Shores, Alabama 36542, for the purposes hereinafter set forth.

W I T N E S S E T H :

WHEREAS, Declarant is the owner in fee simple of certain real property, buildings and improvements thereon located in the County of Baldwin, State of Alabama, which is more particularly described in the Exhibits attached hereto and incorporated herein by reference (hereinafter called the "Condominium Property" or the "Property"); and

WHEREAS, Declarant desires to submit the Property to the provisions of the Alabama Condominium Ownership Act, Title 35, Chapter 8, Alabama Laws (hereinafter called the "Act"), hereby creating a Condominium known as The Gulf Shores Plantation, a Condominium; and

WHEREAS, Declarant desires to publish a plan for the individual ownership of the several Units of the Property together with an undivided ownership interest in the general common elements and limited common elements, if any of the Property as defined herein and in the Act; and

WHEREAS, Declarant desires to convey the Property pursuant to and subject to certain protective covenants, conditions, restrictions, reservations, liens and charges hereinafter set forth;

NOW, THEREFORE, Declarant does hereby submit the Property to the Provisions of the Alabama Condominium Ownership Act, Title 35, Chapter 8, Alabama Laws, and hereby publishes its plan for the division of the Property and the imposition of conditions, restrictions, reservations, liens and charges thereon and the individual ownership thereof, and Declarant hereby specifies that this Declaration of Condominium and the declarations herein shall constitute covenants, conditions, reservations and restrictions which shall run with the Property and shall bind and inure to the benefit of the Declarant, its successors and assigns and all subsequent owners of any interest in the Property, their grantees, successors, heirs, executors, administrators, legatees and/or assigns.

ARTICLE I
Definitions

As used in this Declaration and all Exhibits hereto, all amendments hereof and thereof unless the context otherwise requires, the following definitions shall prevail:

1. Act means the Alabama Condominium Ownership Act, Title 35, Chapter 8, Alabama Laws, as presently constituted.

2. Association means as defined in the Act and specifically known as The Gulf Shores Plantation Condominium Association, formed for the purpose of exercising the powers of the association of this condominium.

3. Assessment means a share of the funds required for the payment of common expense, capital improvements and expenses which from time to time are assessed to some or all of the Unit Owners.

4. Board of Directors or Board means the executive and administrative body designated as the governing body of the Association.

5. By-Laws means the by-laws of the Association as they exist from time to time.

6. Common Elements means and includes all of the Property excluding the Units and specifically includes both the general common elements and limited common elements (if any).

7. Common Expenses means and includes:

(a) All expenses incident to the administration, maintenance, repair and replacements of the Property after excluding therefrom any and all expenses which are the responsibility of a particular Unit Owner as herein-after set forth;

(b) Expenses determined by the Board of Directors of the Association to be Common Expenses;

(c) Expenses in this Declaration and/or its Exhibits denominated as Common Expenses; and

(d) Any other expenses declared by the Act to be Common Expenses.

8. Common Surplus means as defined in the Act and is the excess of all receipts of the Association over and above the amount of Common Expenses and not otherwise reserved or designated for a specific use.

9. Condominium means as defined in the Act and specifically The Gulf Shores Plantation, a Condominium, and the Property and Units included as shown in this Declaration and the Exhibits hereto.

10. Condominium Unit or Unit means an individual Unit as defined herein, in the Act and as described in the Exhibits hereto and includes an undivided share of the common elements, vote, common surplus and liability for common expenses and other assessments appurtenant thereto.

11. Declarant means Resort Investment Corporation of Alabama, its successors and assigns.

12. Declaration means as defined in the Act and specifically this Declaration of Condominium establishing The Gulf Shores Plantation, a Condominium.

13. Exhibits means the exhibits to this Declaration, as they may be amended from time to time.

14. Institutional Mortgagee means a bank, savings and loan association, insurance company or union pension fund authorized to do business in the United States of America, an agency of the United States Government, a real estate or mortgage investment trust, the Declarant, any of its affiliates and any lender generally recognized as an institutional type lender, having a lien on the Property or any part or parts thereof.

15. Limited Common Elements means as defined in the Act.

16. Limited Common Expenses means as defined in the Act.

17. Limited Common Surplus means as defined in the Act.

18. Long Term Lease means the one or more certain Lease Agreements which are included in the Exhibits to this Declaration or shall be added by Amendment to the Exhibits and to which the Association and each and every Unit Owner is and shall be based.

19. Majority or Majority Vote means the Unit Owners to which fifty-one (51%) percent of the total number of votes in the Association appertain.

20. Occupant means any person or persons residing or occupying in a Unit or any portion of the Property.

21. Person means as defined in the Act.

22. Record means to file for record in the proper office(s) with the proper official(s).

FILED
45
PAGE
495

23. Private Elements means as defined in the Act and specifically the air space contained within each individual Unit.

24. Condominium Property or Property means as defined in the Act and specifically includes that property shown as contained within The Gulf Shores Plantation, a Condominium, as described in the Exhibits hereto and includes the land, the buildings, all improvements and structures thereon and all easements, rights and appurtenances belonging thereto and subject to all easements, rights-of-way and rights of use as described herein and in the Exhibits.

25. Unit Owner means a Person owning, in fee simple, a Unit or partial interest therein in the Condominium, whether acquired by purchase, gift, devise or otherwise.

ARTICLE II

The Gulf Shores Plantation Condominium Association

1. The administration of the affairs of the Condominium and the maintenance, repair, replacement and operation of the Common Elements as herein provided, the enforcement of all rules, regulations, by-laws and those acts required of the Association by the Declaration and/or by the By-Laws and/or by the Act shall be the responsibility of the Association acting through the Board of Directors. Such administration shall be in accordance with and under the powers granted by the provisions of the Act, this Declaration and the By-Laws of the Association.

2. The Association through its Board of Directors shall be and hereby is authorized to enter into such agreements and to bind itself and all Unit Owners as it may deem necessary or desirable for the administration and operation of the Condominium. Each Unit Owner who acquires an interest in a Unit shall thereby be deemed to agree to be bound by the terms and conditions of all such agreements. A copy of each such agreement shall be made available at the office of the Association for review by any Unit Owner.

3. There shall be only one voting member for each Unit. If a Unit is owned by more than one Person, the Unit Owners thereof shall designate one of their number as the voting member. If a Person other than an individual owns a Unit, a partner, trustee, officer or employee thereof shall be designated as the voting member for such Unit. The designation of the voting member shall be made as provided in the By-Laws. The vote of a voting member shall not be divisible.

Each voting member (and only the voting member) shall be entitled to cast the vote for each Unit he represents, on each matter submitted to a vote at a meeting of the Association, regardless of the number of Persons who own such Unit. The Declarant shall be entitled to cast the vote for each Unit it owns.

Each voting member shall be entitled to cast his vote(s) at each meeting of the Association in person or, if permitted by the By-Laws, by proxy.

4. Declarant shall appoint an initial Board of Directors to serve until Declarant shall relinquish control and their successors have been elected and qualified. Declarant shall release control upon calling a meeting of the Unit Owners for purposes of taking control, which meeting shall be called no later than twelve (12) months after the filing of this Declaration establishing the Condominium.

ARTICLE III

Property Rights

1. Identification of Units: The Condominium consists essentially of Units in buildings and other improvements and certain lands as the same are described in the Exhibits. For the purposes of identification, each Unit in the Condominium is identified by number and/or letter and is delineated in the Exhibits hereto which are made a part of this Declaration. No two Units have the same designation.

The aforesaid buildings and Units therein and other improvements are constructed in accordance with the plats, plans, descriptions and surveys contained in the Exhibits.

2. Ownership of a Unit includes title to the Unit and an undivided interest in the Common Elements and the Common Surplus (if any). Any attempt to divide a Unit by separating title to the Unit from the undivided interest in the Common Elements and common Surplus (if any) shall be void.

The undivided interests in the Common Elements, the Common Surplus (if any) and the liability for Common Expenses which the Unit Owners of the Units are acquiring are set forth in the Exhibits.

3. Neither the Association, any Unit Owner, the Declarant, nor any other party who owns an interest in the Common Elements shall have the right to bring any action for partition or division of the Common Elements.

Initial rules and regulations governing the use of the Property shall be promulgated by the Declarant on behalf of the Board of Directors. Additional and/or amended rules and regulations may be adopted or repealed by the Board of Directors. The Board of Directors may amend or repeal any rule or regulation adopted by it or by the Declarant provided such does not affect any right(s) of Declarant or any affiliate of it. All rules and regulations shall be posted in conspicuous places in the Common Elements.

Each Unit Owner, by acquiring his Unit, shall be deemed to agree to be bound by, among other things: (i) all rules and regulations adopted for the use of the Property; (ii) such rules and regulations as the Declarant may adopt pursuant to the Long Term Lease; and (iii) the Declaration and the By-Laws.

The Association shall have the right to deny any Unit Owner or Occupant the right to use the Common Elements for a period not to exceed thirty (30) days for a violation of the rules and regulations promulgated for the use of the Property.

Any Occupant may use the Common Elements reserved for the use of the Unit he occupies during the time such Occupant is actually in residence in the Unit. Guests and invitees of an Occupant of a Unit and the Unit Owner of a Unit (while another occupies his Unit) may only use the Common Elements with the express permission of the Board of Directors and subject to such terms and conditions as the Board of Directors may specify in its sole discretion, including the payment of a fee for the use thereof.

4. Parking spaces shall not be reserved solely for the use of Occupants of any particular Unit nor shall they be numbered unless otherwise agreed by all Unit Owners and the Institutional Mortgagees of their Units (In which case such reserved parking spaces shall be Limited Common Elements); provided, however, the Occupant of each Unit shall be entitled to the use of at least one parking space and such additional parking spaces as may be determined by the Board of Directors.

5. Common Expenses:

(a) All costs of maintenance, repair and replacements of Common Elements necessitated by the negligence or misuse by any Occupant of a Unit shall be borne solely by the Unit Owner of such Unit and the Board of Directors shall have the right to assess such Unit Owner for such costs.

(b) All other costs of maintenance, repair, replacements, preservation and improvement of the Common Elements (including General Common Elements and Limited Common Elements) shall be, unless the Board of Directors otherwise decides, Common Expenses.

6. Development Plan:

(a) Declarant has included within the Condominium certain property and improvements including buildings containing two hundred seventy-six (276) residential dwelling Units numbered 1101-1113, 1201-1213 and 1301-1313 in Building 1, 2101-2127, 2201-2227 and 2301-2327 in Building 2, 3101-3127, 3201-3227 and 3301-3327 in Building 3, and 4101-4115, 4201-4215, 4301-4315, 4401-4415 and 4501-4515 in Building 4, one commercial unit

consisting of the poolside cabana, the game room and arcade room in the Amenity Building numbered A; and one commercial Unit consisting of certain storage spaces as shown on the Exhibits hereto, in each building numbered B (both of which Units may be used for commercial purposes such as retail, entertainment, rental and management, and laundry and storage), an outdoor swimming pool, a solar dome containing heated pool, sauna, exercise room, and an entrance, check-in building containing check-in desk and administration offices, and four (4) tennis courts, the same being shown in the Exhibits hereto.

The seventy-one (71) residential Units numbered 1101-1103, 1201-1203 and 1301-1303 (in Building 1), 2101-2107, 2201-2207 and 2301-2307 (in Building 2), 3101-3107, 3201-3207 and 3301-3307 (in Building 3), 4101, 4102, 4114, 4115, 4201, 4202, 4214, 4215, 4301, 4302, 4314, 4315, 4401, 4402, 4414, 4415, 4501, 4502, 4514 and 4515 (in Building 4) are each one bedroom Units. The remaining two hundred five (205) residential Units are each two bedroom Units. By reason of each one bedroom Unit having an equal value with regard to the Property as a whole and each two bedroom Unit have an equal value with regard to the Property as a whole and by reason of the difference in value and square footage in a two bedroom Unit as compared to a one bedroom Unit, and the relative comparable value of the two commercial Units A & B, there are different shares of the Common Elements, Common Surplus and liability for Common Expenses assigned to each respectively. Such share has been determined by assigning three (3) votes to each two bedroom Unit, two (2) votes to each one bedroom Unit, and one (1) vote each to commercial Units A & B, such having been determined by the relative values and floor area of the two bedroom Units, one bedroom Units and the two commercial Units as compared each to the other and to the Property as a whole. The interest each has in the Common Areas and Common Surplus and liability for share of Common Expenses has been determined by assigning to each a fraction, the denominator of which is equal to the number of two bedroom Units times three plus the number of one bedroom Units times two plus the number of commercial Units times one, and the numerator of which is equal to the number of votes assigned to that Unit. There are seventy-one (71) one bedroom Units, two hundred five (205) two bedroom Units and two commercial Units and, as a consequence, there are seven hundred fifty-nine (759) total votes in the Condominium (205 times 3, plus 71 times 2, plus 2 times 1). Each two bedroom Unit has assigned to it a 3/759th fractional share in the Common Elements and Common Surplus and liability for share of the Common Expenses. Each one bedroom Unit has assigned to it a 2/759th fractional share in the Common Elements and Common Surplus and liability for share of the Common Expenses. Each commercial Unit has assigned to it a 1/759th fractional share in the Common Elements and Common Surplus and liability for share of the Common Expenses.

(b) Notwithstanding anything herein to the contrary, Declarant and its successors and assigns as developer of the Condominium shall have the right to add such additional property and units to the Condominium as it might desire; provided, however, any such additions shall be completed within twenty (20) years from the date of the recording of this Declaration. Declarant, its successors assigns, shall have the absolute right in its discretion to amend this Declaration and the Exhibits hereto in order to include such additional Units and Property, and to that end to redetermine the percentage interest in the Common Elements and facilities attributable to each Unit, and to make all such other amendments as may be necessary, proper or convenient to effectuate the inclusion of such additional Units and Property; provided further, however, that the ratio of the undivided interest in the Common Elements and facilities attributable to each Unit shall be in approximate relation as the fair market value of the Unit then bears to the then aggregate fair market value of all Units then included in the Condominium, without regard to difference in market value which might result from some of said Units being then used rather than new, or decreases in market value of a particular Unit or Units as a result of damage from fire or other casualty which has not then been repaired. Each Unit Owner and Mortgagee and each other Person having an interest in the Condominium, shall be deemed by having accepted said interest to have consented to each such amendment, and shall be deemed to have thereby granted to Declarant and Declarant's successors and assigns an irrevocable power of attorney coupled with an interest to make such amendments from time to time. Notwithstanding the said rights to include all or portions of the said Property described in the Exhibits within the Condominium, however, Declarant and its successors and assigns shall have the right to, at any time and from time to time, devote

all or any portion(s) of said Property not theretofore included in the Condominium to such a use or disposition as may be considered desirable by Declarant or its successors and assigns, to the same extent as if the provisions of this paragraph did not exist.

ARTICLE IV Architectural Control

To preserve the original architectural appearance of the Condominium, no exterior construction of any nature whatsoever except as specified in this Declaration shall be commenced or maintained upon any building and/or Common Element and all such additions as are herein specified shall be architecturally compatible with existing structures. No Unit Owner shall paint, decorate or change the color of any exterior surface, gate, fence or roof, nor shall any Unit Owner change the design or color of the exterior or lighting, nor shall any Unit Owner install, erect or attach to any part of the exterior any sign of any kind whatsoever, nor shall any exterior addition or change, including, without limiting the generality of the foregoing, the erection or construction of any fence or wall, be made unless and until plans and specifications showing the nature, kind, shape, height, material, color and location of the same shall have been submitted to and approved in writing as to harmony of exterior design, color and location in relation to the surrounding structures by the Board of Directors (or its designee), all Institutional Mortgagees and (so long as Declarant, or its successors or assigns, owns one or more Units in the Condominium) the Declarant or its successors assigns. Failure of the Board of Directors (or its designee) and, if appropriate, of the Declarant to approve or disapprove such plans and specifications within sixty (60) days after their being submitted in writing shall constitute approval.

ARTICLE V Expenses and Common Surplus

The Common Expenses of the Condominium and the monetary obligations of the Unit Owners under any agreements entered into by the Association shall be shared by the Unit Owners in the shares set forth herein and in the Exhibits. Such shares shall not be altered because of any increase or decrease in the purchase price or square footage of a Unit or because of its location.

Each Unit Owner's interest in the Common Surplus (if any) shall be equal to his interest in the Common Elements.

ARTICLE VI Amendment of the Declaration

This Declaration may be amended at the regular or any special meeting of the Association of the Condominium, called and convened in accordance with the By-Laws, upon the affirmative vote of 67 percent of all the voting members of the Association; provided, however, that this Declaration may not be cancelled nor any amendment be made hereto having as its effect a termination of the Condominium without the written agreement of all of the Unit Owners in the Condominium and all Institutional Mortgagees holding mortgages of record upon the Condominium or any portion thereof, as provided in the Act.

All amendments hereto shall be recorded and certified as required by the Act. No amendment(s) shall change any Unit or the proportionate share of the Common Expenses or Common Profits attributable to the Unit, nor the voting rights of any Unit unless all Unit Owners of the Condominium and all mortgagees holding any mortgages or other liens upon the Property or any party(s) thereof shall join in the execution of such amendment. No amendment shall be passed which shall impair or prejudice the rights and/or priorities of any Institutional Mortgagee or change the provisions of this Declaration with respect to Institutional Mortgagees without the written approval of all Institutional Mortgagees of record.

No amendment shall change the rights and privileges of Declarant, its successors and assigns, without written approval and consent of the Declarant, or its successors or assigns.

Notwithstanding the foregoing provisions of this Article, the Declarant reserves the right to alter the interior design and arrangement of all Units and to alter the boundaries between Units as long as the Declarant owns all the Units so altered; however, no such change shall increase the number of Units nor alter the boundary of the Common Elements, except the party wall between any Units, without amendment of this Declaration in the manner herein set forth. If the Declarant shall make any changes in Units as provided in this paragraph, such changes shall be reflected by an amendment of this Declaration reflecting such authorized alteration of Units and said amendment need only be executed and acknowledged by the Declarant and any holder of mortgage(s) encumbering the said altered Units.

Notwithstanding the foregoing provisions of this Article, it is understood and agreed that as of the time this Declaration is dated and recorded in the public records of Baldwin County, Alabama, all of the improvements may not be completed; however, said improvements shall be as and located as described and shown in the Exhibits.

ARTICLE VII By-Laws

The operation of the Condominium shall be governed by the By-Laws of the Association which are attached to this Declaration as an Exhibit and made a part hereof.

No modification of, or amendment to, the By-Laws of the Association shall be valid unless set forth in or annexed to a duly recorded amendment. The By-Laws may be amended in the manner provided for therein but no amendment to said By-Laws shall be adopted which will affect or impair the validity or priority of any mortgage upon the Property or any portion or Unit thereof without written consent of the mortgagee thereof and of all Institutional Mortgagees of record. No amendment shall change the rights and privileges of the Declarant without written approval of the Declarant, its successors or assigns.

ARTICLE VIII The Operating Entity

The operating entity of the Condominium shall be the Association. The Association shall have all the powers and duties set forth in the Act as well as all the powers and duties granted to and imposed upon it by the Declaration, and the By-Laws of the Association, and, in addition, all other powers and duties necessary to operate the Condominium, which shall be exercised through its Board of Directors. In the event of conflict between this Declaration and the Act or the By-Laws, the provisions of this Declaration shall control unless the Act specifically requires otherwise.

Every Unit Owner, whether he has acquired his Unit by purchase, gift, devise or other conveyance or transfer, by operation law or otherwise, shall be bound by this Declaration, the Act, the By-Laws, all other Exhibits hereto and any and all Rules and Regulations of the Association.

ARTICLE IX Assessments

The Association, through its Board of Directors, shall have the power to fix and to provide for the Common Expenses of the Condominium and such other sums as are necessary for the care, repair, replacement, maintenance, preservation and improvement of the Property. The Board of Directors shall have the power to fix and determine from time to time the sum or sums necessary and adequate to provide for the Common Expenses of the Condominium and such other expenses as are provided for herein, in the Act or deemed necessary and appropriate expenses of the Condominium. The procedure for the determination of sums necessary and Assessments upon Unit Owners and the method of collection of the same shall be as set forth in the By-Laws of the Association, as provided herein and in the Exhibits hereto and in the Act.

A Unit Owner shall be liable for the payment of Assessments from the date he acquires title to his Unit, which shall become payable upon issuance of a statement of Assessment by the Board of Directors of the Association.

Upon assessments that are unpaid for over ten (10) days after due date, at the sole discretion of the Board of Directors (and if not forbidden by law), a late charge not to exceed \$10.00 or 10% of the amount due, whichever is greater, shall also be due and payable to defray the expense of late collection. Regular Assessments shall be due and payable on the first day of each month and monthly bills for the same need not be delivered or mailed to the Unit Owner by the Board; provided, however, that on or before December 1st of the preceding year, the amount of regular monthly Assessments due from each Unit Owner for each month of that year shall be mailed by the Board of Directors to each Unit Owner and provided, further, that a notice of any increase or decrease in regular monthly Assessments shall likewise be mailed or delivered to each and every Unit Owner by the Board of Directors no later than thirty (30) days prior to the time the first regular monthly Assessment so changed shall be due.

Further, the Board of Directors, on behalf of the Council, shall have a lien on each Unit together with the Common Elements appurtenant thereto in the amount of each Assessment not paid when due as provided in the Act, which may be collected and/or the lien foreclosed upon as provided in the Act. Reasonable attorneys' fees incurred by the Board of Directors incident to the collection of such Assessments or the enforcement (including, but not limited to, foreclosure) of such lien together with all sums advanced and/or paid by the Association for taxes and payments on account of a superior mortgage lien(s) or encumbrance(s) which may be required to be advanced by the Association to preserve and/or protect its lien and all other charges allowed by the Act shall be payable by the delinquent Unit Owner and secured by such lien. The Board of Directors may take such action as it deems necessary to collect Assessments as provided in the Act and further may settle and/or compromise the same if deemed in its best interest.

No mortgagee of any mortgage of record or other purchaser of a Unit who obtains title to the same at the foreclosure sale upon foreclosure of such mortgage shall be liable for the Common Expenses or Assessments accruing upon such Unit after the date of recording of such mortgage but prior to the acquisition of title by such acquirer. Rather, such shall become Common Expenses payable pro rata by all Unit Owners (including such acquirer) as provided in the Act. In addition, any Unit Owner, Person having executed a contract for the purchase of a Unit or lender considering the loan of funds to be secured by a Unit shall be entitled upon request to a statement setting forth the amount of Assessment(s) past due as provided in the Act. Failure to respond timely shall extinguish the lien for such assessment(s). Except in the foregoing circumstances, any acquirer shall be jointly and severally liable for such expenses with the former Unit Owner.

The Board of Directors shall have the right to assign any claim and/or lien rights for the recovery of any unpaid Assessments.

No Unit Owner may exempt himself from liability for his share of the Common Expenses or any other Assessment by waiving the use or enjoyment of any of the Common Elements or by abandoning his Unit.

ARTICLE X Insurance

The Board of Directors of the Association shall obtain insurance upon the Property insuring it (including both Common Elements and all Units) against all risks, all premiums of which shall be included as part of the Common Expenses. The provisions of this Article shall relate to all residential Units and all Common Elements; provided, however, because of the unique nature of commercial Units (i.e., Units A and B), the Unit Owner(s) of Unit A and B may have each of those Units exempted from any master hazard, casualty, liability or other insurance policy(ies) required to be maintained upon the Units (and have the amount of Common Expenses due from that Unit reduced accordingly), provided such Unit Owner provides evidence to the Board, and any Institutional Mortgagee requesting same, of equivalent insurance coverage with a carrier equivalent to that herein required.

1. The Board, on behalf of the Association, shall obtain extended insurance coverage (by policies, each having, if such can be obtained, a term of not less than three (3) years) upon the Submitted Property and improvements thereon, including the Units and Common Elements, insuring the Unit Owners and their mortgagees against loss from fire, earthquake, flood, vandalism and the elements (windstorm, etc.), as well as any other risks the Institutional Mortgagees described in Section 2 (if any) may deem it reasonable to require, in amount(s) sufficient to completely restore and replace the damage and/or destroyed elements in the event of loss or in the event the improvements are not to be repaired or replaced (as described in Section 6), sufficient, after pro rata division among the Units to provide funds to pay off all outstanding mortgages held by Institutional Mortgagees upon Units in the Condominium, whichever is greater. In the event such coverage as obtained contains deductible(s) and/or is insufficient to so restore or replace, the Insurance Trustee (as hereafter described), with the advice of the Board, shall determine the amount(s) necessary to cover such deductible(s) and/or deficiencies and establish a self-insurance fund to provide insurance to cover the same. Such self-insurance fund shall be established and funded in the same manner as are escrow payments for insurance premiums as hereafter described. Such self-insurance fund shall have the same loss payee as the policies obtained (i.e., the Insurance Trustee for the benefit of the Unit Owners and their mortgagees, etc.). Such self-insurance fund and any increase and/or replacement(s) thereto shall be funded by assessment of all of the Unit Owners by the Insurance Trustee acting on behalf of the Board, which shall be, when so assessed, an item of Common Expense. Such funds so maintained (except for excess funds, which shall be distributed as provided in Section 4), together with interest thereon (if any) may be expended only in the event of: (i) a loss which such funds insure against; (ii) the obtaining of other insurance to cover such deductible(s) and/or insufficiency(ies); (iii) the consent of all Unit Owners and their mortgagees; or (iv) upon termination of the Condominium. In the event of distribution of such funds for any of the latter three events, such funds so expended and/or distributed shall be considered as, owned as and distributed as Common Profits.

2. Any Institutional Mortgagees holding mortgages encumbering Units in the Condominium having collectively an aggregate of original principal balances of \$3,000,000 or more shall have the right to approve all such insurance policy or policies, the company or companies insuring upon such insurance coverage, the amount(s) thereof and, if appropriate, self-insurance sufficient to cover deductibles. Declarant reserves the right to, by amendment, change the aggregate principal amount of mortgages which must be held in order for an Institutional Mortgagee to qualify for the rights granted herein.

3. Insurance premiums are and shall be a part of the Common Expenses; provided, however, they shall be paid separately to the Insurance Trustee by each Unit Owner at such address as it shall designate. The Insurance Trustee shall notify the Unit Owners of the place of payment and monthly payment amount, which shall be due and payable by the first day of each month by each Unit Owner. The amount collected monthly from each Unit Owner shall be an amount equal to his percentage share in the Common Expenses multiplied by not less than 1/12th of the annual premiums of all insurance policies maintained upon the Condominium. Further, the Insurance Trustee is hereby subrogated to and assigned the lien rights of the Association as to each Unit Owner failing to pay any payment due from him to the Insurance Trustee for insurance premiums or self-insurance to the extent of the amounts due and owing but unpaid, which rights include the right to file notice of, perfect and foreclose upon a lien(s) against such Unit Owner(s) as granted to the Association by the Act and this Declaration. Sufficient funds shall be collected and maintained, if necessary in advance, by the Insurance Trustee (as hereinafter defined) such that with monthly installments received by it, it will have sufficient funds to pay the next annual premium on each policy maintained under Section 1 hereof not less than sixty (60) days prior to the date such premium on such policy is due and payable. Such funds so held shall be disbursed and used by it solely to pay premiums on said insurance policies described in Section 1. Unless such carrier fails to meet the requirements of Section 13 hereof or unless otherwise instructed by the Board of Directions and agreed to by the Institutional Mortgagees described in Section 2, the Insurance Trustee shall renew each policy with and pay the renewal premium to the same carrier then carrying said coverage. Such funds shall not be otherwise used or disbursed except upon written

instruction of the Board of Directors consented to by all of the Institutional Mortgagees within the classification described in Section 2 of this Article.

4. U.S. Capital Mortgage Corporation, formerly known as Capital Acceptance Corporation, a Delaware corporation, its successors and assigns, is hereby appointed and designated Insurance Trustee. The Insurance Trustee shall receive all funds designated for the self-insurance fund (if any) described in Section 1 hereof, to be held in trust for the benefit of the Unit Owners and their mortgagees, to be distributed as provided, and only as provided, in this Article. The funds comprising such self-insurance fund shall be placed in one or more demand accounts of a federally insured bank or trust company (which shall be interest bearing account(s) if allowed by such institution and permitted by law). To the extent such funds exceed those required (as defined in Section 1), they shall be paid over to the Association as Common Surplus.

5. The Insurance Trustee is hereby designated and appointed as agent for the Association, its Board of Directors, each and every present and future Unit Owner thereof and each and every Mortgagee and lienholder (if any) of each and every such Unit Owner for the purposes of this Article. Any Person, by acquiring any ownership or security interest whatsoever in any Unit, shall be deemed to have appointed the Insurance Trustee as his, her or its agent for the purposes of this Article. Further, such appointment is and shall be irrevocable; provided, however, the present Insurance Trustee may designate a successor upon the acceptance by a successor insurance trustee of all rights, powers and duties herein granted the Insurance Trustee and, further, provided such successor must be a federally insured bank or other federally insured depository having a corporate trust department, and must be acceptable to all Institutional Mortgagees within the classification described in Section 2 of this Article. In its capacity as agent, the Insurance Trustee shall cause itself, as Insurance Trustee, to be designated as named insured and loss payee, for the benefit of those for whom it is herein designated as agent, of the insurance policies procured pursuant to Section 1 of this Article, and in such capacity to receive all proceeds from such policies and execute as duly authorized agent such releases, endorsements or other documents or things as may be necessary to be able to receive such proceeds. In the event of any casualty or loss which is less than 2/3rds (as defined in Section 6 of this Article), the Board of Directors shall be responsible to accomplish substantial reconstruction, replacement and repair, provided the Insurance Trustee shall collect the proceeds of insurance (and to the extent appropriate, from the self-insurance fund) and distribute such proceeds (by, if appropriate, a percentage of completion basis) to the parties entitled thereto upon satisfying itself as to the effectuation of such repairs, replacement and reconstruction. In the event reconstruction is not required (in accordance with the provisions of Section 6 of this Article), the Insurance Trustee shall receive the proceeds and shall divide them, pro rata, among the Units according to the percentage of Common Elements appurtenant to each Unit. The Insurance Trustee shall then pay over to the mortgagee (and, if more than one, in order of priority of lien) of that Unit, the share of proceeds appurtenant thereto up to the amount of indebtedness due such mortgagee upon his mortgage, and any balance then remaining to the Unit Owner thereof. If there be no mortgagee or other lien holder of that Unit, the entire proceeds allocable to that Unit shall be paid over to the Unit Owner thereof. The Insurance Trustee shall not be required to distribute any funds until it is satisfied in its sole judgment or assured of the parties entitled to such proceeds and the amounts to which they are entitled.

6. The proceeds of any such insurance shall be applied to reconstruct the improvements as provided in the Act; provided, however, reconstruction shall not be compulsory where it comprises the whole or more than two-thirds of the Property. In such event, unless otherwise unanimously agreed by the Unit Owners and their Institutional Mortgagees in writing, the proceeds shall be divided pro rata among the Units according to the share of Common Elements appurtenant to each and distributed by the Insurance Trustee as provided in this Article. Otherwise, the Unit Owners shall proceed with reconstruction. In the event of pro rata division, the Institutional First Mortgagee of record shall have first claim upon such insurance proceeds delivered to the Unit Owner of the Unit upon which such Institutional Mortgagee holds a mortgage lien to the extent of the indebtedness due and owing upon the debt which such mortgage secures.

MSC
45 PAGE
503

7. If the Property is not insured or if the insurance proceeds are insufficient to cover the costs of reconstruction, rebuilding costs shall be paid by all of the Units Owners directly affected by the damage and each shall be responsible for a share equal to the total cost times a fraction, the numerator of which is one and the denominator of which is the number of Units so directly affected. Failure or refusal of payment of any of the Units Owners so affected shall result in a lien upon his Unit in favor of the Association in such amount and may be enforced in the manner provided for collection of unpaid Assessments herein and/or in the Act.

8. Nothing herein contained or contained in the By-Laws shall prevent or prejudice the right of each Unit Owner and/or his mortgagee(s) from insuring his Unit on his account and for the benefit of himself and/or his mortgagee(s).

9. Any repair and/or restoration must be substantially in accordance with the plans and specifications for the original building and improvements or as the building or improvements were last constructed or according to plans approved by the Board of Directors and all Institutional Mortgagees of record, which approval shall not be unreasonably withheld.

10. The Insurance Trustee is further hereby irrevocably appointed agent for each Unit Owner, the Association, its Unit Owners and their mortgagees for the purpose of compromising and settling claims arising under insurance policies purchased under the provisions of this Article and to execute and to deliver releases therefor upon the payment of claims.

11. Should the Association fail to pay insurance premiums when due or should the Association fail to comply with other insurance requirements required herein or by the Act or imposed by Institutional Mortgagees having the right to impose the same, said Institutional Mortgagees or any one of them shall have the right to obtain insurance policies and to advance such sums as are required to maintain or procure such insurance and to the extent of the monies so advanced said mortgagee(s) shall be subrogated to the Assessment and lien rights of the Association and its Board of Directors against the individual Unit Owners for reimbursement of such sums.

12. The Board of Directors of the Association is authorized and directed to purchase such additional insurance and for such additional purposes, including liability insurance (in an amount of not less than \$500,000 per occurrence) and, if required by law or deemed advisable by it, workmen's compensation insurance, to carry out its purposes and/or to protect itself, the Condominium, its Common Elements, Units, the Unit Owners thereof and their mortgagees.

13. Any and all insurance coverage(s) obtained under Section 1 above by the Association pursuant to this Article must be obtained from an insurance carrier(s) admitted and authorized to do business in the State of Alabama, and having an Alfred M. Best Financial Rating of at least "A+15", which company(ies) shall be affirmatively presumed to be a good and responsible company(ies) and the Declarant, the Board of Directors, the Association and Institutional Mortgagees shall not be responsible for the quality or financial responsibility of the insurance company(ies) provided same are so rated and are so licensed, admitted and approved to do business and provide such coverage in the State of Alabama.

ARTICLE XI Use and Occupancy

Except for the Unit Owner(s) of Units A and B, the Unit Owner of each dwelling Unit shall occupy and use his Unit as a single family private dwelling for residential purposes for himself and the members of his family and/or his social guests or designees and for no other purposes; provided, however, nothing herein contained shall prevent any Unit Owner from leasing or renting his Unit to third parties; provided, however such Unit shall, if so rented or leased, be used for residential purposes only by such lessee or rentor and in compliance with this Declaration and its Exhibits, the Act and Rules and Regulations properly promulgated. Such rentor or lessee may be removed from the Property and/or refused further entrance by the Board of Directors of the Association or its designee for non-compliance, and the Unit Owner of that Unit shall be liable for all damages caused by his lessee or

HIST. 45 PAGE 504

reitor and all costs of removal which shall be a lien upon his Unit the same as the lien for unpaid Common Expenses. No commercial or business activity shall be carried out in any Unit or other part of the Submitted Property except for Units A and B and except that the Declarant, its successors and assigns, may maintain and use one or more units of the condominium owned by it for a model and/or for management, sales and/or rental offices, and commercial laundry and vending equipment may be maintained in areas of the Common Elements suitable for such purposes. Notwithstanding the foregoing, nothing contained in this Declaration shall be construed to restrict the Declarant or any successor in interest to the Declarant as developer of the Condominium from selling and/or conveying any Unit under any plan of multiple use, interval ownership or time sharing arrangement; provided further, no Unit may be sold, leased, conveyed or otherwise marketed under any plan of multiple use, interval ownership or time sharing arrangement without the express written consent of Declarant.

No Unit Owner shall permit or suffer anything to be done or kept in or about his Unit or upon the Common Elements which will obstruct or interfere with the rights of other Unit Owners, their guests or assigns or annoy them by creating any unreasonable noises or otherwise, nor shall any Unit Owner permit or commit any nuisance or illegal act in or about the Property.

No animals or pets of any kind shall be kept in any Unit or on any property of the Condominium except with written consent of, and subject to, the Rules and Regulations adopted by the Board of Directors of the Association; provided, however, that in no case shall they be kept, bred or maintained for any commercial purposes; and provided, further, any animal or pet causing or creating a nuisance or unreasonable disturbance may be permanently removed from the Property by the Board of Directors upon three (3) days written notice to the owner thereof. Once permission to allow a pet to be kept in any Unit is given, it shall not be withdrawn or terminated unless such pet has caused or created a nuisance or unreasonable disturbance as provided herein.

No Unit Owner shall cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors or windows of the Units or upon the general or limited Common Elements; nor shall he plant any type of plants, shrubbery, flower, vine or grass outside a Unit nor shall he cause awnings or storm shutter, screens, enclosures and the like to be affixed or attached to any Unit, limited or general Common Element; nor shall he place any furniture or equipment outside a Unit except with the written consent of the Board of Directors of the Association; and, further, where approved, subject to the Rules and Regulations of the Board of Directors. No clothesline or similar device shall be allowed on any portion of the Property nor shall clothes be hung anywhere except where designated by the Board of Directors. Unit Owners may not screen or enclose any exterior patio which abuts a Unit, where applicable, nor may any Unit Owner screen or enclose any exterior deck and/or balcony which abuts his Unit, where applicable, with any type of material without the prior written consent of the Board of Directors.

No person shall use the Common Elements or any part(s) thereof or a Unit or any part of the Property in any manner contrary to, or not in accordance with, such Rules and Regulations pertaining thereto as may from time to time be promulgated by the Board of Directors of the Association.

The Board of Directors may, if it determines appropriate, suspend use of the Common Elements for a period of up to thirty (30) days for any violation of the provisions hereof and/or said Rules and Regulations. Such remedy is not exclusive.

Notwithstanding the provisions hereof, the Declarant, its successors and assigns, as aforesaid, shall be allowed to maintain one (1) or more Units as laundry and/or maintenance areas, management, sales and/or rental office(s); to display and place signs upon the premises to aid in sales or rentals; and to engage in sale or rental activities and provide laundry and maintenance service upon the Property.

REC-45 PAGE 505

ARTICLE XII
Maintenance and Alterations

1. The Board of Directors may enter into contracts with firm(s), person(s) or corporation(s), or may join with other condominiums and/or entities in contracting for the maintenance and/or repair of the Property and any properties belonging to the Condominium; may contract for or may join with other associations in contracting for the maintenance and management of the Condominium; and may delegate to such contractor or manager all power and duties of the Association and its Board of Directors except such as are specifically required by this Declaration, by its By-Laws or by the Act to have approval of the Board of Directors and/or of the Association.

2. There shall be no alterations or additions to the Common Elements or any part(s) thereof except as authorized by the Board of Directors and approved by not less than seventy-five (75%) percent of the total vote of the Unit Owners of the Condominium provided the aforesaid alterations or additions do not affect the rights of any Unit Owner and/or his Institutional Mortgagee(s) of record unless the consent of both have been obtained. The cost of the foregoing shall be assessed as Common Expenses. Where alterations or additions as aforesaid are exclusively or substantially for the benefit of the particular Unit Owner(s) requesting the same, then the cost of such alterations or additions shall be assessed against and collected solely from the Unit Owner(s) exclusively or substantially benefitting therefrom. The assessment shall be levied in such proportion as may be determined as fair and equitable by the Board of Directors taking into account the benefit to each and the relative value of each such Unit as opposed to the others so improved. Where such alterations or additions exclusively or substantially benefit Unit Owner(s) requesting same, said alterations or additions shall only be made when authorized by the Board of Directors approved by not less than seventy-five (75%) percent of the total votes of the Unit Owners exclusively or substantially benefitting therefrom, and where said Unit Owners represent (10) or less, the approval of all but one (1) shall be required.

Where the approval of Unit Owners for alterations or additions to the Common Elements of this Condominium is required, the approval of all Institutional Mortgagees whose mortgages collectively encumber Units representing not less than ninety (90%) percent of the total unpaid dollar indebtedness as to principal on said Units at said time shall also be required.

3. Each Unit Owner is hereby required:

(a) To maintain in good condition and repair his Unit, all interior surfaces and the entire interior of his Unit and to maintain and repair the fixtures and equipment therein, which includes, but is not limited to, the following, where applicable: air conditioning and heating unit, including condensers and all appurtenances thereto wherever situated; hot water heaters; refrigerators, ranges and ovens and all other appliances, drains, plumbing fixtures and connections, sinks, all plumbing and water lines within the Unit; electric panels; lines outlets and fixtures within the Unit; interior doors, windows, screens and glass; all exterior doors (except the painting of the exterior of an exterior door shall be a Common Expense). Water, sewage, disposal and waste fees, electricity or other utility charges, if applicable, shall be part of the Common Expenses if billed to the Condominium; however, if the individual bills are sent to each Unit Owner by the provider of such services, each such Unit Owner shall pay said bill for his Unit individually. Electricity for the Units and all other purposes for the Condominium may be metered to the Condominium as a whole, rather than to individual Units, and, if so, shall be a Common Expense. Where a Unit is carpeted, the cost of maintaining and replacing the carpeting shall be borne by the Unit Owner of said Unit. Each Unit Owner shall maintain, care for and preserve those portions of the Limited Common Elements (if any) exclusively for his use or exclusively for his use together with certain other Unit Owners. Where there is a light fixture or fixtures attached to the exterior wall or walls of the Unit, the Unit Owner thereof shall replace the bulb(s) by the same color and bulb wattage at his cost and expense unless the Board of Directors decides to replace same as a Common Expense. Each Unit Owner is responsible for and will pay for his telephone service.

(b) Not to make or cause to be made any structural addition or alteration to his Unit or to the Common Elements or any part(s) thereof. Alterations within a Unit may be made with prior written consent of the Board

of Directors and any Institutional Mortgagee holding a mortgage upon such Unit as could be affected by such alteration. Upon approval of such alteration, the Board of Directors shall have the right to require approval of any contractor and/or sub-contractor employed by such Unit Owner for such purpose. Said parties shall comply with all Rules and Regulations adopted by the Board of Directors. Further, such Unit Owner shall be liable for all damages to any other Unit(s), Common Element(s) or Submitted Property caused by the Unit Owner's contractor, sub-contractor or employee whether such damage be caused by negligence, accident or otherwise.

(c) To allow the Board of Directors or its representative, agent or employee to enter into his Unit for the purposes of maintenance, inspection, repair or replacement of improvements within the Unit and/or Common Elements; to determine in the case of emergency, circumstances threatening the Unit and/or Common Elements; or to determine compliance with the provisions of this Declaration and/or any By-Law or Rule or Regulation of the Association.

(d) To show no signs, advertisements or notices of any type on the Common Element, Units or building (except such shall not apply to the Unit Owner(s) of Units A and B) and to erect no exterior antennae or aerials except as consented to by the Board of Directors.

4. In the event that a Unit Owner fails to maintain his Unit and all parts thereof as required, makes any alterations or additions without the required consent, or otherwise violates the provisions hereof, the Board of Directors, on behalf of the Association, shall have the right to proceed with an action at law for damages or to obtain an injunction to prevent such activity and/or to require compliance with the provisions hereof, with the By-Laws, the Act or any Rules or Regulations. In lieu thereof and in addition thereto, the Board of Directors shall have the right to levy an assessment against such Unit Owner for such necessary sums to remove any unauthorized additions or alterations and/or to restore the property to good condition and repair. Said assessments shall have the same force and effect as all other special assessments. The Board of Directors shall have the right to have its employees or agents, or subcontractors appointed by it, enter a Unit at all reasonable times to do such work as it deems necessary to enforce compliance with the provisions hereof.

5. The Board of Directors shall determine the exterior and interior color scheme of all buildings and all exterior and interior color scheme(s) of the Common elements (subject to the approval rights of the Association), and shall be responsible for the maintenance thereof. No Unit Owner shall paint an exterior wall, door, window or any exterior surface or place anything thereon or affix anything thereto without the written consent of the Board of Directors.

6. The Association shall be responsible for the maintenance and repair and replacements of the Common Elements and all portions of the Submitted Property not required to be maintained and/or repaired and/or replaced by individual Unit Owners. Notwithstanding each Unit Owner's duty of maintenance, repair, replacement and other responsibilities to his Unit, the Association, through its Board of Directors, may enter into an agreement with such firm(s) or company(ies) as it may determine from time to time to provide certain services and/or maintenance for and/or on behalf of the Unit Owners whereby maintenance and services or provided on a regularly scheduled basis, such as air conditioning maintenance services, exterminating services and other types of maintenance and services as the Board of Directors deems advisable and for such period of time and on such basis as it determines. Further, the Board of Directors may lease equipment (such as telephone and MATV or Cable TV service) and grant easements for the location and/or installation of the same if it determines advisable. Said agreements shall be on behalf of each of the Unit Owners and the Monthly Assessment due from the Unit Owner for Common Expenses shall be increased by such sum as the Board of Directors deems fair and equitable under the circumstances in relation to the monthly charge for said equipment, maintenance or services. Each Unit Owner shall be deemed a party to such agreement(s) with the same force and effect as though said Unit Owner has executed said agreement. It is understood and agreed that the Association through its Board of directors shall execute said agreements as the agent for each Unit Owner. The aforesaid assessment shall be deemed to be an assessment under the provisions of Article IX of this Declaration.

ARTICLE XIII
Termination

This Condominium may be voluntarily terminated at any time upon the terms and conditions and in the same manner set forth and described in the Act; provided, however, that unless otherwise required by law or in the Act, before the Condominium may be terminated, all Unit Owners must agree thereto and all Institutional Mortgagees of record of any Unit or any other part of the Property of the Condominium must agree in writing to accept such termination and to accept as security the undivided portion of the Submitted Property owned by the debtor(s) of each. In the event of such termination, all Unit Owners shall become tenants in common of the real property and improvements constituting the Unit and Common Elements. The ownership of each Unit Owner upon such termination as tenant in common shall be the same percentage as his percentage ownership in the Common Elements at that time.

ARTICLE XIV
Easements

Each Person who acquires an interest in a Unit shall be deemed, thereby, to agree that: (i) if any portion of a Unit shall encroach upon any portion of the Common Elements or another Unit or any portion of the Common Elements shall encroach upon any Unit, there shall exist a valid easement for such encroachment and for the maintenance and repair of the same so long as it stands; and (ii) in the event a building or other improvement or a Unit is partially or totally destroyed and the reconstruction thereof shall create an encroachment on portions of the Common Elements or on any Unit, there shall exist a valid easement for such encroachment and the maintenance thereof.

The property submitted to a condominium hereby is subject to all conditions, limitations, restrictions, reservations and all other matters of record, the rights of the United States of America, the State of Alabama and any governmental authority or agency, including those pertaining to the use and ownership of any submerged lands and any lands lying below the natural high water line of the surrounding bodies of water, any taxes, applicable zoning ordinances which now exist or are hereafter adopted and easements for ingress and egress, for pedestrian and vehicular purposes and for utility services and drains which now exist or are hereafter granted by the Declarant for the benefit of such persons as the Declarant designates. The Declarant shall have the right to grant easements and designate the beneficiaries thereof for such time as it determines in its sole discretion. When the Declarant relinquishes such right, the Association shall be empowered to grant such easements. While the Declarant has the right to grant easements, the consent and approval of the Association to the granting thereof shall not be required. No easement shall be granted by the Declarant or the Association if as a result thereof any buildings or other improvement in the Condominium would be structurally weakened or the security of any mortgagee of record would be adversely affected without its written consent.

The Association, all present and future Unit Owners and Occupants, the Declarant and their respective successors, assigns, designees, invitees, licensees and guests are hereby granted a perpetual easement over, through and across and a license to use the areas of the Common Elements in the manner for which such is ordinarily intended and are further granted a pedestrian easement over, through and across the Common Elements upon such paths and ways as are suitable for pedestrian traffic and a license to use the same.

Nothing herein contained shall be construed to limit easements upon the Property to those exclusively set forth in this Articles. The Property is subject to all easements described in this Declaration, in the Exhibits and of record.

ARTICLE XV
Certain Rights of Declarant

1. Notwithstanding any other provisions herein, so long as the Declarant continues to own any of the Units, the following provisions shall be deemed to be in full force and effect, none of which shall be construed so as to relieve the Declarant from any obligations as a Unit Owner to pay

assessments as to each Unit owned by the Declarant after the construction of said Unit has been complete and it is included in the Condominium.

(a) The Declarant shall have the right at any time to sell, transfer, lease or re-let any Unit(s) which the Declarant continues to own after this Declaration has been recorded, without regard to any restrictions relating to the sale, transfer, lease of form of lease of Units contained herein and without the consent or approval of the Association or any other Unit Owner being required.

(b) During the period of time in which structures are under construction by the Declarant and not completed, no dues shall be charged against the Declarant as the Unit Owner of the Units included therein until the completion of said Units and the dues shall be assessed against the Unit Owners (including the Declarant) of those Units which shall have been completed, proportionately, inter se.

(c) Without limiting the foregoing, the Declarant shall have the power, but not the obligation, acting alone, at any time (and from time to time) so long as the Declarant owns at least one Unit in any included Phase to amend the Declaration to cause the same to conform to the requirements of the Federal National Mortgage Association and/or the Federal Loan Mortgage Corporation, as set forth, respectively, in "FNMA Conventional Home Mortgage Selling Contract Supplement" and "Seller's Guide Conventional Mortgages," as the same may be amended from time to time.

(d) The Declarant shall have the right: (i) to use or grant the use or a portion of the Common Elements for the purpose of aiding in the sale or rental of Units; (ii) to use portions of the Property for parking for prospective purchasers or lessees of Units and such other parties as the Declarant determines; (iii) to erect and display signs, billboards and placards and store and keep the same on the Property; (iv) to distribute audio and visual promotional material upon the Common Elements; and (v) to use any Unit which it owns as a sales and/or rental office, management office or laundry and maintenance facility.

(e) In order to provide the Condominium with, among other things, adequate and uniform water service, sewage disposal service, utility services, telephone service and television reception, the Declarant reserves the exclusive right to contract for the provision of such services. The Declarant, as agent for the Association and the Unit Owners, has entered into or may enter into arrangements, binding upon the Association and the Unit Owners, with governmental authorities or private entities for furnishing such services. The charges therefor will be Common Expenses.

(f) The Declarant reserves the right to enter into, on behalf of and as agent for the Association and the Unit Owners, agreements with other Persons for the benefit of the Condominium, the Association and the Unit Owners. The provisions of any such Agreement shall bind the Association and the Unit Owners. The Declarant, as agent for and on behalf of the Association and the Unit Owners, has entered into an agreement with Capital Telecommunications Corporation, pursuant to which it will provide a color television set in each Unit together with antenna television reception service and maintenance and service therefor. This agreement, a copy of which is attached as an Exhibit and incorporated herein by reference is binding upon the Association and the Unit Owners. The fees for rental of such television sets and for such services (initially \$13.00 plus applicable taxes per Unit per month) shall be Common Expenses. If the Association fails to pay the amounts due under the agreement with Capital Telecommunications Corporation, the latter, if it duly performs its obligations under such agreement, shall be subrogated to all rights of the Association as to Common Expenses. The agreement with Capital Telecommunications Corporation may be amended only by a written amendment executed by the Board and Capital Telecommunications Corporation. The Declarant has also entered into an agreement with Capital Telecommunications Corporation, pursuant to which it will provide a telephone in each Unit, transmission line, switching equipment and the like for a telephone system and maintenance and service therefor. This agreement, a copy of which is attached as an Exhibit and incorporated herein by reference, is binding upon the Association and the Unit Owners to the extent allowed by law. The fees for rental of such telephone sets and service (\$50.00 installation fee plus initially \$15.00 plus applicable taxes per Unit per month) shall be Common Expense. If the condominium fails to pay

the amounts due under the agreement with Capital Telecommunications Corporation, the latter, if it duly performs its obligations under such agreement, shall be subrogated to all rights of the Association as to Common Expenses. The agreement with Capital Telecommunications Corporation may be amended only by a written amendment executed by the Board and Capital Telecommunications Corporation.

2. THE DECLARANT SPECIFICALLY DISCLAIMS ANY INTENT TO HAVE MADE ANY WARRANTY(IES) OR REPRESENTATION(S) IN CONNECTION WITH THE PROPERTY (INCLUDING ANY WARRANTIES AS TO MERCHANTABILITY OR FITNESS FOR USE OR FITNESS FOR A PARTICULAR PURPOSE) OR THE DOCUMENTS ESTABLISHING OR GOVERNING THE CONDOMINIUM, EXCEPT THOSE WARRANTIES AND REPRESENTATIONS (IF ANY) EXPLICITLY SET FORTH HEREIN. NO PERSON SHALL BE ENTITLED TO RELY UPON ANY WARRANTY OR REPRESENTATION NOT EXPLICITLY SET FORTH HEREIN. STATEMENTS (IF ANY) AS TO COMMON EXPENSES, TAXES, ASSESSMENTS OR OTHER CHARGES MADE BY THE DECLARANT OR ANY REPRESENTATIVE THEREOF ARE ESTIMATES ONLY AND NO WARRANTY, GUARANTEE OR REPRESENTATION IS MADE THAT THE ACTUAL AMOUNT OF SUCH COMMON EXPENSES, ASSESSMENTS OR OTHER CHARGES WILL CONFORM WITH SUCH ESTIMATES. The Buildings and the other improvements located in the Condominium have been or will be constructed substantially in accordance with the representations made in the Exhibits. Such representations specify the full extent of the Declarant's liability and responsibility for the materials and methods utilized in the construction of the Buildings and the other improvements located in the Condominium.

The Declarant shall not be responsible for any condition caused by condensation on or expansion or contraction of materials, including paint (over interior or exterior walls), for loss or injury in any way due to the elements, the water tightness (or absence thereof) of windows and doors, the collection of water within the buildings or on any portion of the Property or defects which are the result of characteristics common to the type of materials used, or for damage due to ordinary wear and tear or abusive use of any other cause, except as the Declarant and a Unit Owner may specifically agree in writing. The enforcement of any guaranty or warranty from any contractor, sub-contractor, supplier or manufacturer shall be the obligation of the Association and its members and the Declarant shall bear no responsibility therefor.

ARTICLE XVI Provisions Respecting Construction Lender

Notwithstanding anything to the contrary contained in this Declaration, until the satisfaction of record of any construction mortgage given by Declarant upon the Property to secure a loan with which to develop the improvements for the Property such as would be commonly classified as a construction loan mortgage (hereinafter referred to as the "Construction Mortgage"), the following provisions shall be a part of this Declaration and shall supersede any inconsistent provisions contained hereto fore in this Declaration.

1. Whenever the consent of the Declarant is required under this Declaration, the written consent of the holder of the Construction Mortgage (hereinafter referred to as "Construction Mortgagee") shall also be required.

2. In the event that the Declarant shall violate any of its obligations as a Unit Owner, the Association shall be required to give Construction Mortgagee written notice of such failure or violation, and the Association shall be prohibited from instituting any suit or exercising any other remedy against the Declarant for any such failure or violation until it has given Construction Mortgagee ten (10) days' prior written notice of its intention to file such suit or exercise such remedy during which time Construction Mortgagee shall have the right to cure any such failure or violation.

3. Construction Mortgagee shall be given written notice by the Association of any meeting of the Unit Owners together with the agenda of such meeting.

4. No amendment shall be made to this Declaration or to the By-Laws of the Association, which would alter the rights of Construction

Mortgagee or in any way affecting the security of Construction Mortgagee without its joinder and written consent to such amendment.

5. If Construction Mortgagee either assumes possession of any portion of the Property or Common Elements upon which said Construction Mortgage is a lien or acquires title to unsold Property upon foreclosure of the Construction Mortgage, by purchase of the unsold Property upon foreclosure sale, or by deed in lieu of foreclosure, Construction Mortgagee and its successors and assigns shall have and enjoy all of the rights, privileges and exemptions granted to Declarant by this Declaration and/or by the By-Laws.

ARTICLE XVII Rights of Lenders

Notwithstanding any other provision hereof, any mortgage of record (including, but not limited to, the Construction Mortgage while such Construction Mortgage shall remain unsatisfied) shall:

1. Upon request, be permitted to inspect the books and records of the Association during normal business hours;
2. Receive a copy of any audit performed by or for the Association and all proposed and adopted budgets;
3. Upon request, receive written notice of all meetings of the Association and be permitted to designate a representative to attend and observe all such meetings; and
4. Receive written notification from the Association of any default by any of its mortgagors in the performance of his obligations to the Association which is not cured within thirty (30) days.

ARTICLE XVIII Miscellaneous Provisions

1. The Unit Owners of the respective Units shall not be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, floors and ceilings surrounding their respective Units nor shall any Unit Owner be deemed to own pipes, wires, conduits or other public utility lines running through said respective Units which are utilized for or serve more than one Unit, which items are hereby made a part of the Common Elements. Each Unit Owner shall, however, be deemed to own the walls and partitions which are contained in said Unit Owner's Unit and shall also be deemed to own the interior decorated and finished surfaces of the perimeter walls, floors and ceilings, including plaster, paint, wallpaper, etc.; however, all load-bearing walls, and where applicable the floor between the first or ground floor and second floor located within a Unit are part of the Common Elements to the unfinished surface of said walls and/or floors.

2. No Unit Owner may exempt himself from liability for his contribution toward the common expenses or other assessments duly made by the Association and/or the Board of Directors by waiver of the use or enjoyment of any of the common elements or the recreational facilities of the Condominium or by abandonment of his Unit.

3. Each Unit Owner shall pay all property taxes and other taxes assessed against his Unit and shall file any tax returns required in connection therewith. No Unit Owner shall have a right of contribution or a right of adjustment against any other Unit Owner because the value of his Unit as fixed by any taxing authority may differ from the stated herein.

4. For the purposes of property taxation, the interest of the Unit Owner of a Unit in his Unit and Common Elements appurtenant thereto shall be considered a Unit. The value of said Unit as compared to the value of the Condominium shall be equal to the share of the value of the entire Condominium as then constituted, including land and improvements, as has been assigned to said Unit and as set forth in this Declaration. The total of all shares equals all of the value of all the land and improvements as it shall then be constituted.

5. All provisions of this Declaration and all Exhibits hereto and amendments hereof shall be construed as covenants running with the land and of every part thereof and interest therein including, but not limited to, every Unit and the appurtenances thereto and every Unit Owner and/or occupant of the Submitted Property or any part thereof or owning any interest therein, his heirs, executors, successors, administrators and assignees shall be bound by all the provisions of this Declaration and Exhibits hereto and any amendments to the same and the Act.

6. If any of the provisions of this Declaration of the Exhibits hereto, of the Act or any section, clause, phrase, word or the application thereof in any circumstances is held invalid, the validity of the remainder of same and of the application of any provision, action, sentence, clause, phrase or work in other circumstances shall not be affected thereby.

7. Whenever notices are required to be sent hereunder, the same may be delivered to each Unit Owner either personally or by mail addressed to such Unit Owner at his place of residence in the Condominium unless the Unit Owner has by written notice, duly receipted for, specified a different address. Proof of such mailing or personal delivery by the Association shall be given by affidavit of the person mailing or personally delivering such notice. Notices to the Association (including the Board of Directors) shall be delivered by mail to the Secretary of the Association at the Secretary's address within the Condominium or, in the case of the Secretary's absence, then to the President of the Association at his address in the Condominium; provided, however, that the Association may specify a different address by written notice delivered to all Unit Owners, Institutional Mortgagees of record, and any third party affected thereby. Notices to the Declarant shall be sent by mail to Post Office Box 11634, Columbia, South Carolina 29211. All notices shall be deemed delivered when mailed. Any party may change his or its mailing address by written notice duly receipted for. The change of the mailing address of any party as specified herein shall not require an amendment to this Declaration. Notices required to be given the personal representative of a deceased Unit Owner may be delivered either personally or by mail to such party at his or its address appearing in the records of the probate court wherein the estate of such deceased Unit Owner is being administered.

8. All remedies for non-compliance provided in the Act shall be in full force and effect. In addition thereto, should the Association find it necessary to bring an action to bring about compliance with any provision of law, the Act, this Declaration and/or the Exhibits attached hereto, upon finding by the Court that the violation claimed was wilful or deliberate, the Unit Owner so violating shall reimburse the Association for reasonable attorneys' fees incurred in prosecuting such action.

9. Subsequent to the filing of this Declaration, the Association when authorized by a vote of the majority of the total voting members of the Association and the Institutional Mortgagees of record collectively encumbering Units who represent the majority of the dollar institutionally mortgaged indebtedness against this Condominium may, together with other owners' associations and/or others, purchase and/or acquire and enter into agreements from time to time, whereby to acquire leaseholds, memberships, and other possessory or use interest in lands and/or facilities, including, but not limited to country clubs, golf courses, marinas and other recreational facilities, whether or not contiguous to lands of the Condominium, intended to provide for the enjoyment and/or recreation and/or other use and/or benefit of the Unit Owners. The expenses of such ownership, rental, membership fees, operations, replacement and other undertakings in connection therewith shall be Common Expenses together with all other expenses and costs herein or by law defined as Common Expenses.

10. Whenever the context so requires, the use of any gender shall be deemed to include all genders and the use of the singular shall include the plural and plural shall include the singular. The provisions of this Declaration shall liberally construed to effectuate its purposes of creating a uniform plan for the operation and development of a Condominium.

11. The captions used in this Declaration and the Exhibits attached hereto are inserted solely as a matter of convenience and shall not be relied upon and/or be used to construe the effect or meaning of the test of this Declaration or Exhibits hereto annexed.

12. Where an Institutional Mortgagee by some circumstance fails to be a first mortgagee, it shall nevertheless for the purposes of the Declaration and the Exhibits hereto be deemed to be an Institutional Mortgagee holding a first mortgage lien of record.

13. If any term, covenant, provision, phrase or other elements of this Declaration or the Exhibits hereto or the Act are held invalid or unenforceable for any reason whatsoever, such holding shall not be deemed to affect, alter, modify or impair in any manner whatsoever any other term, provision, covenant or element of this declaration, Exhibits and the Act.

14. Notwithstanding the fact that the present provisions of the Act are incorporated by reference and included thereby, the provisions of the Declaration and the Exhibits hereto shall be paramount to the Act as to those provisions where permissive variances are permitted; otherwise, the provisions of the Act shall prevail and shall be deemed incorporated herein.

15. Each Unit Owner by virtue of acceptance of a Deed of Conveyance of a Unit and/or any portion of or interest in the Common Elements and other parties by virtue of their occupancy of Units or use of the Common Elements, hereby approves the provisions hereof and all covenants, terms, conditions, duties and obligations hereof and Exhibits hereto and the Act, and does agree to be bound by all the terms, conditions, duties and obligations contained herein, in the Exhibits hereto and in the Act.

16. No Unit Owner shall bring or have any right to bring any action for partition or division of the property.

IN WITNESS WHEREOF, this Declaration has been executed under seal as of the day and year first above written.

RESORT INVESTMENT CORPORATION
OF ALABAMA

By *Danald H. Lamb* (SEAL)

Its *President*

ATTEST: *Stephen K Bone*

Its *Secretary*

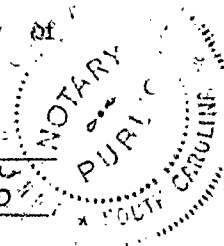
REC- 45-20- 513

STATE OF South Carolina)
COUNTY OF Richland)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Donald R. Tomlin Jr., whose name as President of RESORT INVESTMENT CORPORATION OF ALABAMA, an Alabama corporation, is signed to the foregoing Declaration, and who is known to me, acknowledged before me on this day that, being informed of the contents of the Declaration, he, as such officer, and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 7th day of June, 1983.

Jonathan Craig Bower
Notary Public for South Carolina
My Commission Expires: 7/23/90



FOR GOOD AND VALUABLE CONSIDERATION, the receipt whereof is hereby acknowledged, THE GULF SHORES PLANTATION CONDOMINIUM ASSOCIATION hereby agrees to and does on behalf of itself and all its present and future Unit Owners, accept all the benefits and all the duties, responsibilities, obligations and burdens imposed upon it and them by the provisions of this Declaration together with all the Exhibits hereto and as set forth in the Act.

IN WITNESS WHEREOF, the above named THE GULF SHORES PLANTATION CONDOMINIUM ASSOCIATION has caused these presents to be signed in its name by its duly authorized agent this 7th day of June, 1983.

THE GULF SHORES PLANTATION
CONDOMINIUM ASSOCIATION

By [Signature]
Its President

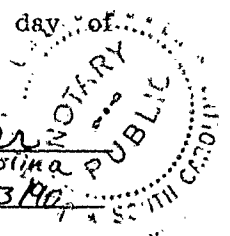
ATTEST: [Signature]
Its Assistant Secretary

STATE OF South Carolina)
COUNTY OF Richland)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Billy J. Bobb, whose name as President of THE GULF SHORES PLANTATION CONDOMINIUM ASSOCIATION, is signed to the foregoing Declaration, and who is known to me, acknowledged before me on this day that, being informed of the contents of the Declaration, he, as such officer, and with full authority, executed the same voluntarily for and as the act of said Association.

Given under my hand and official seal this 7th day of June, 1983.

Jonathan Craig Bower
Notary Public for South Carolina
My Commission Expires: 7/23/90



FILED
45806
514

EXHIBIT I

DESCRIPTION OF PROPERTY

Commencing at the Northwest corner of Section 29, Township 9 South, Range 2 East, run thence South 89°-24'-28" East 4438.42 feet to the South right of way of Dixie Graves Parkway to Point A; run thence South 85°-23'-09" East along said right of way 140.42 feet; run thence South 00°-10'-00" West 1060 feet; run thence South 89°-50'-00" East 460 feet; run thence South 00°-10'-00" West 701.83 feet to the point of beginning of the property herein described; thence continue South 00°-10'-00" West 1523.17 feet, more or less, to the mean high tide line of the Gulf of Mexico; run thence in a Northwesterly direction along said high tide line of the Gulf of Mexico to a point which is South 00°-10'-00" West and 3256 feet, more or less, from Point A; run thence North 00°-10'-00" East 1589.36 feet, more or less; thence run North 89°-47'-25" East 309.39 feet; thence South 00°-17'-58" West 108.23 feet; thence South 89°-50'-00" East 290.87 feet to the point of beginning. This property is shown as Gulf Shores Plantation Condominiums on a plat prepared by Rowe Surveying and Engineering Company, Inc. dated June 6, 1983, and recorded in the Office of the Judge of Probate for Baldwin County, Alabama, in Real Property Book _____ at page _____.

TOGETHER WITH a non-exclusive 24' wide easement for access, ingress and egress, the center line of said easement being shown as centerline of 24' wide access road on a plat prepared by Rowe Surveying and Engineering Company, Inc. dated June 6, 1983, recorded as aforesaid, commencing at the right of way of Dixie Graves Parkway and running to above described property.

TOGETHER WITH non-exclusive utility easements for sewer and water which lie 7.5' on either side of the centerlines, which centerlines are shown on a plat showing The Gulf Shores Plantation's Outside Utility Locations prepared by Rowe Surveying and Engineering Company, Inc. dated June 6, 1983, a copy of which is included in this Exhibit.

SUBJECT TO all easements, reservations, restrictions, conditions and matters of record.

ALSO SUBJECT TO the rights of outside utility companies in and to easements extending 7.5' on either side of the centerline of all utility lines shown on the aforesaid plat entitled The Gulf Shores Plantation's Outside Utility Locations.

The aforesaid real property and the particular improvements thereon, which are hereby committed (and the location of such improvements) are shown and described on the Condominium Plat and Plans which are recorded herewith as described above and which are incorporated in this description by reference and which constitute, together with this description, Exhibit "1" to The Gulf Shores Plantation, a Condominium (the "Condominium"). The improvements consisting of the buildings within which Units are located and the location of individual Units within the buildings are located as shown and described upon the aforesaid parts to this Exhibit, which locations and descriptions are also incorporated in this description by reference. Each Unit has appurtenant to it an undivided interest in the Common Elements as shown and described in the Condominium Plat and Plans, and as described in the Declaration to which this is an Exhibit. All areas not contained within the Units as the term "Units" is defined in the aforesaid Declaration constitute Common Elements. Improvements which constitute Common Elements are the streets and driveways, sidewalks, parking areas, all stairways, elevators, walkways and halls providing access to individual Units, the swimming pool and equipment room, lounge, restrooms, sauna, spa and meeting rooms located within the Amenities Building, and all other improvements not contained within or part of any Unit(s).

Each Unit includes:

(a) The space enclosed by the unfinished surfaces of perimeter and interior walls, ceilings and floors thereof, including vents, doors, windows and such other structural elements that are ordinarily regarded as enclosures of space.

(b) All interior dividing walls and partitions (including the space occupied by such walls and partitions).

(c) The decorated interior surfaces of all interior walls (including the decorated surfaces of all interior load-bearing walls) and floors, ceilings, consisting as the case may be of wallpaper, paint, plaster, carpeting, tiles and all other furnishings, materials and fixtures affixed or installed and for the sole and exclusive use of any dwelling space, commencing at the point of disconnection of the structural body of the building and from utility lines, pipes or systems serving the dwelling space. No pipes, wires, conduits or other public utility lines or installation constituting a part of the overall system designed for the service of any particular dwelling space of a building or any property of any kind, including fixtures and appliances within an apartment, which are not removable without jeopardizing the safety or usefulness of the remainder of the building shall be deemed to be part of any apartment.

NOTWITHSTANDING anything herein to the contrary, this Declaration is further subject to the right of Declarant, which right is specifically reserved, to grant to Unit Owners of units located in any additional projects or condominiums constructed on property contiguous to the property herein (whether or not such units are included in The Gulf Shores Plantation), the right to use all amenities located within the Amenities Building as described in the these exhibits; provided, however, that such Unit Owners shall be required to pay a pro rata share of the expenses of operating and maintaining the amenities located in said Amenities Building, including but not limited to janitorial service, building upkeep and maintenance, swimming pool upkeep and maintenance (including swimming pool supplies), sauna and steam room upkeep and maintenance, and upkeep and maintenance of the exercise and locker rooms. The pro rata share of expenses to be determined on a per unit basis by dividing the expenses of operating and maintaining said amenities by the total number of units whose owners are granted the right to use said amenities. This reservation shall include all necessary easements of access, ingress and egress, and the right of Declarant to grant such necessary easements to the aforesaid future Unit Owners.

REC- 45 PAGE 516

The Condominium, as presently constituted, consists of four (4) buildings as shown in this Exhibit. Buildings 1, 2 and 3 are each three stories in height (and having no attics or basements) containing Residential Units, portions of Commercial Units, as well as other improvements. Building 4 is five stories in height (and having no attics or basements) containing Residential Units, portions of Commercial Units, as well as other improvements. Building 4 also includes an Amenities Building one story in height (and having no attics or basements) containing portions of the Commercial Units and various common element improvements. All Residential Unit numbers for Residential Units in Building 1 contain the number suffix "1". Likewise, all Residential Unit numbers for Residential Units in Building 2 contain the number suffix "2", etc. There are seventy-one (71) one bedroom Units, two hundred five (205) two bedroom Units and two (?) Commercial Units.

Units numbered 1101-1102, 2101-2106 and 3101-3106 are each identical and are each a one bedroom Unit containing approximately five hundred seventy-eight (578) square feet (inclusive of the balcony) on one floor and are located on the first floor of Buildings 1, 2 and 3 respectively. The floor plan and dimensions of the one bedroom Units are contained in this Exhibit. As to each such Unit, entrance is made from a common element corridor into a hallway in the Unit which leads to the living room. Entrances made off the hallway into the bedroom, into a utility closet and into the bath of the Unit. Each bedroom contains one closet. Sliding doors from the living room area provide access to the balcony which is part of the Unit.

Units numbered 1201-1202, 2201-2206 and 3201-3206 are identical to Unit 1101 except that each such Unit is located on the second floor of Buildings 1, 2 and 3 respectively, entrance being made into each such Unit from the common element corridors, access being gained to said corridors by stairways and elevators which are part of the common elements.

Units numbered 1301-1302, 2301-2306 and 3301-3306 are identical to Unit 1101 except that each such Unit is located on the third floor of Buildings 1, 2 and 3 respectively, entrance being made into each such Unit from the common element corridors, access being gained to said corridors by stairways and elevators which are part of the common elements.

Units numbered 4102 and 4115, 4201 and 4215, 4301 and 4315, 4401 and 4415, 4501 and 4515 are identical to Unit 1101 except that each Unit is located in Building 4 and is located on the first, second, third, fourth and fifth floor respectively, entrance being made into each such Unit from the common element corridors, access being gained to said corridors by stairways and elevators which are part of the common elements.

Units numbered 1103, 2107, 3107, 4101 and 4114 are identical to Unit 1101 except that the floor plan is reversed with each Unit being located on the first floor of Buildings 1, 2, 3, and 4 respectively, entrance being made from common element corridors.

Units numbered 1203, 2207, 3207, 4201 and 4214 are identical to Unit 1103 except that each Unit is located on the second floor of Buildings 1, 2, 3 and 4 respectively, entrance being made into each such Unit from common element corridors, access being gained to said corridors by stairways and elevators which are part of the common elements.

Units numbered 1303, 2307, 3307, 4301 and 4314 are each identical to Unit 1103 except that each such Unit is located on the third floor of Buildings 1, 2, 3 and 4 respectively, entrance being made into each such Unit from common element corridors, access being gained to said corridors by stairways and elevators which are part of the common elements.

Units numbered 4401 and 4414 are identical to Unit 1103 except that each such Unit is located on the fourth floor of Building 4, entrance being made into each such Unit from the common element corridors, access being gained to said corridors by stairways and elevators which are part of the common elements.

Units numbered 4501 and 4514 are identical to Unit 1103 except that each Unit is located on the fifth floor of Building 4, entrance being made into each such Unit from the common element corridors, access being gained to

MSC. 45 PAGE 517

said corridors by stairways and elevators which are part of the common elements.

Units with odd numbers numbered 2109-2127, odd numbers numbered 3109-3127, Unit 4103, 4105, 4108, 4109, 4111 and 4113 are each identical and are each a two bedroom Unit containing approximately eight hundred forty-six (846) square feet (inclusive of the balcony) on one floor and are located on the first floor of Buildings 2, 3 and 4 respectively. The floor plan and dimensions of the two bedroom Units are contained in this Exhibit. As to each such Unit, entrance is made from a common element corridor into the living, dining and kitchen area. This area also provides access into a hallway which provides access into the guest bath, a linen closet and guest bedroom. The living, dining and kitchen area also provides access to a utility closet, wet bar and master bedroom. Each bedroom of the Unit contains a closet and in addition, the master bedroom also accesses the second bath of the Unit. Sliding glass doors from the living area provide access to the balcony which is part of the Unit.

Units with odd numbers numbered 2209-2227, odd numbers numbered 3209-3227, Unit 4203, 4205, 4208, 4209, 4211 and 4213 are identical to Unit 2109 except that each such Unit is located on the second floor of Buildings 2, 3 and 4 respectively, entrance being made into each such Unit from the common element corridors, access being gained to said corridors by stairways and elevators which are part of the common elements.

Units with odd numbers numbered 4309-4327, odd numbers numbered 3309-3327, Units numbered 4303, 4305, 4308, 4309, 4311 and 4313 are identical to Unit 2109 except that each such Unit is located on the third floor of Buildings 2, 3 and 4 respectively, entrance being made into each such Unit from the common element corridors, access being gained to said corridors by stairways and elevators which are part of the common elements.

Units numbered 4403, 4405, 4408, 4409, 4411 and 4413 are identical to Unit 2109 except that each such Unit is located on the fourth floor of Building 4, entrance being made into each such Unit from the common element corridors, access being gained to said corridors by stairways and elevators which are part of the common elements.

Units numbered 4503, 4505, 4506, 4508, 4509, 4511 and 4513 are identical to Unit 2109 except that each such Unit is located on the fifth floor of Building 4, entrance being made into each such Unit from the common element corridors, access being gained to said corridors by stairways and elevators which are part of the common elements.

Units numbered 1104-1113, even numbers numbered 2108-2126, even numbers numbered 3108-3126, Units 4104, 4106, 4107, 4110 and 4112 are each two bedroom units and are identical to Unit 2109 except that the floor plan is reversed, with each Unit being located on the first floor of Buildings 1, 2, 3 and 4 respectively, entrance being made from common element corridors.

Units numbered 1204-1213, even numbers numbered 2208-2226, even numbers numbered 3208-3226, Unit 4204, 4206, 4207, 4210 and 4212 are each identical to Unit 1104 except that each such Unit is located on the second floor of Buildings 1, 2, 3 and 4 respectively, entrance being made into each such Unit from the common element corridors, access being gained to said corridors by stairways and elevators which are part of the common elements.

Units numbered 1304-1313, even numbers numbered 2308-2326, even numbers numbered 3308-3326, Unit 4304, 4306, 4307, 4310 and 4312 are each identical to Unit 1104 except that each such Unit is located on the third floor of Buildings 1, 2, 3 and 4 respectively, entrance being made into each such Unit from the common element corridors, access being gained to said corridors by stairways and elevators which are part of the common elements.

Units numbered 4404, 4406, 4407, 4410 and 4412 are each identical to Unit 1104 except that each such Unit is located on the fourth floor of Building 4, entrance being made into each such Unit from the common element corridors, access being gained to said corridors by stairways and elevators which are part of the common elements.

Units numbered 4504, 4506, 4507, 4510 and 4512 are each identical to Unit 1104 except that each such Unit is located on the fifth floor of

MISC. 45 PAGE 518

Building 4, entrance being made into each such Unit from the common element corridors, access being gained to said corridors by stairways and elevators which are part of the common elements.

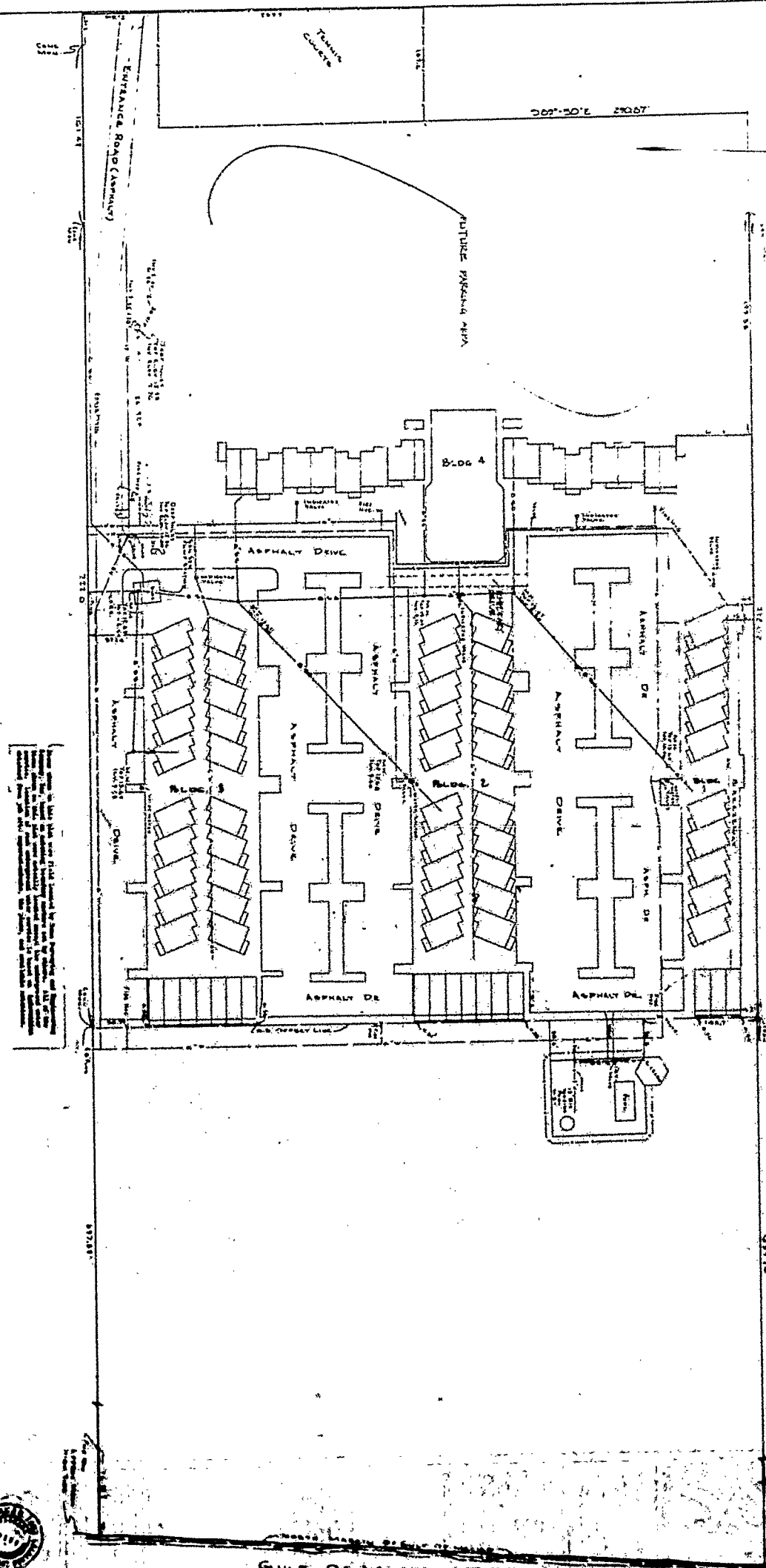
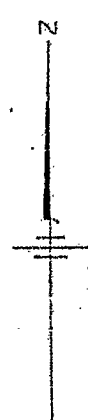
Commercial Unit A consists of a game room and arcade room located in the Amenities Building and a cabana located next to the outdoor swimming pool. The game room contains approximately two hundred forty-five (245) square feet, the arcade contains approximately one hundred eighty-four (184) square feet, and the cabana contains approximately five hundred forty-four (544) square feet. The floor plan and dimensions of Commercial Unit A are contained in this Exhibit.

Commercial Unit B consists of certain storage areas located on each floor of the four buildings, the floor plan and dimensions of these storage areas comprising Commercial Unit B are contained in this Exhibit.

The Amenities Building is located as shown in this Exhibit. It contains two meeting rooms, reception area, men's and women's locker rooms, exercise room, laundry rooms, mechanical and electric rooms, sauna and steam rooms, portions of Commercial Unit A and Commercial Unit B, recreation area, running track, indoor swimming pool, storage areas, spa and pool equipment room. The swimming pool, recreation area, running track, portions of Commercial Unit A, spa and pool equipment room are located in the domed enclosure, all of which are shown in this Exhibit.

NISL
45
PAGE
519

W. 500



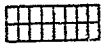
Notes: 1. All lots shown are subject to the terms, conditions and restrictions of the plat of the subdivision, which is on file in the office of the County Clerk of the County of Santa Clara, State of California. 2. The lots shown are subject to the terms, conditions and restrictions of the plat of the subdivision, which is on file in the office of the County Clerk of the County of Santa Clara, State of California. 3. The lots shown are subject to the terms, conditions and restrictions of the plat of the subdivision, which is on file in the office of the County Clerk of the County of Santa Clara, State of California.



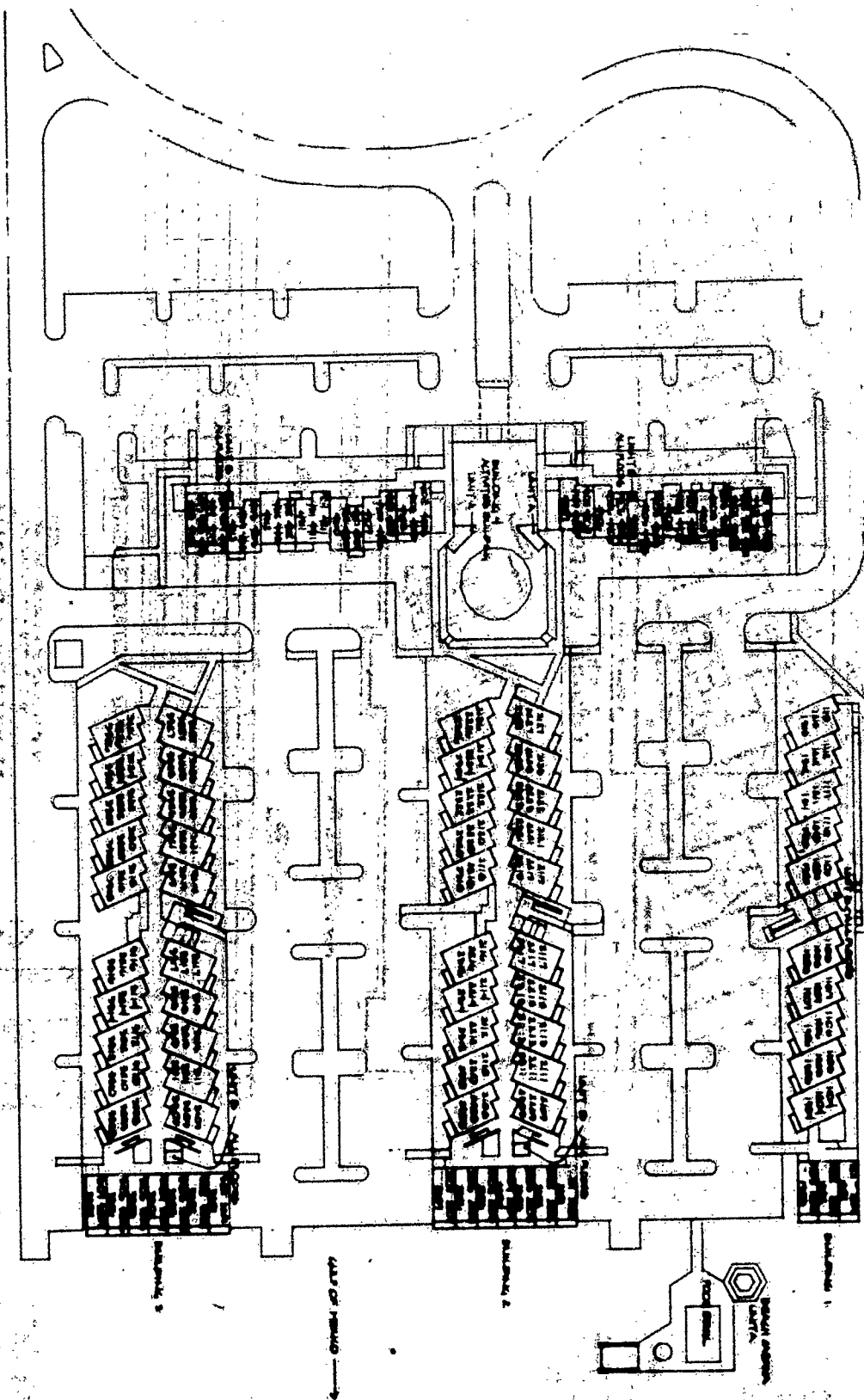
PLAT SHOWING
THE GULF SHORES PLANTATION
OUTSIDE UTILITY LOT 1000
Santa Clara County, California
Platted by
JAMES H. HARRIS
June 15, 1900

GULF OF MEXICO

W. 500



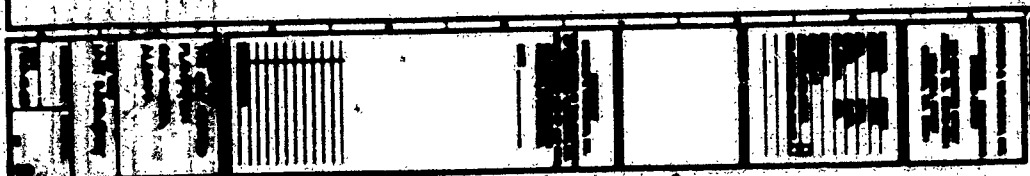
UNIT INVENTORY PLAN

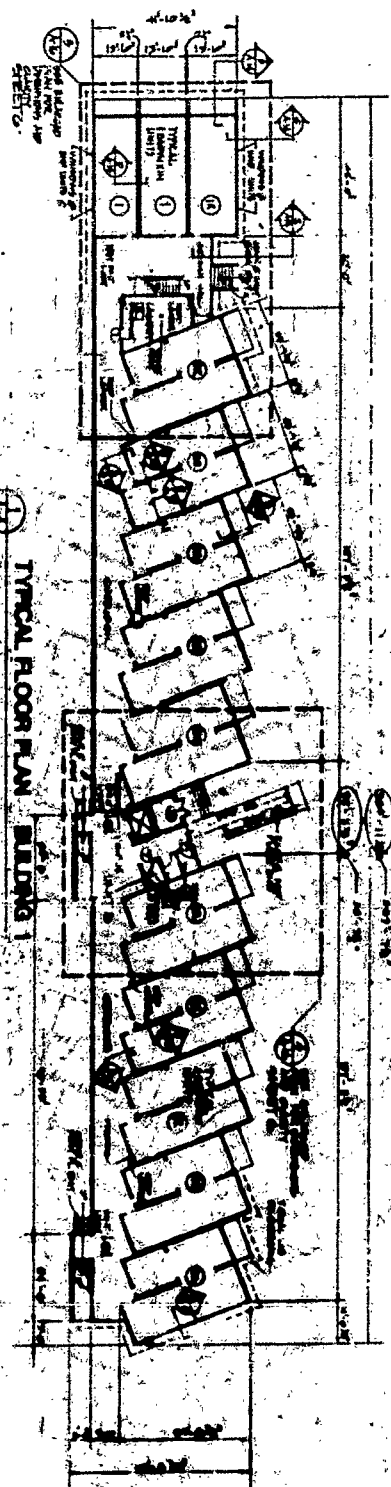


NO. 1500 521

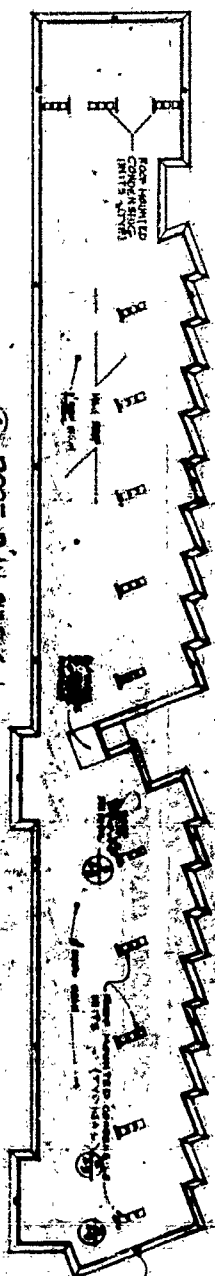


STEVE & WILSON, INC.

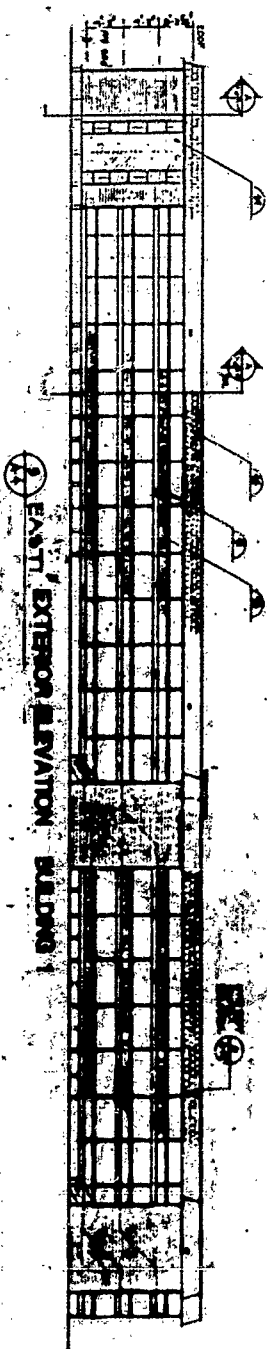




④ TYPICAL FLOOR PLAN BUILDING

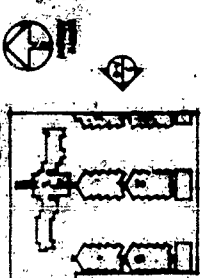


① ROOF PLAN BUILDING



EAST, EXTERIOR ELEVATION BUILDING

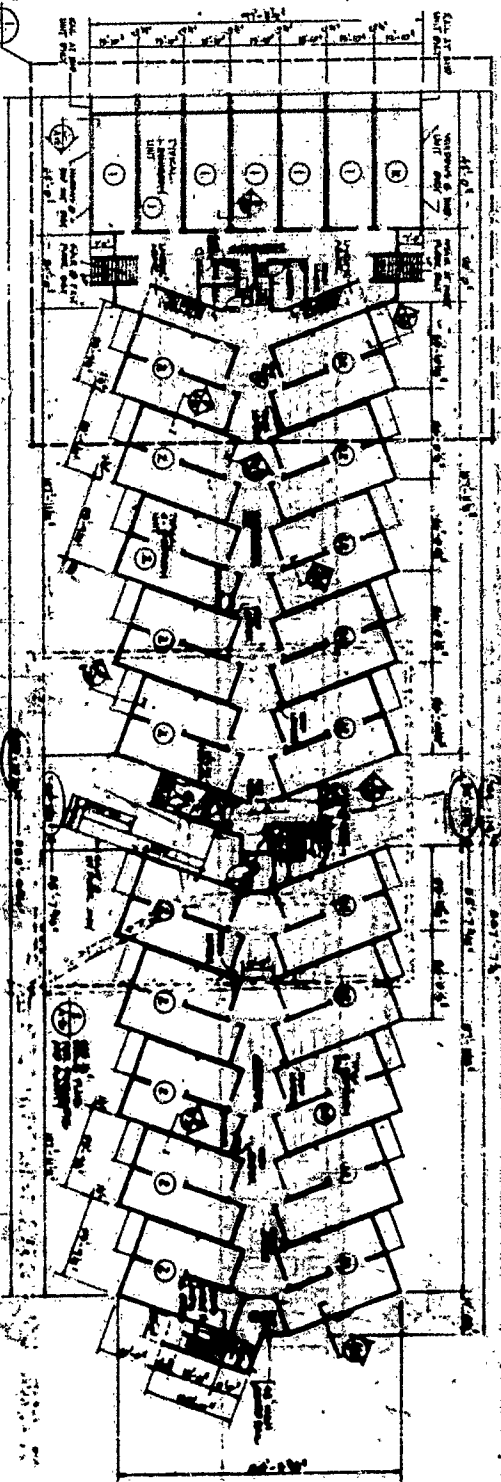
1. NEW ROAD IMPROVEMENT PROJECTS (TYP. IN ADDITION TO 5-5000 5-0000)
2. NEW ROAD TYPE IMPROVEMENTS (TYP. IN ADDITION TO 5-5000 5-0000)
3. ROAD TYPE IMPROVEMENTS (TYP. IN ADDITION TO 5-5000 5-0000)
4. ROAD TYPE IMPROVEMENTS (TYP. IN ADDITION TO 5-5000 5-0000)
5. ROAD TYPE IMPROVEMENTS (TYP. IN ADDITION TO 5-5000 5-0000)
6. ROAD TYPE IMPROVEMENTS (TYP. IN ADDITION TO 5-5000 5-0000)
7. ROAD TYPE IMPROVEMENTS (TYP. IN ADDITION TO 5-5000 5-0000)
8. ROAD TYPE IMPROVEMENTS (TYP. IN ADDITION TO 5-5000 5-0000)
9. ROAD TYPE IMPROVEMENTS (TYP. IN ADDITION TO 5-5000 5-0000)
10. ROAD TYPE IMPROVEMENTS (TYP. IN ADDITION TO 5-5000 5-0000)



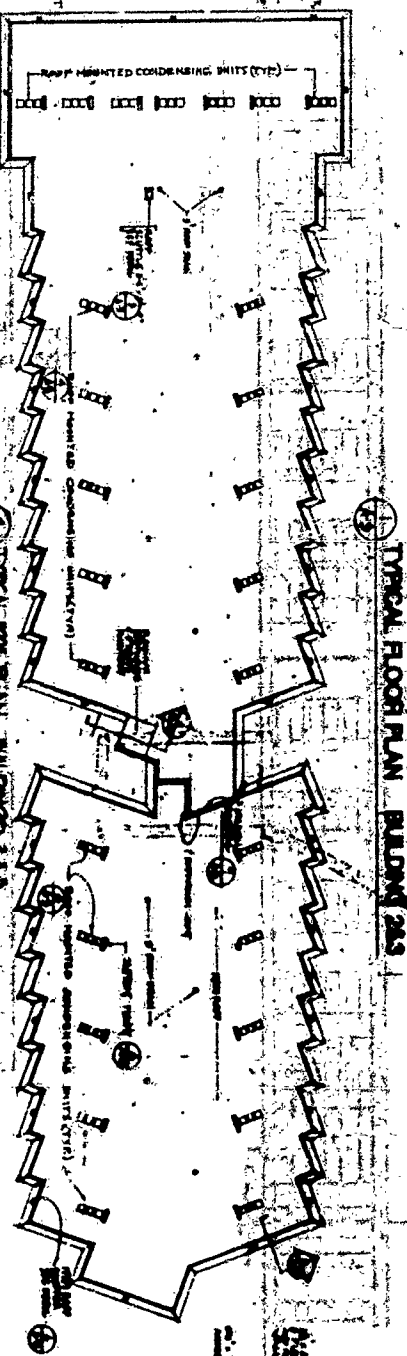
① ② ③ ④

THE
NEW
YORK
PUBLIC
LIBRARY

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

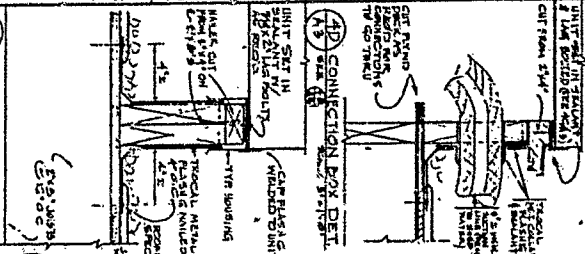


NOTE:
 1. Unit is designed for 115V AC, 60 Hz.
 2. Unit is designed for 115V AC, 60 Hz.
 3. Unit is designed for 115V AC, 60 Hz.
 4. Unit is designed for 115V AC, 60 Hz.
 5. Unit is designed for 115V AC, 60 Hz.



Typical Floor Plan (continued)

Typical Condensing Unit (Typ.)



(A) Connection Box Detail

(B) Mounting Detail

(C) Condensing Unit Mounting Details & Data

(D) Typical Condensing Unit (Typ.)

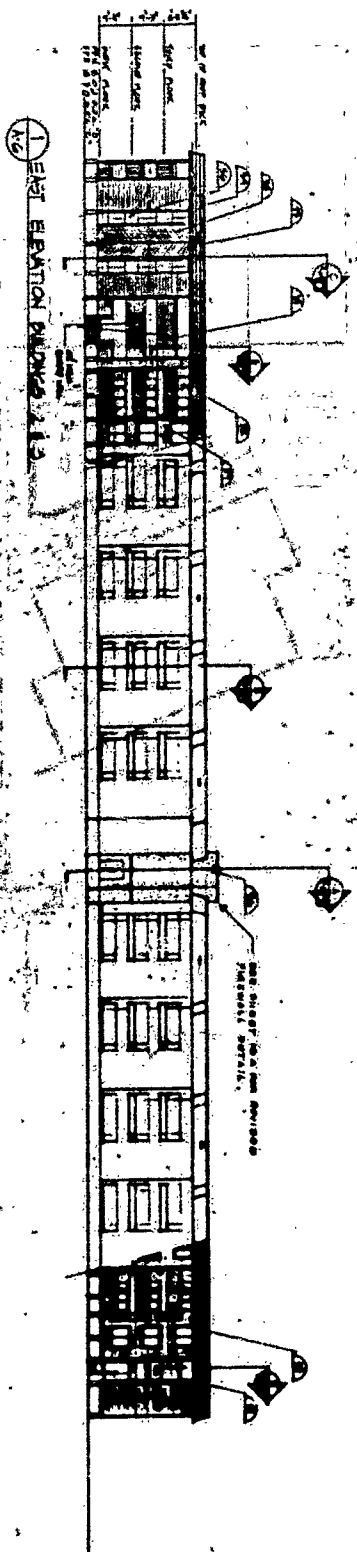
(E) Typical Condensing Unit (Typ.)

(F) Typical Condensing Unit (Typ.)

(G) Typical Condensing Unit (Typ.)

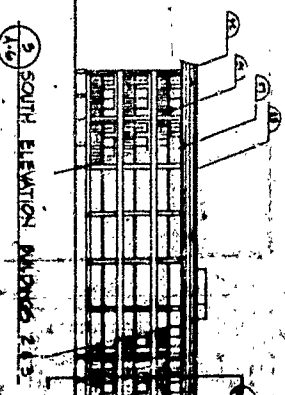
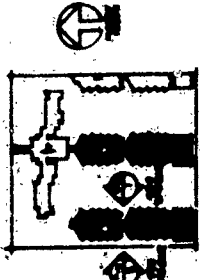
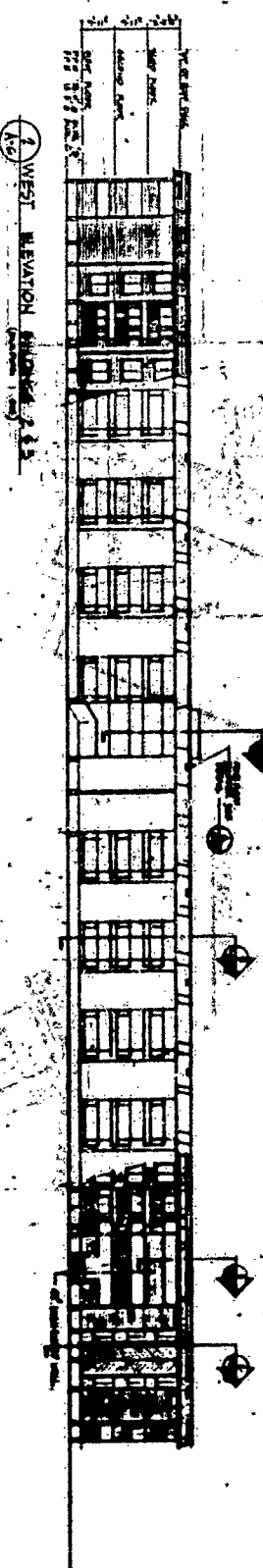
© 1960 B. J. B. Co.
 B. J. B. Co.

Model	Capacity	Weight	Dimensions
Model 1	10,000 Btu/hr	150 lbs	24" x 36" x 12"
Model 2	15,000 Btu/hr	200 lbs	30" x 42" x 12"
Model 3	20,000 Btu/hr	250 lbs	36" x 48" x 12"
Model 4	25,000 Btu/hr	300 lbs	42" x 54" x 12"
Model 5	30,000 Btu/hr	350 lbs	48" x 60" x 12"



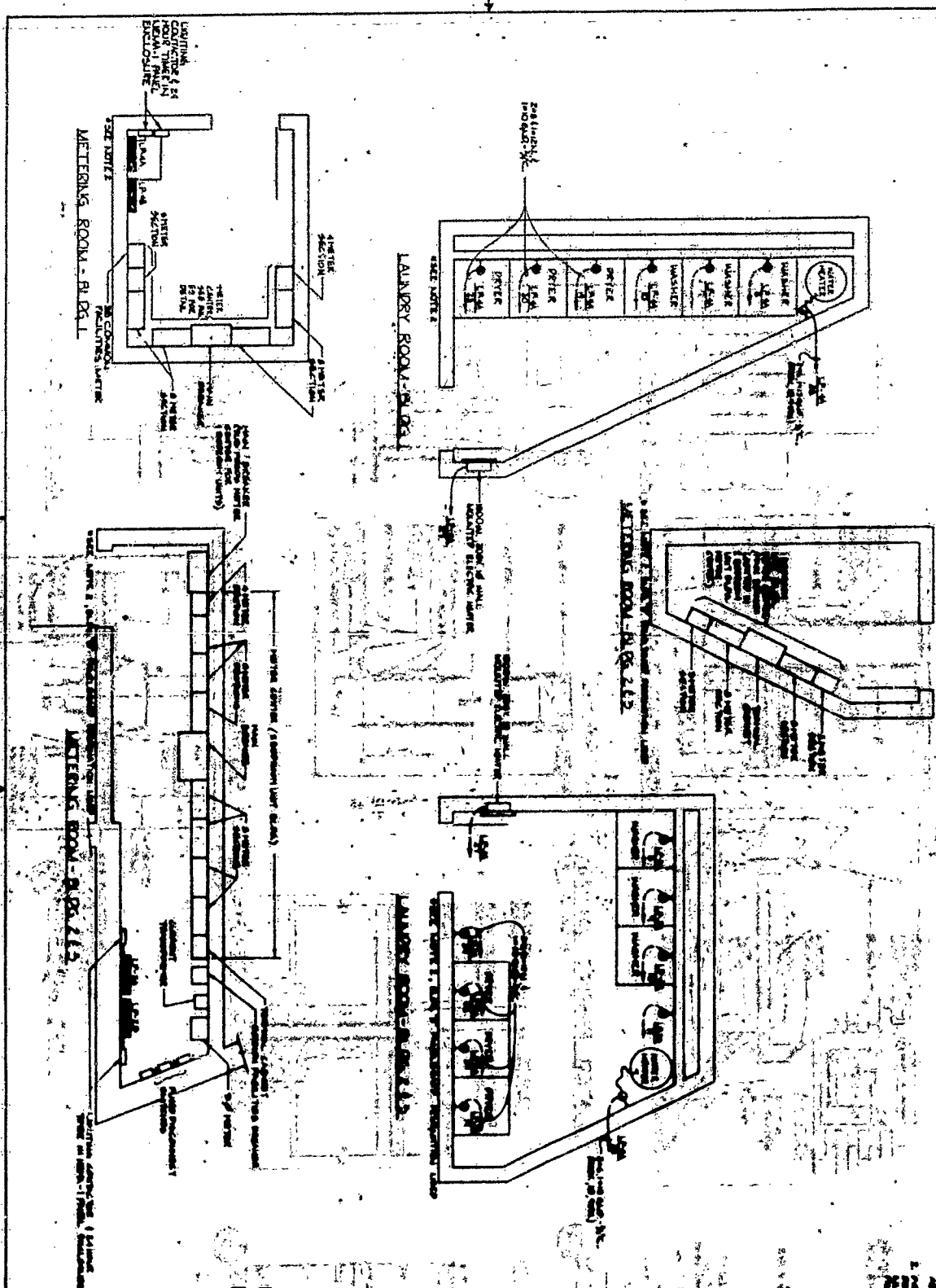
SEE SHEET FOR X-RAY SERVICE PRELIMINARY DETAILS.

NOTE: SEE SHEET FOR X-RAY SERVICE PRELIMINARY DETAILS.



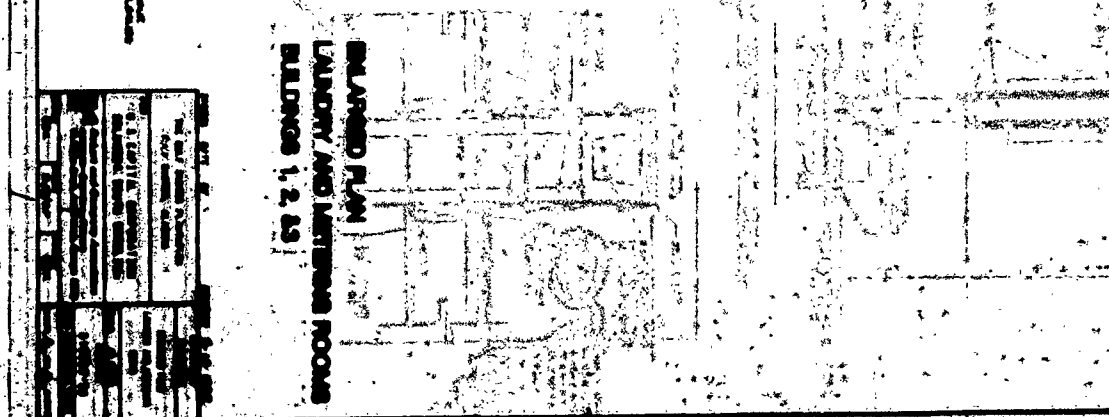
EXTERIOR ELEVATIONS
BUILDING 243

DATE: 10/1/64	BY: J. L. GORDON
CHECKED: 10/1/64	BY: J. L. GORDON
APPROVED: 10/1/64	BY: J. L. GORDON
PROJECT: 4504P 52413	
SHEET: 1 OF 1	



**EXPANDED PLAN
LAUNDRY AND MESSHALL ROOMS
BUILDINGS 1, 2, & 3**

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



**EXPANDED PLAN
LAUNDRY AND MESSING ROOMS
BUILDINGS 1, 2, & 3**

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

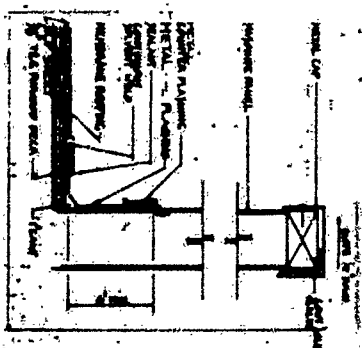
Technical drawing of a mechanical assembly, likely a pump or engine component, showing a cross-section. The drawing includes a large circular component on the left and a smaller circular component on the right. Handwritten labels in black ink are present:

- Top left: "1/2\"
- Top center: "1/2\"
- Top right: "1/2\"
- Bottom left: "1/2\"
- Bottom center: "1/2\"
- Bottom right: "1/2\"

[illegible]

PLASTING EVENT SPACE

CLASSING & VENT STACK



6 WALL SCUPPER DETAIL

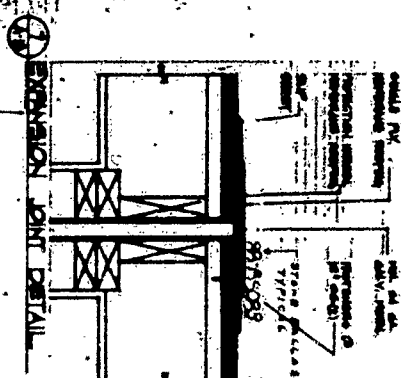
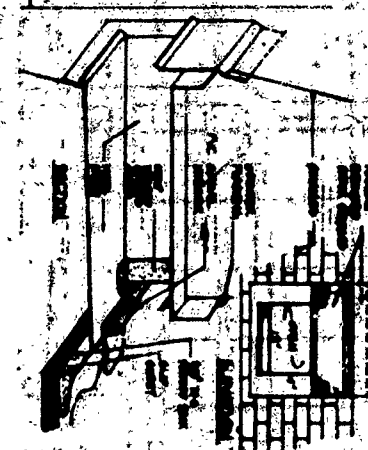
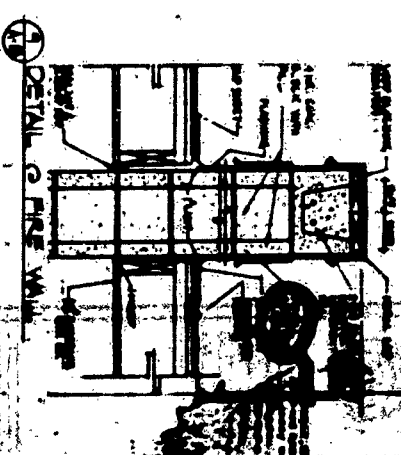


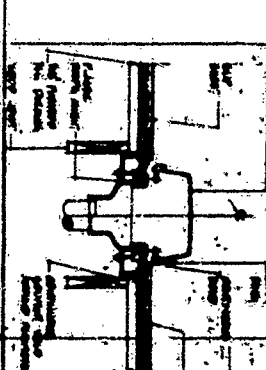
EXHIBIT J



STREET MOUNT DRIVE

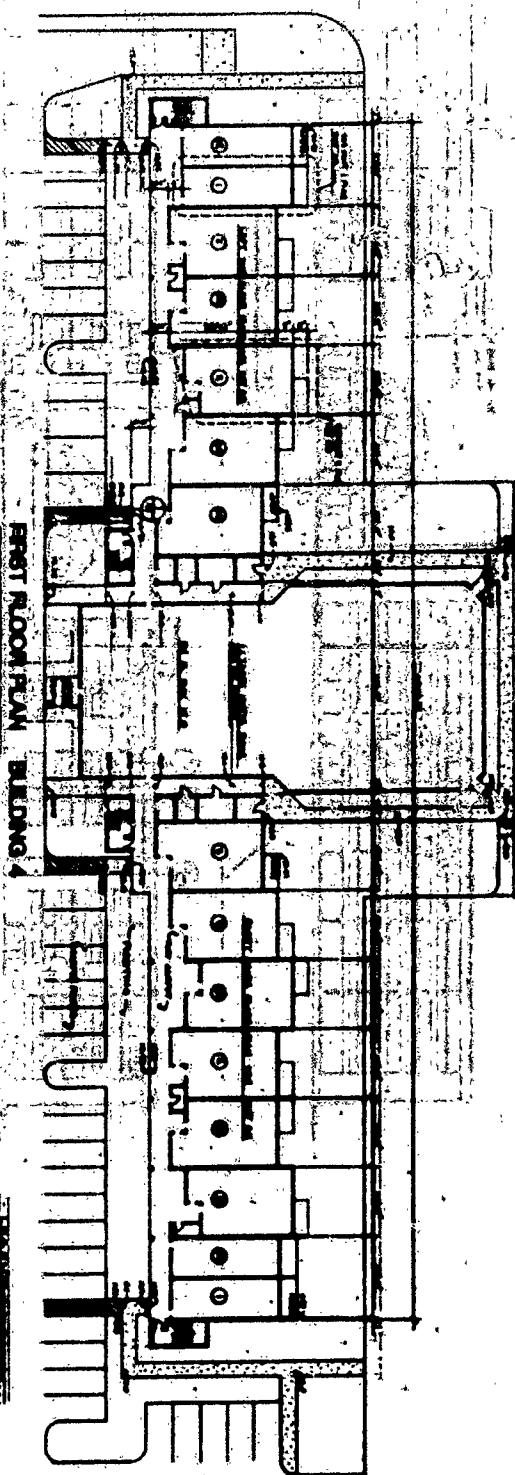


7 DETAIL OF FIRE WALL



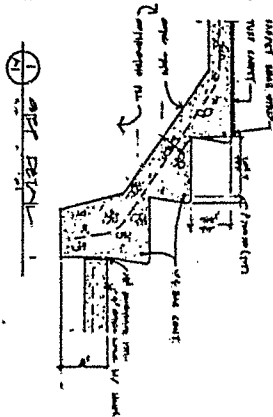
ROOF DRAIN DETAIL

[illegible]

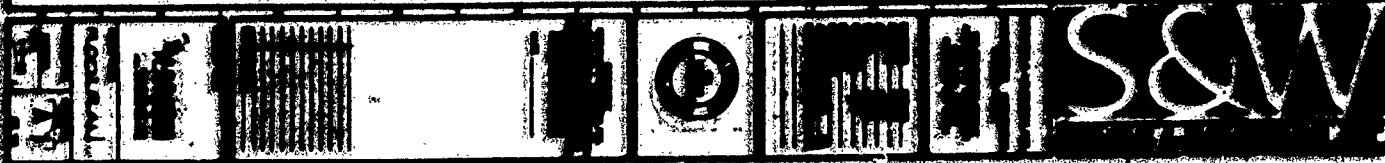


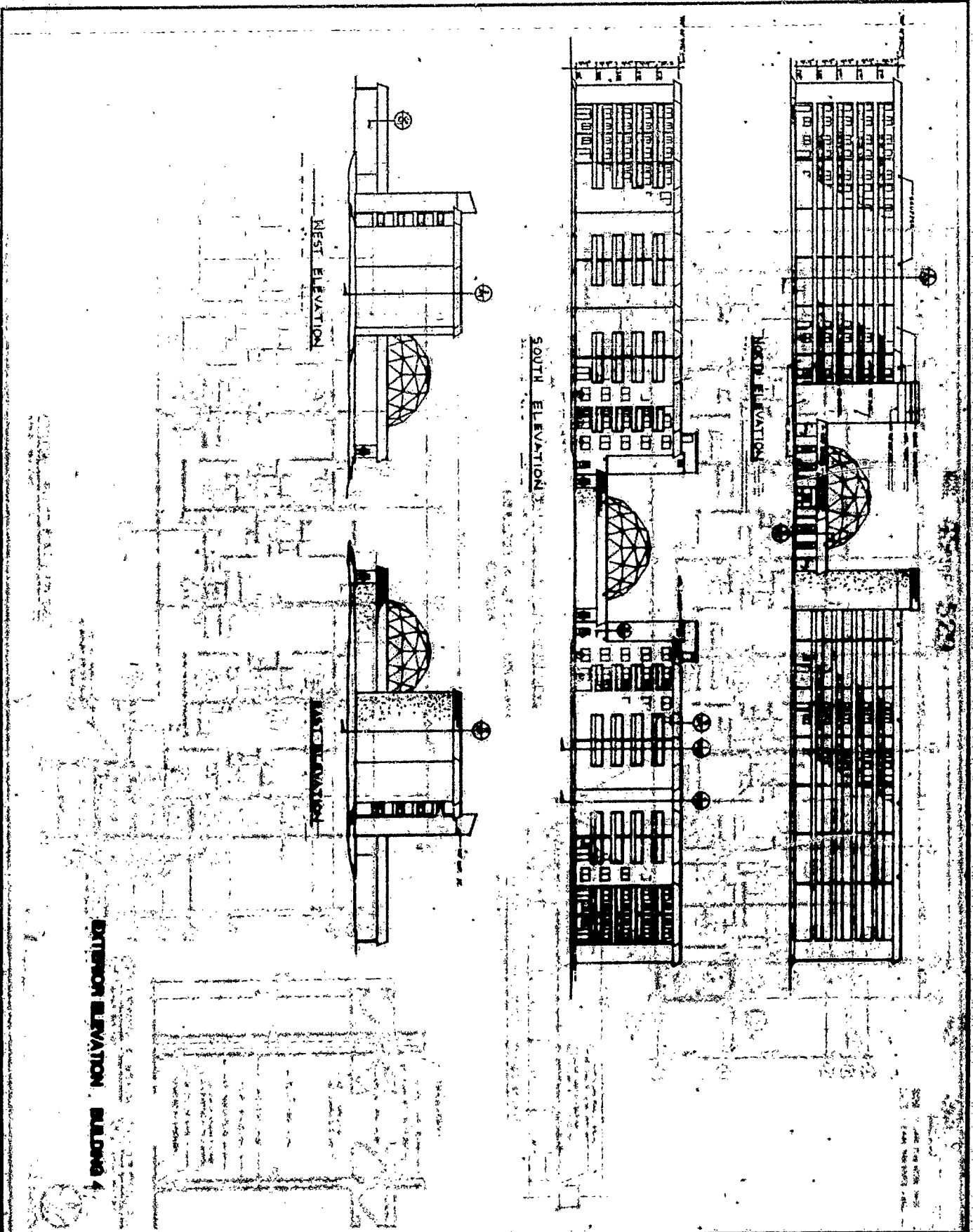
FIRST FLOOR PLAN BUILDING 4

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

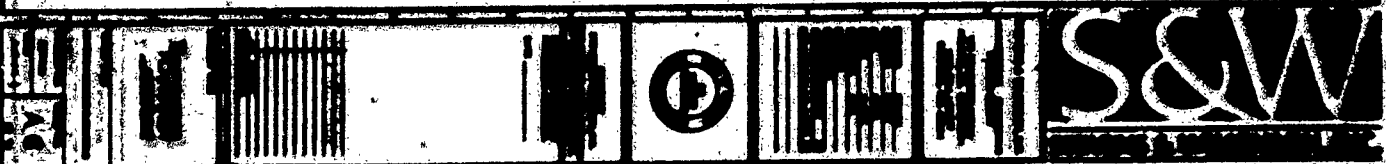


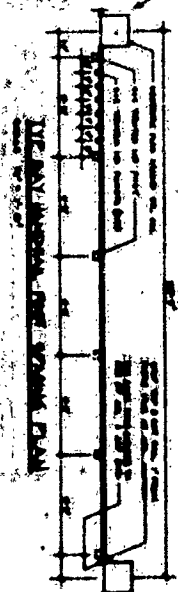
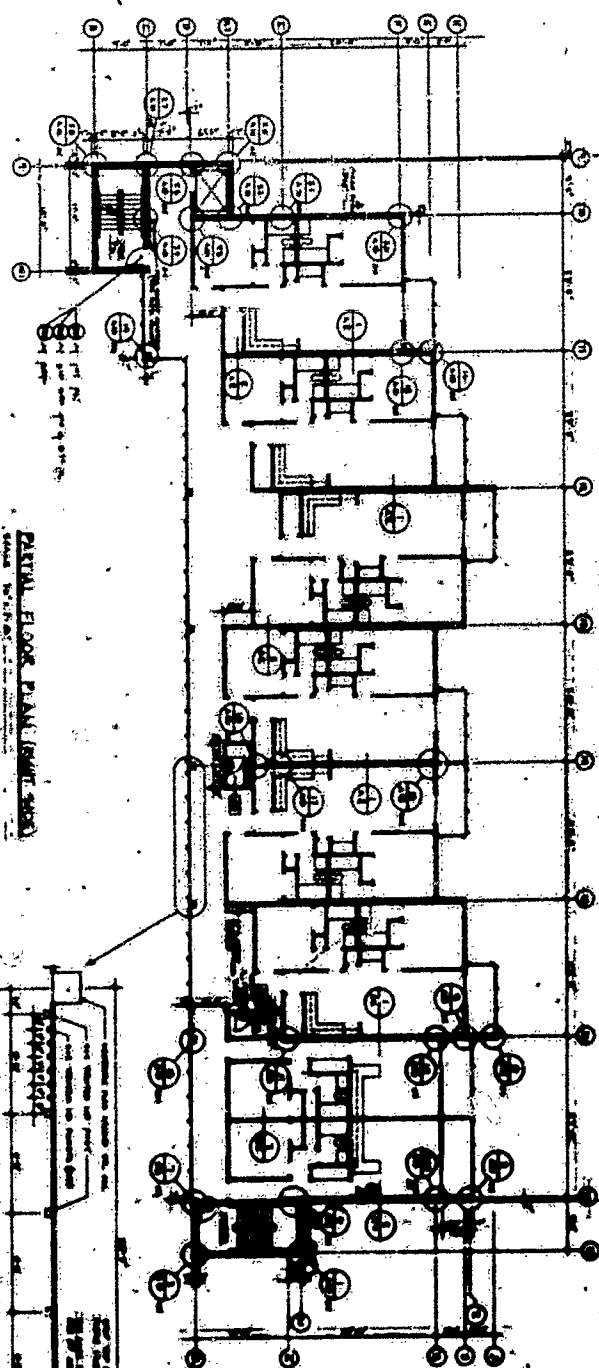
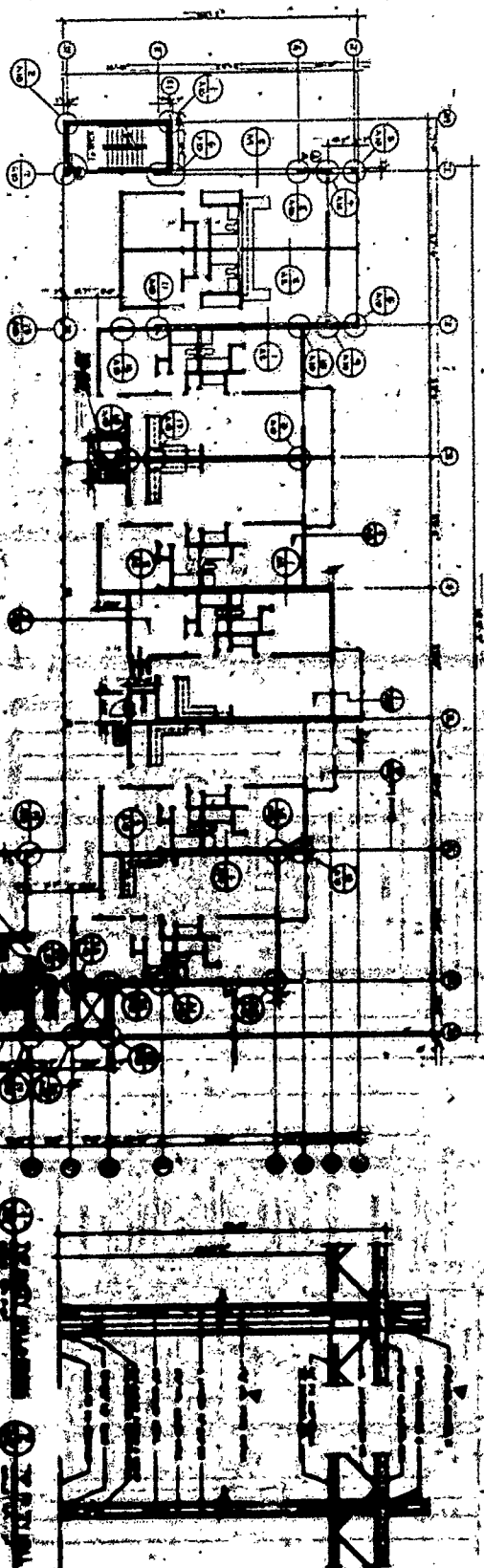
SECTION THROUGH BUILDING 4



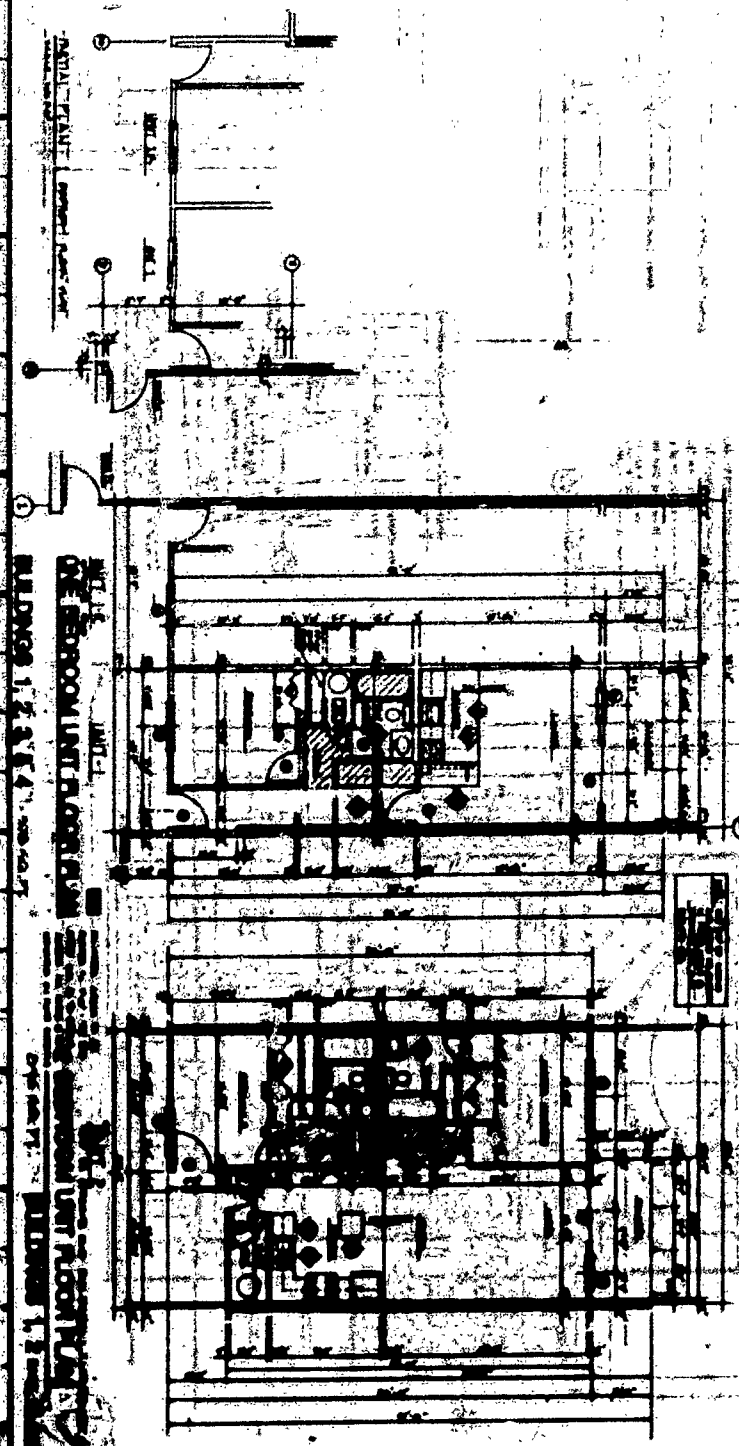
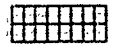


SECTION ELEVATION, BUILDING 4





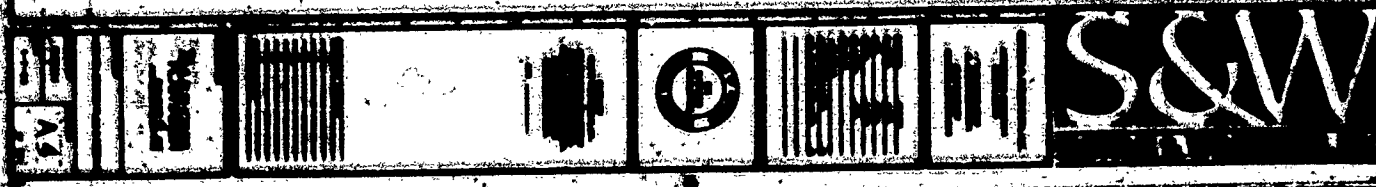
UNIT 521



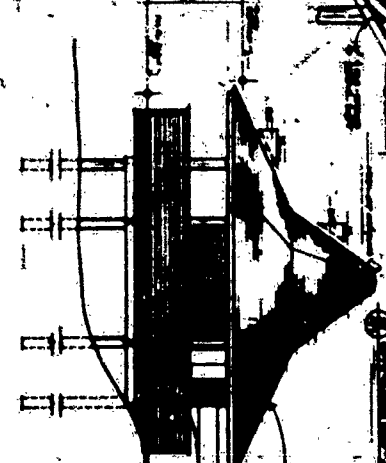
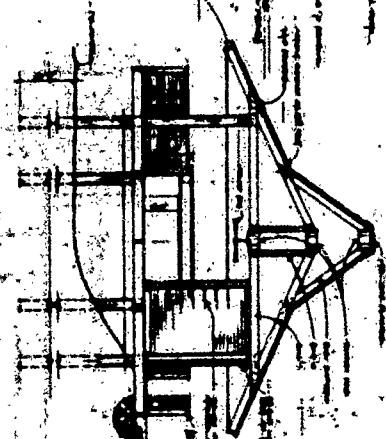
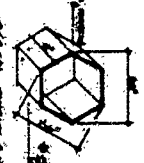
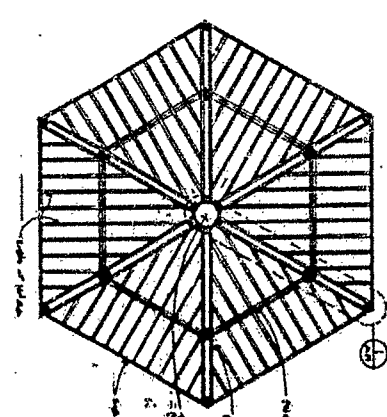
UNIT 521
BEDROOM UNIT FLOOR PLAN

UNIT 521
BEDROOM UNIT FLOOR PLAN





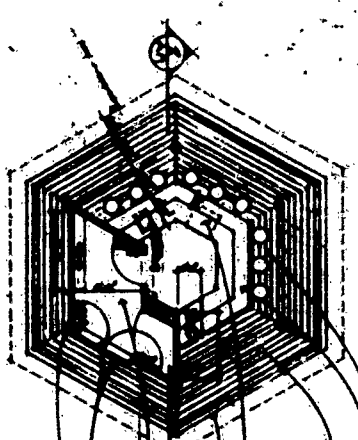
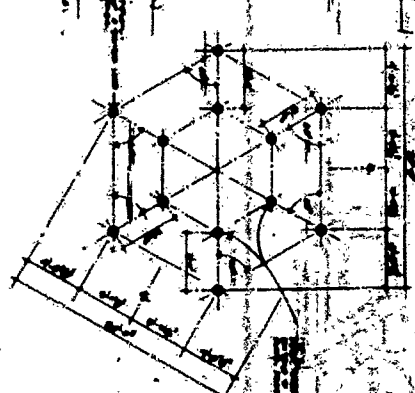
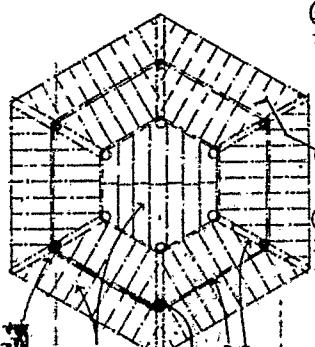
NO. 4546 533



NOT IN THE PLAN

SECTION - FRONT

ELEVATION



PLAN (NOT IN THE PLAN)

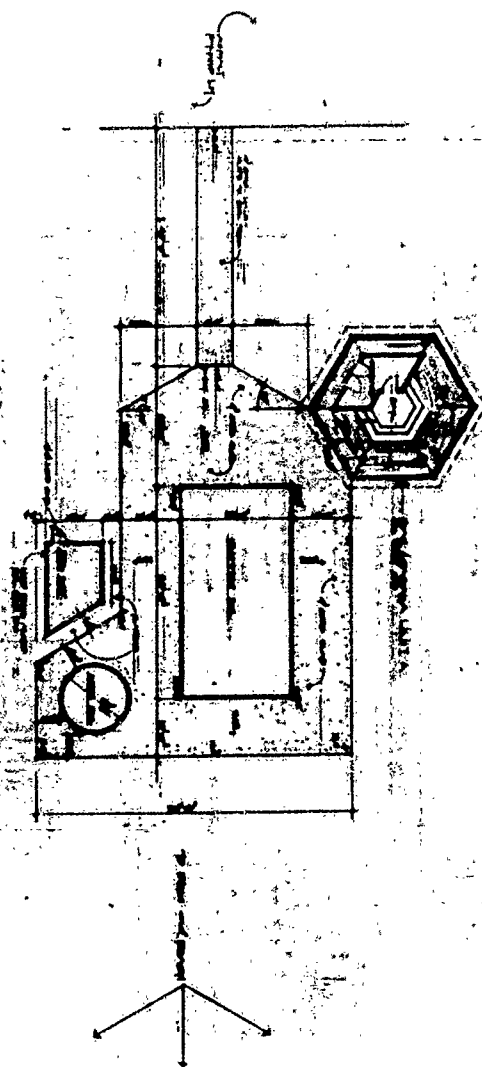
PLAN (NOT IN THE PLAN)

UNIT A BEACH CAMP FLOOR PLAN

S&W

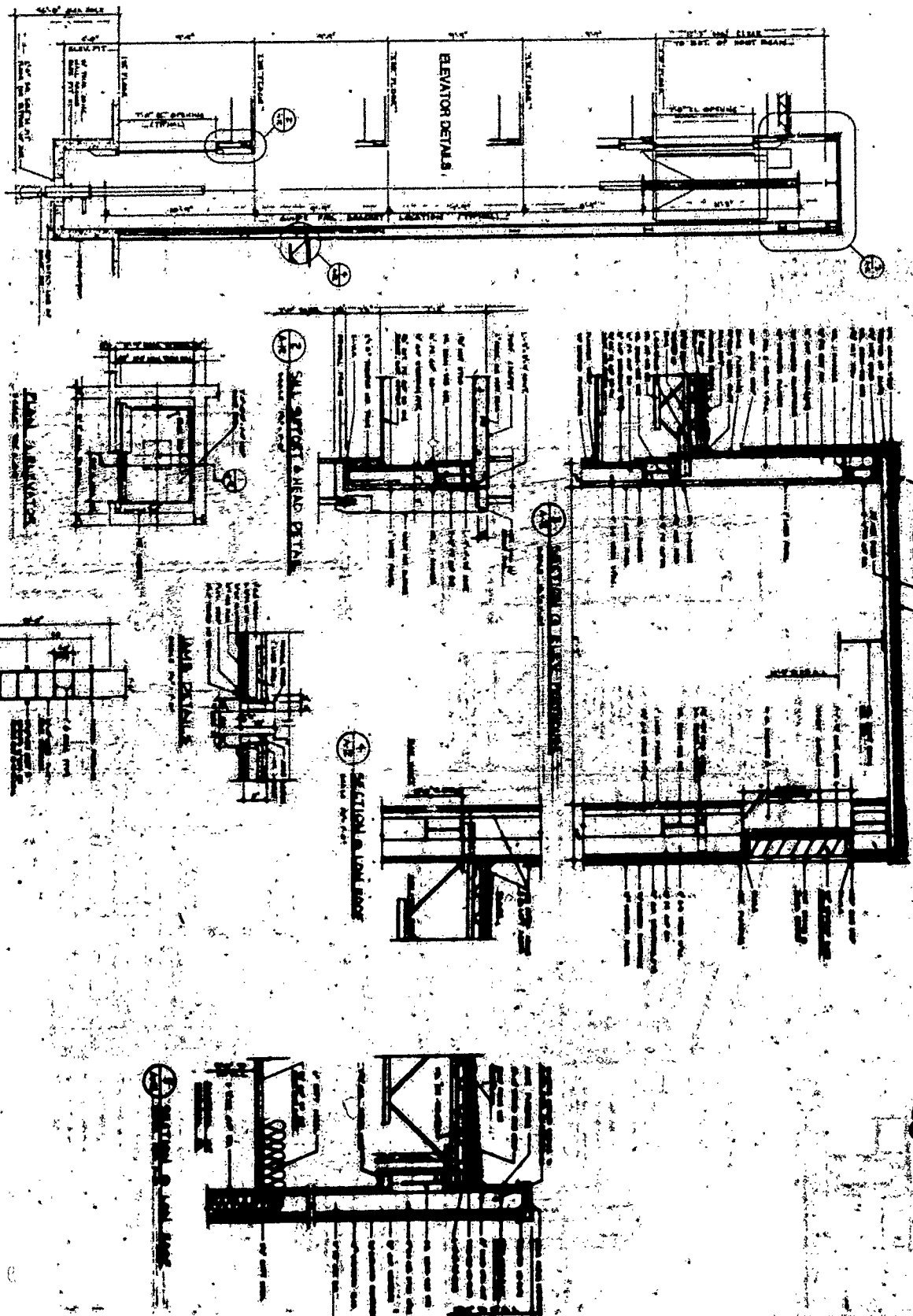


POOL DECK PLAN



NO. 45-40F 534



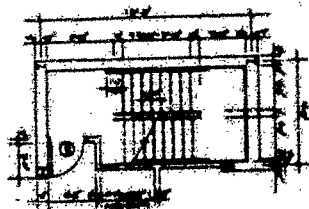


SECTION - TRUSS ELEVATOR

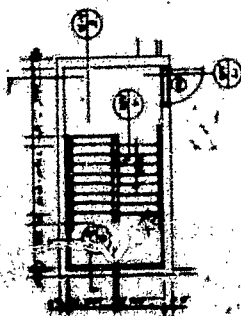
CALL BUTTON DETAIL

LANDING DETAIL

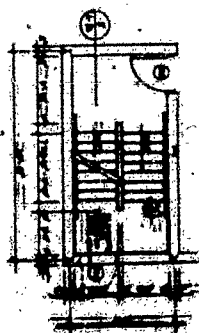
LANDING DETAIL



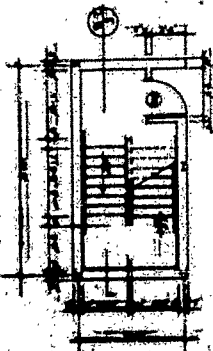
PLAN OF FIRST FLOOR - SIDE 1



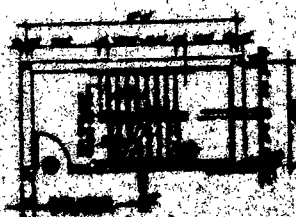
PLAN OF FIRST FLOOR - SIDE 2



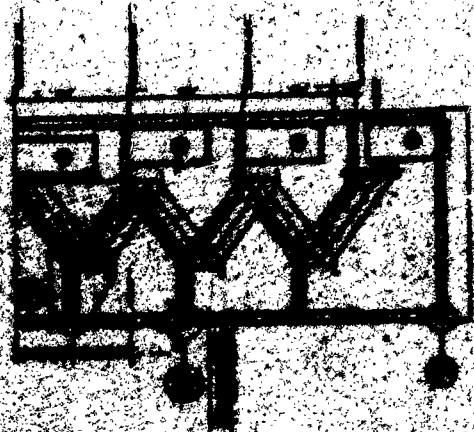
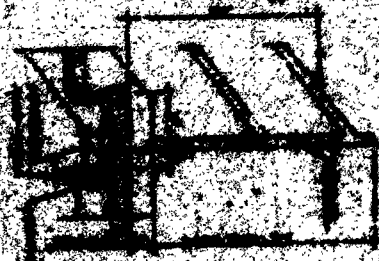
PLAN OF FIRST FLOOR - SIDE 3



PLAN OF FIRST FLOOR - SIDE 4



PLAN OF FIRST FLOOR - SIDE 5



BY-LAWS OF
THE GULF SHORES PLANTATION CONDOMINIUM ASSOCIATION

ARTICLE I
Name

The name of the Association shall be THE GULF SHORES PLANTATION CONDOMINIUM ASSOCIATION.

ARTICLE II
Offices

The principal office of the Association shall be located at The Gulf Shores Plantation, a Condominium, Baldwin County, Alabama. The Association may have other offices within and without the State of Alabama as the Board of Directors may determine or as the affairs of the Association may require from time to time. The Association shall have and continuously maintain in the State of Alabama, a registered agent whose office shall be located in the State of Alabama. The registered agent may be changed from time to time by the Board of Directors.

ARTICLE III
Purpose

The purpose of this Association shall be to provide a collective government form of administration for the Unit Owners of The Gulf Shores Plantation, A Condominium (the "Condominium") to manage and control said Condominium and the activities of the Units Owners therein and of all persons using or occupying the facilities of the said Condominium and all things pertinent to and/or related thereto and to carry out all activities, promulgate all Rules and Regulations and to have all responsibilities and purposes that are given to the Association in the Declaration of The Gulf Shores Plantation, a Condominium (hereinafter called the Declaration) in the Alabama Condominium Ownership Act, Title 35, Chapter 8, Alabama Laws (hereinafter called the Act) and in these By-Laws, and to be the Association for this Condominium as defined and called for in the Act and the Declaration.

ARTICLE IV
Definitions

All terms and phrases used herein shall, unless the context otherwise requires, have the same definition and meaning as set forth in the Declaration and/or in The Act, as the case may be.

ARTICLE V
Members

Each and every Unit Owner of a Unit or an interest in a Unit in the Condominium shall be a Member of this Association. Further, there shall be appurtenant to each Unit in the Condominium the number of votes assigned in the Declaration which shall be voted collectively by the voting member of the Unit as set forth in the Declaration. Upon the sale, conveyance, devise or other transfer of any kind or nature of any Unit, such subsequent transferee shall automatically become a member hereof and likewise the vote appurtenant to the Unit shall automatically pass and the membership of the transferor immediately terminated whether any membership certificate or voting certificate be transferred or not; provided, however, the Association shall for all purposes be entitled to rely upon the right to membership and voting rights of the person shown as Unit Owner of a Unit in its records until notified of such transfer by delivery of written notice thereof to the secretary of the Association.

ARTICLE VI
Application

All present and future Unit Owners, tenants, future tenants, agents, servants, employees, guests, invitees and any other person using the facilities of the Condominium or occupying any Unit thereof shall be and is hereby subject to all matters, Rules and Regulations set forth in these By-Laws, Rules and Regulations promulgated by the Board of Directors hereof, and all things set forth in the Declaration and in The Act.

A mere acquisition or rental of a Unit or use of the facilities of the Condominium shall signify these By-Laws and all Rules and Regulations and provisions contained within the Declaration, the Act, or promulgated by the Board of Directors are accepted, ratified and shall be complied with.

ARTICLE VII
Voting Majority

Section 1. There is hereby assigned to each Unit the number of votes as described and assigned in the Declaration which shall be voted by the voting member thereof as described in the Declaration. The vote so assigned to each may not be split in any fashion. If one person is the Unit Owner of a Unit, he shall be the voting member. If a Unit be owned by more than one person, they shall designate one of them as the voting member and notify the Secretary in writing of such designation. In the event a corporation owns a Unit, the corporation shall designate one agent thereof as the voting member and so notify the Secretary in writing. In the case of multiple or corporate ownership of a Unit, the vote appurtenant thereto shall not be exercised until written designation of the voting member has been delivered to the Secretary. The voting member so designated shall remain the voting member, entitled to cast the vote of that Unit on all matters to come before the Association for vote until the Secretary be given written notice of change.

Section 2. As used in these By-Laws, the term Majority of Unit Owners shall mean those Unit Owners who are voting members holding 51 percent of the total vote of all the Unit Owners of the Condominium as then constituted. Unless otherwise required herein, in the Declaration or in the Act, majority vote shall constitute 51 percent of the total outstanding votes of all Unit Owners and shall be required to adopt any decisions affecting the Condominium.

Section 3. Except as otherwise provided or required in these By-Laws, the Declaration or the Act, the presence in person or by proxy of a Majority of Unit Owners, as is defined above, shall be required to constitute a quorum.

Section 4. Votes may be cast in person or by proxy. Each proxy shall be in a form as determined by the Board of Directors and must be filed with the Secretary at least 15 days before the appointed time for a regular meeting and at least one day before the appointed time for a special meeting.

Section 5. Membership in the Association is not transferable or assignable (except as the same may be assigned by way of proper proxy properly executed). Transfer of a Unit Owner's Unit or his interest therein in any fashion shall automatically terminate his membership herein and all his voting rights.

ARTICLE VIII
Administration

Section 1. The Association shall be managed and governed by a Board of Directors (herein called the Board) consisting of five (5) members. The initial Board of Directors shall be appointed by the Declarant as the initial Board of Directors and shall consist of three (3) members (who need not be present or future Unit Owners) and who shall serve until the Declarant calls a meeting of the Unit Owners to relinquish control and until their successors are elected and qualified. The Board of Directors to replace

the initial Board of Directors appointed by the Declarant shall be nominated and elected at the organizational meeting called by Declarant to relinquish control. Of the total Directors to be then elected, the number of nominees equal to one-half of the Board to be elected plus one and receiving the most votes shall be elected to the Board for a two-year term; the nominees receiving the next highest number of votes equal to the remaining positions on the Board shall be elected for a one-year term. Directors elected at subsequent elections shall be elected for a term of two years, and shall be elected at the regular Annual Meeting of the Association. At such regular Annual Meetings, the voting members shall vote for the number of Directors necessary as there are vacancies on the Board; provided, however, there shall be no cumulative voting unless required by law. The candidates receiving the most votes shall be declared elected as members of the Board to fill the Board positions vacant at that time. Board members shall serve until their successors are elected and qualified.

Section 2. Any Director (other than members of the initial Board appointed by Declarant) who shall cease to be a Unit Owner or who shall be delinquent in payment of any common expenses or Assessments (as defined in the Declaration and/or in the Act) shall automatically cease to be a Member of the Board.

Section 3. Each Board Member (other than members of the initial Board appointed by Declarant) must be a Unit Owner (or the voting member for a corporate Unit Owner) and in good standing, current in payment of all fees, Assessments and common expenses.

ARTICLE IX Board of Directors

Section 1. Consistent with these By-Laws, the Board shall:

A. Transact all Association business and prescribe the Rules and Regulations for the use of the Condominium and all facilities and property thereof and may appoint such officers, clerks, agents, servants or employees as it may deem necessary in its sole discretion and may fix their duties and compensation.

B. Annually set the Common Expenses for the operation of the Condominium.

C. Fix, impose and remit penalties for violations of these By-Laws and Rules and Regulations of the Association.

D. Serve without compensation.

E. Elect from the Board within thirty (30) days after each Annual Meeting a President, Vice President, Secretary and Treasurer, all of whom shall serve without remuneration. In the event of a vacancy in any one of these offices during the year, the Board shall have the power to elect a member of the Board in good standing to fill the vacancy for the unexpired term. In the event of a vacancy on the Board, the President shall have the power to appoint with the approval of the majority of the Board, a member in good standing to fill the vacancy until the next Annual Meeting.

F. Carry out all other duties and obligations imposed and exercise all rights granted it by the Declaration and Exhibits thereto and The Act.

Section 2. There shall be at least one regular meeting of the Board quarterly at a time designated by the President. The President or two members of the Board may call special meetings of the Board as are deemed necessary or desirable and in the best interest of the Association.

Section 3. Notice of regular and any special meetings of the Board of Directors shall be given at least twenty-one (21) days previously thereto by written notice delivered personally or sent by mail to each Director at his address as shown in the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed with postage thereon prepaid. Any Director may waive notice of any meeting. The attendance of a Director at any

meeting shall constitute a waiver of notice for such meeting except for the express purpose of objection to the transaction of any business because the meeting is not lawfully called or convened. Neither business to be transacted nor other purpose of any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting unless specifically required by law or by these By-Laws.

Section 4. A simple majority of the members of the entire Board shall constitute a quorum for the purposes of transacting Association business and the affirmative vote of a simple majority of the entire Board shall be necessary to pass any resolution or authorize any act of the Association unless a different vote is required herein, in the Declaration, its Exhibits and/or The Act. Absentee voting is permitted provided such Director register his vote in writing with the Secretary within twenty-four hours after the termination of such meeting.

Section 5. Any action required by law to be taken at any meeting of the Directors or any action which may be taken in a meeting of the Directors may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by two thirds of the Directors.

Section 6. The Board of Directors shall annually on or before November 15 of each year, prepare a budget for the up-coming calendar year to include such sums as it deems necessary and adequate to provide for the common expenses of the Condominium and such other expenses as are deemed necessary or appropriate expenses of the Condominium. The Board of Directors shall thereafter on or before December 1 deliver (which delivery may be by mail) the budget for the up-coming year together with statement of the amount(s) due from each Unit Owner for that year and the date or dates upon which payment or payments are due to the Unit Owners. Thereafter, should any increase or decrease be determined appropriate by the Board of Directors in Assessments to be paid by Unit Owners, the Board shall notify all Unit Owners so affected at least thirty days prior to the time such Assessment so changed shall be due. The Association shall have a lien upon each Unit together with the Common Elements and Common Surplus appurtenant thereto for payment of all Assessments not paid when due in the amount of such unpaid Assessments together with the interest thereon from the date due together with the cost of collection thereof including a reasonable attorney's fees. Such shall be collected and/or lien foreclosed upon in the manner provided for in the Declaration and Exhibits thereto and/or in the Act.

ARTICLE X Officers

Section 1. The principal officers of the Association shall be a President, Vice-President, Secretary and Treasurer, all of whom shall be elected by and from the Board. The Directors may appoint assistant treasurers and secretaries and such other officers as in their judgment may be necessary. No two offices (except for Assistants) may be held by the same person unless there be less directors than officers to be elected in which case one may hold more than one (1) office.

Section 2. The officers of the Association shall be elected annually by the Board of Directors immediately following the annual meeting of the Association and shall serve for the twelve month period next succeeding. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall be duly elected and shall qualify.

Section 3. The President shall be the principal executive officer of the Association, shall preside at all meetings of the Board and all meetings of the membership, shall appoint committees and shall have general charge of and shall control the affairs of the Association according to such rules and regulations as the Board shall determine.

Section 4. There shall be a Vice-President who shall perform such duties as may be assigned to him by the Board. In case of death, disability or absence of the President, he shall be vested with all the powers and perform all duties of the President. The Vice-President shall also be chairman of the Operations Committee.

Section 5. There shall be a Secretary who shall record and keep possession of the minutes of the meetings of the Board and meetings of the Association and who shall perform or have performed the correspondence of the Board and shall have such further duties as may be assigned to the Secretary by the Board.

Section 6. There shall be a Treasurer who shall keep the funds of the Association and shall disburse them to meet the ordinary and usual expenses of the Condominium and for other purposes as required by the Declaration, the Act and/or upon order of the Board of Directors after such disbursement order has been entered in the minutes of the Board at a duly constituted meeting and shall have such other duties as may be assigned to him. He shall render a financial report to each regular meeting of the Board and to the Annual Meeting of the Association.

Section 7. If required by the Board of Directors, assistant treasurer(s), if any, shall be bonded at the expense of the Association. The assistant treasurers and the assistant secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer or the Secretary or by the President. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors upon a two-thirds majority vote whenever in its judgment the best interests of the Association will be served thereby, but such removal shall be without prejudice of the contract rights, if any, of the officers so removed.

Section 8. A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

ARTICLE XI Meetings

Section 1. There shall be an Annual Meeting of the Association held during the first quarter of the calendar year and at a time and place designated by the President. Notice of the annual meeting shall be given to all Unit Owners by mail at least twenty days prior to the date of the meeting.

Section 2. Special meetings of the Association may be called by the Board. Also, upon request of voting members totaling 50 percent of the total votes of the Association in writing made to the Secretary stating the purpose therefor, a special meeting shall be called by the Secretary of the Association to be held within forty days thereafter. Special meetings of the Association may be held at the call of the President upon five days notice by mail to all members. Such notice shall state the purpose for which the special meeting is called and no other business shall be transacted at said meeting.

Section 3. Voting members holding fifty-one percent of the total votes of the Association must be present personally or by proxy to constitute a quorum at all Annual and Special meetings of the Association. Should voting members holding fifty-one percent of the vote not be present or constitute a quorum at an Annual Meeting of the membership, a special Board meeting may be called by the President or the Secretary and by action of two-thirds of the entire membership of the Board of Directors a quorum may be declared provided there are voting members holding at least one third (1/3) of the total outstanding votes of the Association present and that the business to be conducted at such meeting does not require that a greater number of voting members be present.

Section 4. Any action required by law to be taken at a meeting of the Association or any action which may be taken in a meeting of the Association may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by voting members holding not less than 67 percent of the entire votes entitled to vote on the subject matter thereof and further provided the same is not otherwise prevented by these By-Laws, the Declaration or the Act.

Section 5. When notice to Unit Owners is required, the mailing of such notice to the last known address of the Unit Owner in the Association's records shall constitute notice.

ARTICLE XII
Obligations of Unit Owners

Section 1. Each Unit Owner is obligated to pay all annual, monthly and special Assessments and charges levied or imposed by the Association and/or through its Board of Directors for such purposes as are enumerated in the Declaration, in the Act and in these By-Laws. Such charges or Assessments so levied shall be paid on or before the date(s) affixed by resolution of the Board. Written notice of the change in any Assessment and the date the payment shall be paid shall be sent to each Unit Owner at the address given by such Unit Owner to the Secretary of the Association. All common Assessments shall be prorated dependent upon each Unit Owner's percentage of ownership in the Common Elements as is determined and set forth in the Declaration and the Exhibits thereto. Such Assessments shall include monthly payments to a general operating reserve in a reserve fund for replacements and all other things as required or set forth in Declaration, the Act and/or these By-Laws.

Section 2. The amount of Assessment levied shall be paid on or before the date due. If not so paid, the amount of such Assessment plus any other charges thereon including a late payment charge of 10 percent of the payment due or \$10.00, whichever is greater (but in no event more than the maximum limit allowed by law), and costs of collection, including attorney's fees unless prohibited by law, shall constitute and become a lien on the Unit Owner's Unit and share of the Common Elements and Common Surplus appurtenant thereto. Such lien rights shall be as provided for and in accordance with the terms and provisions of the Declaration and the Act. The notice of Assessment which shall state the amount of such Assessment and such other charges and give the number of the Unit which has been assessed shall be mailed to the Unit Owner thereof. Upon payment of such said Assessments and charges or other satisfaction thereof, if notice of a lien has been recorded, the Board shall, within a reasonable time, cause to be recorded a notice stating the satisfaction of said lien. The priority of the lien hereinabove set shall be as provided in the Declaration and/or the Act.

Section 3. The lien provided herein may be foreclosed by suit by the Board acting on behalf of the Association in like manner as a mortgage, deed of trust or other lien upon real property securing a debt and in accordance with the provisions of the Act and in such event, the Association may be a bidder at the foreclosure sale. The Association through its Board or any duly authorized agent or designee may file notice of and foreclose such lien and also pursue any other remedy against any Unit Owner owing money which is available by law or in equity for the collection of debt.

Section 4. Upon request and payment as provided in the Act, the Board shall within the time set by the Act furnish a statement certifying that all Assessments then due have been paid or indicating the amount then due.

Section 5. Each and every Unit Owner shall perform promptly all maintenance and repair work required of individual Unit Owners by the Declaration, the Act or these By-Laws or which is within his own Unit which, if omitted, would affect the Condominium in its entirety or in a part belonging to some other Unit Owner(s). The Association shall be responsible for all maintenance and repair work required of the Association in the Declaration, these By-Laws and/or the Act.

A Unit Owner shall reimburse the Association if there be any expenditures incurred in repairing and/or replacing any Common Elements or facilities damaged by such Unit Owner, his family, guests, invitees or lessees.

Section 6. Each Unit, other than any Unit owned by Declarant or designated as a Commercial Unit shall be utilized for residential purposes only, provided, however, such shall not prevent rent or lease of his Unit by a Unit Owner to a lessee or rentor to use for residential purposes.

Section 7. No Unit Owner shall make any structural modifications or alterations in his Unit or upon any Common Elements without the approval of the Association through the Board of Directors.

Section 8. No Unit Owner, his family, guests, invitees, or lessees shall place or cause to be placed in any common area or facilities any

furniture, package(s) or object(s) of any kind. Such areas shall be used for no purpose other than normal transit through them and/or use of the facilities provided; provided, however, the provisions hereof shall not prevent the Unit Owner of a Commercial Unit from using portions of the Common Elements adjoining such Commercial Unit for uses normally attendant to such Commercial Unit, provided such does not unduly interfere with normal use of such Common Elements by other Unit Owners, their families, guests, invitees and lessees.

Section 9. Each Unit Owner shall and does hereby grant right of entry to the Board or its duly authorized agent in the case of any situation provided for in the Declaration or the Act whether such Unit Owner is present at the time or not.

Section 10. No occupant of a Unit shall post any advertisements or posters of any kind in or on the Condominium property except as authorized by the Board or as is permitted in the Declaration; provided, however, this provision shall not be applicable to Declarant or its assigns during the period it is managing, renting or selling units or prevent the owner of any Commercial Unit from displaying one or more signs (which must be architecturally and aesthetically harmonious with the appearance of the Property).

Section 11. Occupants of Units shall use extreme care about making noises or the use of musical instruments, radio, television and/or amplifiers that may disturb other occupants and in the event so notified by the Board or its duly authorized agent such occupant shall immediately cease and desist such activity.

It is prohibited to hang garments, rugs, etc. from the windows or from any sides or from any of the building or parts thereof.

It is prohibited to dust rugs, etc. from the windows or to clean rugs, etc. by beating on the exterior part of any of the building.

It is prohibited to throw or place garbage or trash outside the disposal installation(s) provided for such purposes.

Section 12. No Unit Owner, occupant or lessee of a Unit shall install wiring for electrical or telephone installation, television antenna, machines or air conditioning units, etc. on the exterior of the buildings or that protrude through the walls or roof of any building except as authorized by the Board.

Section 13. Nothing herein contained shall limit in any manner the power of the Association and/or Board to issue or promulgate such Rules and Regulations as are deemed necessary or desirable for the use, occupancy and enjoyment of the Condominium by the Unit Owners and/or occupants thereof. Further, all obligations imposed by the Declaration, its Exhibits and/or the Act are hereby incorporated by reference as further obligations as fully as if herein set forth.

Section 14. The Board of Directors shall have the right to enter into such agreements as it deems desirable to provide common services or to lease equipment for the use and enjoyment of the Unit Owners or any one or more Unit Owners. Such rights shall include but not be limited to the right to enter into lease and/or use and/or purchase agreements with third parties to provide recreational equipment and facilities and/or to install, sell and/or lease to the Condominium an MATV system and/or cable television system and/or television sets and/or telephone systems and sets. Furthermore, Declarant shall have the right to enter into such agreements on behalf of and for the Association, its Board and the Unit Owners which agreement(s) shall be binding upon the Association and each and every Unit Owner.

ARTICLE XIII Mortgages

Section 1. Any Unit Owner who mortgages or grants a lien upon his Unit or any interest therein shall notify the Board of Directors of the name and address of his mortgagee and the Board shall maintain such information in a book entitled "Mortgagees of Condominium Units."

Section 2. The Board shall, at the request of such mortgagee, report any unpaid Assessments due from the Unit Owner of such Unit so mortgaged.

Section 3. Any and all Institutional Mortgagees shall have the rights and powers granted unto them by the Declaration and/or the Act and nothing herein contained shall supersede such rights and powers. In the event any right or duty or power herein delegated or granted unto the Association or Board by these By-Laws is given to an Institutional Mortgagee by reason of the Declaration and/or the Act or should that Institutional Mortgagee by reason of the Declaration and/or the Act have any voice in such decisions, then such Institutional Mortgagee is hereby given and granted such rights and powers and vote in such decisions as are thereby granted.

ARTICLE XIV Rules and Regulations

The Board of Directors shall be and is hereby empowered to promulgate and issue such Rules and Regulations from time to time and to amend and alter any Rules and Regulations theretofore promulgated and issued as it may in its sole discretion determine necessary and desirable for the continued maintenance and upkeep, use and enjoyment of any Units, common areas or facilities contained within the Condominium, subject, however, to such restrictions upon such as contained in the Declaration, its Exhibits and the Act together with any Rules and Regulations issued thereunder. Such Rules and Regulations shall be binding upon and enforceable upon all Unit Owners, their families, guests, invitees and/or lessees, and all occupants of Units.

ARTICLE XV Contracts, Checks, Deposits, Agreements and Funds

Section 1. The Board of Directors may authorize any officer or officers or agent or agents of the Association to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association and/or the Unit Owners thereof. Such authority may be general or confined to specific instances.

Section 2. All checks, drafts or orders for the payment of notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association in such manner as shall from time to time be determined by the resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Treasurer (or duly authorized assistant treasurer) and by the President (or Vice President).

Section 3. All funds of the Association and/or received by it from or on behalf of the Unit Owners shall be deposited from time to time to the credit of the Association at such banks, insurance companies, trust companies or other depository as the Board may select or as the circumstances and purposes of such deposits may require; provided, however, all payments of Common Expenses by Unit Owners shall be paid by the Unit Owners into a lock-box account which shall be owned by the Association and maintained in a federally insured bank, designated by unanimous vote of the Board and concurred in by the Institutional Mortgagee(s) (if any), described in Article X, Section 2 of the Declaration. No payment shall be considered made until delivered into such lock box.

Section 4. The Board may accept on behalf of the Association any contribution, gift, bequest or devise for the general purposes or for any of the special purposes of the Association.

ARTICLE XVI Certificates of Membership

Section 1. The Board may provide for the issuance of certificates evidencing membership in the Association of each Unit Owner which shall be in such form as may be determined by the Board. Such certificates shall be signed by the President and by the Secretary and shall be sealed with the seal of the Association, if any. All certificates shall be consecutively

numbered. The name and address of each Unit Owner and the date of the issuance of the certificates shall be entered on the records of the Association. If any certificate may become lost, mutilated or destroyed, a new certificate may be issued therefore upon such terms and conditions as the Board may determine.

Section 2. Upon purchase of the Unit, a certificate of membership may be issued in the name of the Unit Owner thereof and delivered to him by the Secretary. Such certificate shall be non-transferable and shall be immediately surrendered to the Board upon termination of ownership for any reason. Further, should such Unit Owner fail to surrender such certificate upon termination of ownership such termination shall automatically terminate membership in the Association and such membership certificate shall become null and void.

Section 3. Any Unit Owner failing to pay Assessments when due may, in addition to any other remedies available against him, have his membership in the Association suspended by the Board. Any Unit Owner thus suspended shall immediately be notified in writing by the Secretary.

ARTICLE XVII Books and Records

Section 1. The Association and the Board shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Association, of the Board and committees having any authority of the Board and/or the Association and shall keep at the registered office a record giving the names and addresses of the Unit Owners who are voting members.

Section 2. For purposes of voting at all meetings of the Association, that person designated as voting member for a particular Unit shall be conclusively so presumed to be the voting member therefor until the Secretary be notified of a change in the voting member. The name of the voting members entitled to vote at any meeting may not be changed at such meeting without the express permission of the Board. For purposes of this section, deposit of notice in the United States mail prepaid or personal delivery shall constitute delivery.

ARTICLE XVIII Miscellaneous

Section 1. Each person elected and qualified as a Director or Officer shall be indemnified by the Association against expenses actually and necessarily incurred by and in connection with the defense by such person of any action, suit or proceeding in which he is made a party by reason of his being a Director or Officer except as to matter as to which he is adjudged to be liable for gross negligence or wilful misconduct. The right of indemnification shall inure to each Director or Officer when such matter occurred during the time that such person was a Director or Officer even though such action takes place after such Director or Officer has been succeeded in office by someone else. Such payment by the Association to the extent not paid by insurance shall be included as a part of the Common Expenses.

Section 2. Any question as to the interpretation of these By-Laws shall be determined by simple majority of the full Board.

Section 3. Robert's Rules of Order shall apply in any meeting of the Board or of the Association unless in conflict with the By-Laws, Declaration or the Act in which case these By-Laws, the Declaration and/or the Act shall control.

ARTICLE XIX Compliance

These By-Laws are set forth to comply with the requirements of the Act. In case any of these By-Laws conflict with the provisions of the Act, the Provisions of the Act shall apply where no variance is allowed. If variance is allowed, the provisions of these By-Laws shall apply. In the event of

any conflict between these By-Laws and the Declaration, the provisions of the Declaration shall control.

ARTICLE XX
Amendments

These By-Laws may be amended by a vote of 67 percent of the total vote of the Condominium, unless some other or greater vote is required herein, in the Declaration and/or in the Act; provided, however, no amendment may be enacted affecting the security or rights of an Institutional Mortgagee. No Amendment may be enacted affecting any right of the Declarant without consent of the Declarant.

ARTICLE XXI
Dissolution

Termination of the Condominium shall automatically dissolve this Association. It may also be dissolved in the manner provided by law. Upon dissolution those funds held by the Association for the Unit Owners shall be turned over to the Association's successor as governing entity of the Condominium, or if the Condominium be terminated, after payment of all debts and expenses, divided as provided according to the percentage ownership interests of the Unit Owners in the Common Elements and disbursed as provided in the Act and/or the Declaration, provided, however, the residual of any property of any nature owned by the Association not held by it on behalf of the Unit Owners or any of them, shall, if appropriate, be turned over to one or more organizations which, themselves, are exempt from Federal Income Tax as organizations described in Sections 501(c) (3) and 170(c) of the Internal Revenue Code and from Alabama Income Tax, or to the Federal, State or Local Government for exclusively public purposes.

ARTICLE XXII
Agent For Service

Pursuant to Alabama Law, the following person is hereby designated as Agent to receive service of process upon the Association:

John N. Pappanastos, Esquire
Pappanastos, Samford, Roberts & Blanchard, P.C.
Suite 311, One Court Square
Post Office Box 1402
Montgomery, Alabama 36102

THESE BY-LAWS are hereby adopted, accepted and fully ratified as the By-Laws of THE GULF SHORES PLANTATION CONDOMINIUM ASSOCIATION this 7th day of June, 1983.

WITNESSETH:

J. Craig Bower
Stephane Skulski

THE GULF SHORES PLANTATION
CONDOMINIUM ASSOCIATION

BY: [Signature] (Seal)

ATTEST: [Signature] (Seal)

ASSIST. SECRETARY

MISC. 45-408 546

STATE OF ALABAMA)
)
COUNTY OF BALDWIN)

TELEVISION LEASE AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 1983, by and between CAPITAL TELECOMMUNICATIONS CORPORATION (hereinafter referred to as "Capital"), and THE GULF SHORES PLANTATION CONDOMINIUM ASSOCIATION, on behalf of itself and each and every Unit Owner thereof (hereinafter referred to as "Lessee").

W I T N E S S E T H :

Capital and Lessee do hereby mutually agree as follows:

1. Capital will furnish and lease unto Lessee, and Lessee does hereby lease from Capital, for the term and under the terms and conditions herein set forth, the number and type of television sets and/or equipment herein specified. Said equipment shall be delivered by Capital (with the exception of conduit which is to be supplied by Lessee at its expense), in rooms located upon premises owned or leased or otherwise lawfully operated by Lessee located in The Gulf Shores Plantation, a Condominium, (the "Condominium"), Gulf Shores, County of Baldwin, State of Alabama. Capital shall not be liable for delay in, or failure to make, delivery of equipment or installation caused by circumstances beyond its reasonable control, including, but not limited to, acts of God, fire, flood, wars, accidents, labor or different contingencies. The number and types of television sets and/or equipment leased under the terms hereof are as follows and are the model, type and design selected by the Lessee as suitable, in its judgment, for Lessee's purpose.

(a) One (1) 19-inch Solid State Television for each residential Unit included in the Condominium;

(b) One locking furniture swivel for each television set so provided; and

(c) Cable, antenna systems, distribution equipment and amplification equipment for signal distribution.

All equipment to be prepaid by Capital.

2. SERVICE: Capital shall keep and maintain, or cause to be kept and maintained, at its sole expense, said leased equipment in good operating order, condition and repair during the full term hereof except for damage to or repair to such equipment as might be made necessary by the negligent acts or omissions of the Lessee, its agents and/or employees. Capital shall promptly replace any defective set or injured part or parts thereof; provided, however, that in the event replacement of any defective set or sets shall occur, such substituted equipment shall be subject to all the terms hereof.

It is the obligation of the Lessee to notify Capital of any deficiency in service as rendered by Reception or its service representative. Capital shall not be liable to Lessee for any loss, damage or expense of any kind or nature directly or indirectly caused by the television equipment covered hereby, or because of any failure thereof, or because of any interruption of service or loss of use or for any loss of business or damage whatsoever or howsoever caused, and Capital shall in no event be liable for any special or consequential damages. Lessee further agrees there shall be no abatement of rental during the time that may be required for repair, adjustment, servicing or replacement of equipment covered hereby.

3. NON-ASSIGNMENT OF LEASE: The equipment leased hereunder shall not be transferred, delivered or sublet to any other person, firm or corporation, and this agreement shall not be assigned by Lessee except upon prior written consent of Capital.

4. LOCATION: Lessee shall not remove said equipment or any part thereof from the premises where installed nor sell or encumber any of said leased equipment. Lessee further agrees to make no alteration in or

repairs to said equipment except through the authorized service representative of Capital.

5. TERM: The term hereof shall be for a period of one hundred twenty (120) months beginning on the date of the completion of the delivery of the equipment on the premises of Lessee, said date to be confirmed in writing by Lessee upon request of Capital.

6. RENT PAYMENTS: As rental for said equipment, Lessee shall pay to Capital, at Columbia, South Carolina, during the full term hereof, the sum of Thirteen Dollars (\$13.00) per set delivered per month as "Base Rental" plus tax. Upon each anniversary from the date of this agreement during the term of this agreement and any renewals hereof, the Base Rental may be adjusted by Capital in accordance with and by the same percentage as the percentage change in the cost of living index shown by the Consumer Price Index (or similar government index) for the proceeding twelve month period, whichever is less; provided, further, in no event shall the Base Rental during the term of this agreement and any renewals hereof ever be less than \$13.00 (plus tax) per month. Base Rental payments plus tax are due on or before the first day of the month, the first of which shall be due on or before the first day of the month following the delivery of equipment. In the event that Lessee requests partial delivery of equipment, Lessee agrees to pay billing on an interim basis, with such billing based on rates for equipment in use, and upon completion, the full term of this lease shall commence.

7. OWNERSHIP: The equipment, together with wiring, reception and distribution facilities, leased under the terms hereof shall at all times be the sole property of Capital, its successors and assigns, and Lessee shall have no property interest therein, except under any conditions herein contained. Said equipment shall remain personal property and, no matter how connected with or attached to the premises of Lessee, will not become a part of the realty or fixtures therein, and Lessee, if so requested by Capital, will obtain written consent of any other party holding a mortgage, encumbrance or lien on the premises of Lessee, or of any purchaser of the premises of Lessee in the event of sale of same, that said equipment shall remain personal property. Lessee shall not at any time during the term hereof transfer, assign, mortgage or otherwise encumber any interest in said personal property.

8. DELIVERY: Should Lessee and/or his agent order delivery of equipment and installation on specified dates and the Lessee's premises are not ready for installation of same, Lessee assumes full responsibility for storage, insurance and any redelivery charges on equipment.

9. INSPECTION: Lessee grants unto Capital the right to inspect said equipment at all reasonable times during the full term hereof.

10. INDEMNITY: Lessee shall be responsible to all third parties, including paying guests, for any injury received as a result of the installation of said television sets in or about the premises of Lessee and shall carry public liability insurance to save Capital harmless in the event of such injury, except such personal injury or property damage as may be occasioned solely by negligent acts or omissions of agents or employees of Capital.

11. INSURANCE: Capital agrees during the term of this lease to replace or repair any of its equipment, including television sets in guest rooms, which are stolen, burglarized, damaged by fire or maliciously damaged while on the premises of Lessee, excepting television sets or equipment in storage awaiting use of service, providing, however:

(a) Lessee reports within 48 hours of occurrence any such loss or damage to Capital and to local law enforcement authorities--notice of loss to be sent to Capital by Certified Mail;

(b) Lessee furnishes in such report all available information regarding such loss, including name and address of last occupant of room and room number in which loss occurred (if applicable), auto license number and other pertinent information which would assist in recovery of loss;

(c) Lessee and its employees, agents and representatives cooperate fully with Capital and local law enforcement authorities in their subsequent efforts to effect recovery and prosecution if necessary. Lessee

agrees to notify Capital immediately in the event of subsequent recovery of property covered by any and all loss reports.

In the event loss or damage proves to have been caused by employees, agents or representatives of Lessee, or if Lessee fails to comply with (a), (b) or (c) above, it shall be the responsibility of the Lessee to pay Capital for its cost of replacement or repair of Capital's equipment involved in such loss. In the event that service by Capital is not included in this agreement, Lessee agrees to maintain the theft equipment installed hereunder; otherwise, theft and burglary insurance will be null and void in the event of any losses while the equipment is inoperative.

12. TAXES: Lessee agrees to be responsible for the collection and payment of any local, state and federal fees, sales, use or property taxes or penalties that may be applicable now or any time during the term of this lease to the property covered hereby or the use or rental thereof.

13. RENEWAL: At the expiration of the term hereof, this lease agreement shall be automatically renewed for additional terms of two (2) years, unless either party hereto should give written notice to the other party hereto at least sixty (60) days prior to the expiration of the term hereof, or at least sixty (60) days prior to the expiration of any additional term of two (2) years thereafter, of the desire of such party to terminate this agreement.

14. DEFAULT: In the event that any payment of rental shall have become due as herein provided and shall remain unpaid for ten (10) days, or in the event of any other breach of the terms or conditions of this lease by Lessee, which breach shall not have been cured within ten (10) days after notice thereof by mail postage prepaid to Lessee's last known address, or should Lessee be adjudged as bankrupt or there be filed against Lessee a petition under the bankruptcy laws, or if any insolvency proceeding is initiated by or against Lessee, or if any equipment covered hereby is attached, seized or taken under any judicial process, all of the entire remaining unpaid rental payments shall, at the option of Capital, become immediately due and payable. If Lessee does not (a) pay the entire remaining rental payments under the lease or (b) cure its breach of the provisions of this lease, then and in that event Capital shall have the right, without giving further notice to Lessee, to remove the property thereby without liability and Lessee shall forthwith pay any and all damages, including attorneys' fees, suffered by Capital. Further, in the event of non-payment, Capital shall be, and hereby is, subrogated to the lien rights of the Condominium as to each Unit Owner failing to pay his share of Common Expenses necessary to make the rental payments herein required to the extent of the amount(s) due and owing to Capital, but unpaid, which shall include the right to file notice of and perfect a lien(s) against such Unit Owner(s) as granted to Lessee by the Alabama Condominium Ownership Act; PROVIDED, HOWEVER, such right and any lien filed thereunder shall be subordinate in lien and interest recorded prior to the recording of such notice of lien.

Lessee agrees to pay late charges of five cents (\$.05) per dollar in addition to the regular monthly payment or installment if payments hereunder are not made within ten (10) days after due date, but not exceeding One Hundred and No/100 Dollars (\$100.00), or the lawful maximum, if any. Capital's failure to exercise a right or remedy under this lease or to require strict performance by the Lessee or any provision of this lease shall not waive or diminish Capital's right thereafter to demand strict compliance with any such right or provision or with any other rights or provisions. Waiver by Capital of any default by the Lessee shall not constitute waiver of any other or subsequent default.

15. SURRENDER: Upon expiration of this lease, Lessee shall remove the leased equipment from the premises referred to herein and surrender such equipment in good operating condition to Capital or its assignee and if the Lessee fails to so remove and surrender the leased equipment, Capital shall have the right to enter any premises where the leased equipment may be located and take possession and remove all such equipment either with or without permission and without prejudice to any other rights or remedies of Capital.

If Capital determines, upon termination or expiration of the lease agreement, that, as a result of causes other than its failure to provide

service as expressly required herein, the equipment covered hereby is not in good operating condition, reasonable wear and tear expected, the Lessee shall upon demand by Capital either: (a) restore the equipment in good operating condition at its sole expense or (b) reimburse Capital for the reasonable expense of so restoring the equipment.

16. SUBORDINATION OF LEASE. Should the equipment leased herein be covered by a Conditional Sales Contract, Chattel Mortgage or Security Agreement on which Capital is the purchaser or obligor, it is understood and agreed that this lease is subject and subordinate to the terms and conditions of said Conditional Sales Contract, Chattel Mortgage or Security Agreement.

17. NOTICE: Any notice required to be given by one party hereto to the other party hereto shall be in writing and sent by Certified Mail, addressed, postage prepaid, to the mailing address which shall be provided by the other party.

18. AMENDMENTS: This agreement constitutes the entire and only agreement between the parties with respect to leasing the equipment covered hereby and any representation, promise or conditions with respect to said leasing not set forth in this agreement or such amendments as may be accepted in writing by the designated officers of either party, shall not be binding on either party.

19. ALABAMA LAW: Should any question arise as to the validity, construction, interpretation or performance of this lease agreement in any court of any State of the United States, or of Canada, it is agreed that the laws of the State of Alabama shall govern without reference to the place of execution or performance of same.

The invalidity of any provision of this agreement shall not affect the validity of any other provision hereof. This agreement and any amendment hereto shall become binding upon the parties hereto when executed by a duly authorized officer or agent of Lessee.

20. EASEMENTS: Lessee on behalf of itself and each and every of the Unit Owners does hereby grant to Capital during the term hereof and any renewals each and every, such easement through, over, under and across the Property, the structures on and to be located thereon, including individual Units, as may be necessary and/or appropriate, for the purposes of location, installation, maintenance and service of the cable, antenna systems, distribution equipment and amplification equipment herein leased, as well as the locking furniture swivels and television sets.

21. ASSIGNS: All rights, remedies and powers reserved or given to Capital shall inure to the benefit of Capital's assigns.

22. INTERIM BILLING: Lessee shall be billed per terms herein on the first day of the month following delivery of each television increment, and when units are delivered, the 120-month lease term will commence.

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

SIGNED, SEALED & DELIVERED
In The Presence Of:

J. Craig Bower
Stephane Sauls

J. Craig Bower
Stephane Sauls

THE GULF SHORES PLANTATION
CONDOMINIUM ASSOCIATION

By: [Signature]
Its: President

CAPITAL TELECOMMUNICATIONS
CORPORATION

By: [Signature]
Its: VICE PRESIDENT

MSC: 45 Page 550

STATE OF ALABAMA)
)
COUNTY OF BALDWIN)

TELEPHONE LEASE AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 1983, by and between CAPITAL TELECOMMUNICATIONS CORPORATION (hereinafter referred to as "Capital"), and THE GULF SHORES PLANTATION CONDOMINIUM ASSOCIATION, on behalf of itself and each and every Unit Owner thereof (hereinafter referred to as "Lessee").

W I T N E S S E T H :

Capital and Lessee do hereby mutually agree as follows:

1. Capital will furnish and lease unto Lessee, and Lessee does hereby lease from Capital, for the term and under the terms and conditions herein set forth, the telephone and equipment herein specified. Said equipment shall be delivered by Capital (with the exception of conduit which is to be supplied by Lessee at its expense), upon premises and in Units located upon said premises owned or leased or otherwise lawfully operated by Lessee located in The Gulf Shores Plantation, a Condominium, (the "Condominium"), Gulf Shores, County of Baldwin, State of Alabama. Capital shall not be liable for delay in, or failure to make, delivery of equipment or installation caused by circumstances beyond its reasonable control, including, but not limited to, acts of God, fire, flood, wars, accidents, labor or different contingencies. The number and types of telephone sets and equipment leased and installed under the terms hereof are as follows and are the model, type and design selected by the Lessee as suitable, in its judgment, for Lessee's purpose.

(a) One (1) touch tone telephone for each residential Unit included in the Condominium mounted upon suitable bracket;

(b) Non-exclusive use of one (1) central PBX system providing limited message forwarding and security; and

(c) Cable and distribution equipment.

2. SERVICE: Capital shall keep and maintain, or cause to be kept and maintained, at its sole expense, said leased equipment in good operating order, condition and repair during the full term hereof except for damage to or repair to such equipment as might be made necessary by the negligent acts or omissions of the Lessee, its agents and/or employees. Capital shall promptly replace any defective set or injured part or parts thereof; provided, however, that in the event replacement of any defective set or sets shall occur, such substituted equipment shall be subject to all the terms hereof.

It is the obligation of the Lessee to notify Capital of any deficiency in service as rendered by Capital or its representative(s). Capital shall not be liable to Lessee for any loss, damage or expense of any kind or nature directly or indirectly caused by the telephone sets or equipment covered hereby, or because of any failure thereof, or because of any interruption of service or loss of use or for any loss of business or damage whatsoever or howsoever caused, and Capital shall in no event be liable for any special or consequential damages. Lessee further agrees there shall be no abatement of rental during the time that may be required for repair, adjustment, servicing or replacement of equipment covered hereby.

3. NON-ASSIGNMENT OF LEASE: The equipment leased hereunder shall not be transferred, delivered or sublet to any other person, firm or corporation, and this agreement shall not be assigned by Lessee except upon prior written consent of Capital.

4. LOCATION: Lessee shall not remove said equipment or any part thereof from the premises where installed nor sell or encumber any of said leased equipment. Lessee further agrees to make no alteration in or repairs to said equipment except through the authorized service representative of Capital.

5. TERM: The term hereof shall be for a period of one hundred twenty (120) months beginning on the date of the completion of the delivery

of the equipment on the premises of Lessee, said date to be confirmed in writing by Lessee upon request of Capital.

6. RENT PAYMENTS: Lessee shall pay to Lessor an installation fee of Fifty Dollars (\$50.00) per Unit in which a telephone set is installed. In addition to the Fifty Dollars (\$50.00) installation fee per Unit, as rental for said equipment, Lessee shall pay to Capital, at Columbia, South Carolina, during the full term hereof, the sum of Fifteen Dollars (\$15.00) per telephone set delivered per month as "Base Rental" plus applicable taxes. Upon each anniversary from the date of this agreement during the term of this agreement and any renewals hereof, the Base Rental may be adjusted by Capital in accordance with and by the same percentage as the percentage change in the cost of living index shown by the Consumer Price Index (or similar government index) for the proceeding twelve month period, whichever is less; provided, further, in no event shall the Base Rental during the term of this agreement and any renewals hereof ever be less than \$15.00 (plus applicable taxes) per month. Base Rental payments plus tax are due on or before the first day of the month following the delivery of equipment. In the event that Lessee requests partial delivery of equipment, Lessee agrees to pay billing on an interim basis, with such billing based on rates for equipment in use, and upon completion, the full term of this lease shall commence. The rent charged herewith shall include local telephone service but not charges for long distance service, which shall be in addition to the Base Rental charge, if available.

7. OWNERSHIP: The equipment, together with PBX switchboard wiring, reception and distribution facilities, leased under the terms hereof shall at all times be the sole property of Capital, its successors and assigns, and Lessee shall have no property interest therein, except under any conditions herein contained. Said equipment shall remain personal property and, no matter how connected with or attached to the premises of Lessee, will not become a part of the realty or fixtures therein, and Lessee, if so requested by Capital, will obtain written consent of any other party holding a mortgage, encumbrance or lien on the premises of Lessee, or of any purchaser of the premises of Lessee in the event of sale of same, that said equipment shall remain personal property. Lessee shall not at any time during the term hereof transfer, assign, mortgage or otherwise encumber any interest in said personal property.

8. DELIVERY: Should Lessee and/or his agent order delivery of equipment and installation on specified dates and the Lessee's premises are not ready for installation of same, Lessee assumes full responsibility for storage, insurance and any redelivery charges on equipment.

9. INSPECTION: Lessee grants unto Capital the right to inspect said equipment at all reasonable times during the full term hereof.

10. INDEMNITY: Lessee shall be responsible to all third parties, including paying guests, for any injury received as a result of the installation of said telephone sets and system in or about the premises of Lessee and shall carry public liability insurance to save Capital harmless in the event of such injury, except such personal injury or property damage as may be occasioned solely by negligent acts or omissions of agents or employees of Capital.

11. INSURANCE: Capital agrees during the term of this lease to replace or repair any of its equipment, including telephone sets in Units, which are stolen, burglarized, damaged by fire or maliciously damaged while on the premises of Lessee, excepting telephone sets or equipment in storage awaiting use of service, providing, however:

(a) Lessee reports within 48 hours of occurrence any such loss or damage to Capital and to local law enforcement authorities--notice of loss to be sent to Capital by Certified Mail;

(b) Lessee furnishes in such report all available information regarding such loss, including name and address of last occupant of room and room number in which loss occurred (if applicable), auto license number and other pertinent information which would assist in recovery of loss;

(c) Lessee and its employees, agents and representatives cooperate fully with Capital and local law enforcement authorities in their

subsequent efforts to effect recovery and prosecution if necessary. Lessee agrees to notify Capital immediately in the event of subsequent recovery of property covered by any and all loss reports.

Lessee agrees at all times to maintain and exercise due care, caution and watchfulness in the protection and accounting for the equipment under lease. Failure to cooperate in providing such care, caution and watchfulness shall make the terms and provisions of Item 11 "INSURANCE" null and void and Lessee shall be responsible for the replacement of and/or repair to equipment for which such insurance is provided.

In the event loss or damage proves to have been caused by employees, agents or representatives of Lessee, or if Lessee fails to comply with (a), (b) or (c) above, it shall be the responsibility of the Lessee to pay Capital for its cost of replacement or repair of Capital's equipment involved in such loss. In the event that service by Capital is not included in this agreement, Lessee agrees to maintain the theft equipment installed hereunder; otherwise, theft and burglary insurance will be null and void in the event of any losses while the equipment is inoperative.

12. TAXES: Lessee agrees to be responsible for the collection and payment of any local, state and federal fees, sales, use or property taxes or penalties that may be applicable now or any time during the term of this lease to the property covered hereby or the use or rental thereof.

13. RENEWAL: At the expiration of the term hereof, this lease agreement shall be automatically renewed for additional terms of two (2) years, unless either party hereto should give written notice to the other party hereto at least sixty (60) days prior to the expiration of the term hereof, or at least sixty (60) days prior to the expiration of any additional term of two (2) years thereafter, of the desire of such party to terminate this agreement.

14. DEFAULT: In the event that any payment of rental shall have become due as herein provided and shall remain unpaid for ten (10) days, or in the event of any other breach of the terms or conditions of this lease by Lessee, which breach shall not have been cured within ten (10) days after notice thereof by mail postage prepaid to Lessee's last known address, or should Lessee be adjudged as bankrupt or there be filed against Lessee a petition under the bankruptcy laws, or if any insolvency proceeding is initiated by or against Lessee, or if any equipment covered hereby is attached, seized or taken under any judicial process, all of the entire remaining unpaid rental payments shall, at the option of Capital, become immediately due and payable. If Lessee does not (a) pay the entire remaining rental payments under the lease or (b) cure its breach of the provisions of this lease, then and in that event Capital shall have the right, without giving further notice to Lessee, to remove the property thereby without liability and Lessee shall forthwith pay any and all damages, including attorneys' fees, suffered by Capital. Further, in the event of non-payment, Capital shall be, and hereby is, subrogated to the lien rights of the Condominium as to each Unit Owner failing to pay his share of Common Expenses necessary to make the rental payments herein required to the extent of the amount(s) due and owing to Capital, but unpaid, which shall include the right to file notice of and perfect a lien(s) against such Unit Owner(s) as granted to Lessee by the Alabama Condominium Ownership Act; PROVIDED, HOWEVER, such right and any lien filed thereunder shall be subordinate in lien and interest recorded prior to the recording of such notice of lien.

Lessee agrees to pay late charges of five cents (\$.05) per dollar in addition to the regular monthly payment or installment if payments hereunder are not made within ten (10) days after due date, but not exceeding One Hundred and No/100 Dollars (\$100.00), or the lawful maximum, if any. Capital's failure to exercise a right or remedy under this lease or to require strict performance by the Lessee or any provision of this lease shall not waive or diminish Capital's right thereafter to demand strict compliance with any such right or provision or with any other rights or provisions. Waiver by Capital of any default by the Lessee shall not constitute waiver of any other or subsequent default.

15. SURRENDER: Upon expiration of this lease, Lessee shall remove the leased equipment from the premises referred to herein and surrender such equipment in good operating condition to Capital or its assignee and

if the Lessee fails to so remove and surrender the leased equipment, Capital shall have the right to enter any premises where the leased equipment may be located and take possession and remove all such equipment either with or without permission and without prejudice to any other rights or remedies of Capital.

If Capital determines, upon termination or expiration of the lease agreement, that, as a result of causes other than its failure to provide service as expressly required herein, the equipment covered hereby is not in good operating condition, reasonable wear and tear expected, the Lessee shall upon demand by Capital either: (a) restore the equipment in good operating condition at its sole expense or (b) reimburse Capital for the reasonable expense of so restoring the equipment.

16. SUBORDINATION OF LEASE: Should the equipment leased herein be covered by a Conditional Sales Contract, Chattel Mortgage or Security Agreement on which Capital is the purchaser or obligor, it is understood and agreed that this lease is subject and subordinate to the terms and conditions of said Conditional Sales Contract, Chattel Mortgage or Security Agreement.

17. NOTICE: Any notice required to be given by one party hereto to the other party hereto shall be in writing and sent by Certified Mail, addressed, postage prepaid, to the mailing address which shall be provided by the other party.

18. AMENDMENTS: This agreement constitutes the entire and only agreement between the parties with respect to leasing the equipment covered hereby and any representation, promise or conditions with respect to said leasing not set forth in this agreement or such amendments as may be accepted in writing by the designated officers of either party, shall not be binding on either party.

19. ALABAMA LAW: Should any question arise as to the validity, construction, interpretation or performance of this lease agreement in any court of any State of the United States, or of Canada, it is agreed that the laws of the State of Alabama shall govern without reference to the place of execution or performance of same.

The invalidity of any provision of this agreement shall not affect the validity of any other provision hereof. This agreement and any amendment hereto shall become binding upon the parties hereto when executed by a duly authorized officer or agent of Lessee.

20. EASEMENTS: Lessee on behalf of itself and each and every of the Unit Owners does hereby grant to Capital during the term hereof and any renewals each and every such easement through, over, under and across the Property, the structures on and to be located thereon, including individual Units, as may be necessary and/or appropriate, for the purposes of location, installation, maintenance and service of the cable, transmission and distribution equipment and switchboard and PBX equipment herein leased, as well as the telephone sets and mounting brackets; and in addition thereto, to provide electricity and such other utility services to Capital as may be necessary to operate Capital's equipment leased hereby, at such locations upon the premises as are required by Capital, and at no cost to Capital.

21. ASSIGNS: All rights, remedies and powers reserved or given to Capital shall inure to the benefit of Capital's assigns.

22. INTERIM BILLING: Lessee shall be billed per terms herein on the first day of the month following delivery of each television increment, and when units are delivered, the 120-month lease term will commence.

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

SIGNED, SEALED & DELIVERED
In The Presence Of:

J. Craig Bower
Stephanie Seels

THE GULF SHORES PLANTATION
CONDOMINIUM ASSOCIATION

By: [Signature]
ITS: President

J. Craig Bower
Stephanie Seels

CAPITAL TELECOMMUNICATIONS
CORPORATION

By: [Signature]
ITS: Vice President

MISC. 45 PAGE 555