DECLARATION OF CONDOMINIUM

OF

THE WOODLANDS

THIS DECLARATION, made this 29TH day of MARCH ____________, 1984, by ADRIAN L. JOHNSON, herein called the "DEVELOPER", for himself, his heirs, successors, personal representatives, grantees and assigns.

WHEREIN, the DEVELOPER makes the following declaration.

WHEREAS, DEVELOPER is the fee simple owner of that certain parcel of real property situated in the County of Baldwin, State of Alabama, hereinafater more particularly described, and intends to improve said land in the following manner:

The DEVELOPER proposes to establish the condominium which shall be known as THE WOODLANDS.

The condominium will consist of three (3) buildings, containing a total of twenty (20) units, together with access, parking and other facilities hereinafter described.

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

NOW, THEREFORE, ADRIAN L. JOHNSON, the DEVELOPER, hereby makes the following Declaration as to the division to which said real property and improvements thereon may be

MISC 019 PAGE 0047

STATE OF ALABAMA,
BALDWIN COUNTY
I certify that this instrument was filed on
APR 2 1984 835 AM
and that no tax was collected. Recorded in Misc
Book 19
Page 47-50 Harry D'Olive Judge of Probate
D.P. 100/21 Index $______ By BC

put, hereby specifying that said Declaration shall constitute covenants to run with the land and shall be binding upon DEVELOPER, his heirs and assigns, and upon all subsequent owners of all or any part of said real property and improvements, together with their grantees, lessees, successors, heirs, executors, administrators, devise or assigns.

I. PURPOSE

The purpose of this Declaration of Condominium is to submit the property and the improvements thereon constructed to the condominium form of ownership and use in the manner provided for by the "Condominium Ownership Act", Code of Alabama 1975, Section 35-8-1, et seq.

II. NAME

The name by which this condominium is to be known is THE WOODLANDS.

III. THE REAL PROPERTY

The real property owned by DEVELOPER which is herewith submitted to the condominium form of ownership is the parcel of real property lying and being in Baldwin County, Alabama, and is more particularly described in EXHIBIT "A", which is attached hereto and expressly made a part hereof as though fully set forth herein.

IV. DEFINITIONS

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

1. "Unit" means an apartment, and includes the private elements thereof, together with the undivided interests in the common elements which are assigned thereto.

2. "Unit Owner" means the owner of an apartment whether singly or jointly, partnership, corporation or other legal entity or the successors, heirs, administrators, executors or assigns, or the heirs or assigns of the survivor, as the case may be.

3. "Association" means THE WOODLANDS CONDOMINIUM OWNERS ASSOCIATION, INC., and its successors, and is the association of the Unit Owners referred to in said Act.

4. "Common elements" means common areas and facilities, including but not limited to all parts of the condominium property not included within the unit boundaries as described hereinafter, and shall include the utility spaces, the tangible personal property required for the maintenance and the operation of the condominium as well as the items stated in the Condominium Ownership Act of Alabama.

5. "Common expenses" include those as defined in said Act, together with the expenses for which Unit Owners are liable to the Association, actual or estimated.

6. "Utility services" shall include but not be limited to electrical power, water, gas, garbage and sewage disposal.

7. "Substantial destruction, deterioration or obsolescence" shall mean such destruction or deterioration or obsolescence that the condominium has lost its character as a residential development, and restoration thereof would be the practical equivalent of a newly constructed development.

8. "Development" comprehends the land, and all buildings, improvements and property which are a part of the condominium.

9. "Declaration" means this Declaration and all amendments thereto hereafter made.

V. DEVELOPMENT PLAN

1. Plans. The improvements will be constructed by the DEVELOPER substantially in accordance with the plans and specifications therefor prepared by a registered architect or licensed professional engineer which plans are identified as EXHIBIT "B", hereto attached and by reference made a part hereof, including a set of the floor plans of the buildings showing the layout, location, the designating numbers of each unit and bearing the verified statement of a registered architect or licensed professional engineer that such drawings are in sufficient detail to identify the common elements and the private elements comprising the units as built. The dimensions of each unit and the floor plans and elevations of the building in which the unit is located are shown on EXHIBIT "B".

2. Amendment. This Declaration of Condominium may be amended by the filing of such additional plans as may be

required to accurately describe the improvements of the condominium and in order to show completion of improvements. Such completion may be shown by a verified statement of a registered architect or licensed professional engineer certifying that the completed improvements have been constructed substantially as herein represented or, if not so constructed, then designating the changes made and certifying that the plans heretofore filed or being filed simultaneously with such certificate, fully and accurately depict the layout, location, unit numbers and dimensions of the units as built. Such plans or certificate, or both, when signed and acknowledged by such registered architect or licensed professional engineer, and by the DEVELOPER, shall constitute an amendment to this Declaration of Condominium without approval of the Association, unit owners, lessees or mortgagees of units of the condominium, whether or not elsewhere required for an amendment.

3. <u>Easements.</u> Easements are reserved throughout the condominium property as may be required for utility services in order to adequately serve the condominium; provided, however, such easements to a unit shall be only in accordance with the plans and specifications for the building or as the building is constructed, unless approved in writing by the unit owner. Each unit owner shall have an easement in common with the owners of all other units to use all pipes, wires, ducts, cables, conduits, public utility lines and other common elements located in any of the other units and serving his unit. Each unit shall be subject to an easement in favor of the owners of all other units to use the pipes, ducts, cables, wires, conduits, public utility

lines and other common elements serving such other units and located in such unit. The Association shall have a right of access to each unit to inspect the same, to remove violations therefrom, and to maintain, repair or replace the common elements contained therein or elsewhere in the building.

4. <u>Access.</u> Each unit has a right of access to a public street or highway, upon and over common elements providing such access, all as shown on the site plan, EXHIBIT "B". The immediate common elements by which each unit has access to such public street or highway are the parking areas and driveways, all as shown on the site plan, EXHIBIT "B".

5. <u>Improvements and Principal Material of which Constructed.</u> The improvements constructed and to be constructed upon the land hereinbefore described will include and be limited to three (3) two-story buildings containing twenty (20) units. The condominium will also include access areas and parking areas located substantially as shown on the plans and drawings on EXHIBIT "B". The buildings are of frame construction with wooden exterior.

6. <u>Common Elements.</u> Any right, title or interest in a condominium unit shall automatically carry with it as an appurtenance and without the necessity of specific reference thereto its respective undivided share of the condominium elements and a right to use the common elements in conjunction with the owners of the other condominium units. The common elements of the condominium will include the common areas and facilities located substantially as

shown on the site plan, EXHIBIT "B". Such common areas and facilities will include the following improvements:

A. All of the land listed and described on EXHIBIT "A";

B. All improvements and parts thereof which are not included with the respective condominium units;

C. Any utility areas and installations and all utility services which are available to more than one unit or to the common elements;

D. All parking areas (even though assigned to the exclusive use of a unit), driveways and other means of ingress and egress;

E. All electrical apparatus and wiring, plumbing pipes and apparatus and other ducts, conduits, cables, wire or pipe, within the common elements and up to the exterior surface of the unit wall, but excluding the air conditioning wiring and piping affixed to individual air conditioning units located outside of the confines of a unit;

F. All tangible personal property required for the maintenance and operation of the condominium and for the common use and enjoyment of the unit owners;

G. Recreation areas and facilities, including but not limited to the swimming pool;

H. All foundations, slabs, columns, beams and supports of the building and such component parts of exterior walls and walls separating units, roofs, floors and ceilings as are not described herein as private elements;

I. Lawn areas, landscaping, walkways, sidewalks, curbs and steps;

J. Exterior steps, ramps, handrails, stairs and stairwells;

K. All tanks, pumps, pump houses, wells, motors, fans, compressors and control equipment, fire fighting equipment, and garbage equipment, elevator and equipment, which are not reserved for the use of certain units;

L. All area outdoor and exterior lights not metered to individual units and supports and all entrance and related type signs;

M. The porches, balconies and steps affixed to each unit, even though assigned to the exclusive use of one unit;

N. All other parts of the condominium existing for the common use or necessity of the existence, maintenance and safety of the condominium;

O. All other items listed as such in the Condominium Ownership Act of Alabama and located on the property.

7. <u>Exclusive and Semi-Exclusive Spaces and Areas.</u> Although the foregoing are common elements, some of the same are hereby declared to be for the exclusive (or

semi-exclusive as the case may be) use of and in some cases as an appurtenance to the unit to which the same is assigned and designated, as follows:

(A) <u>Exclusive Porches, Balconies and/or Deck and Storage Area.</u> Each unit shall have the exclusive use of the porch, deck or balcony, landing and the storage area attached to that portion of said unit. The porches, balcony and deck, storage area, and stairways, and the location thereof, are set forth on the typical unit shown on EXHIBIT "B". The steps leading to the second floor units are common elements, but are reserved for the exclusive use of the second floor unit owner.

8. <u>Limited Common Elements.</u> There are no limited common elements.

9. <u>Unit Boundaries.</u> Each unit shall include that part of the building containing the unit which lies within the boundaries of the unit, which boundaries shall be determined in the following manner:

A. <u>Horizontal Boundaries.</u> The upper and lower boundaries of each unit shall be:

(i) <u>Upper Boundary.</u> The plane of the under surfaces of the ceiling rafters.

(ii) Lower Boundary First Floor Units. The upper surface of the floor slab.

(iii) Lower Boundary Second Floor Units. The plane of the surfaces of the studs which are the component parts of the floor.

B. Vertical Boundaries. The vertical boundaries of the unit shall be:

(i) The plane of the inside surfaces of the walls.

10. Surfaces. An owner shall not be deemed to own the structural components of the perimeter wall and/or load-bearing walls, nor the windows and doors bounding the units. An owner, however, shall be deemed to own and shall have the exclusive right and duty to repair and maintain, paint, repaint, tile, wax, paper, or otherwise finish and decorate the surfacing materials on the interior of exterior walls and on interior walls separating a unit from other units, and the surfacing materials of the floors of his unit; all window screens; and all appurtenant installations, including all pipes, ducts, wires, cables, and conduits used in connection therewith, for services such as power, light, telephone, sewer, water, heat and air conditioning, whether located in the boundaries of the unit or in common areas, which are for the exclusive use of the unit; and all ceilings and partition walls. An owner shall have the exclusive right and duty to wash and keep clean the interior and exterior surfaces of windows and doors bounding his unit.

VI. THE UNITS

The description and location of the particular units and the appurtenances thereto are determined with the aid of the plans therefore, attached hereto, and as follows:

1. <u>Units Numbered.</u> Each unit is assigned a number which is indicated on the site plan, EXHIBIT "B", hereto attached.

2. <u>Changes.</u> The DEVELOPER reserves the right to change the interior design and arrangement of all units owned by it. The DEVELOPER further reserves the right to alter the boundaries between units, which said change shall be reflected by an amendment of this Declaration of Condominium, which may be executed by the DEVELOPER alone, notwithstanding the procedures for amendment described herein. However, no such change of boundaries shall increase the number of units, nor alter the boundaries of the common elements without amendment of this Declaration of Condominium in the manner described herein. If the boundaries of more than one (1) unit are altered, the DEVELOPER shall appropriately reapportion the shares of the common elements which are allocated to the altered units.

3. There is one type of unit in the condominium.

Each unit has two (2) bedrooms, one bathroom and eight hundred and seventy (870) square feet of space exclusive of the balcony and storage area, including a living room, nook, closets and kitchen. The kitchen is equipped with range, range vent-hood, dishwasher and refrigerator; the unit is equipped with a water heater and central heat and air conditioning.

VII. DETERMINATION OF PERCENTAGES OF OWNERSHIP IN COMMON ELEMENTS, COMMON EXPENSES AND COMMON SURPLUS

The percentage of undivided interest of each unit in the common areas shall be equal; that is to say, at any given time the undivided percentage of ownership of each unit then in the condominium shall be that percentage arrived at by using One Hundred per cent (100%) as the numerator and the number of units then incorporated into the condominium as the denominator. For purposes of percentage of ownership in the common elements, percentage of common expenses, and percentage of common surplus, and voting on all matters requiring action by the owners, the percentages as determined by the method stated shall govern. The common expenses shall be charged to the unit owners according to the percentages of the undivided interests of the respective units in the common elements. The common surplus shall be a trust fund for the unit owners and shall be either distributed among the unit owners according to the respective units in the common elements or applied to the following year's assessment, unless otherwise determined by the Board of Directors of the Association which shall not in any event use such surplus or any part thereof in any way other than to furnish services, insurance, goods or other items of value to the unit owners.

VIII. ENCROACHMENTS

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

IX. UNITS SUBJECT TO DECLARATION, BY-LAWS AND RULES AND REGULATIONS

1. All present and future owners, tenants and occupants of units shall be subject to, and shall comply

with the provisions of this Declaration of Condominium, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any unit shall constitute an agreement that the provisions of this Declaration of Condominium, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant and occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

2. <u>Exclusive Ownership.</u> Each owner shall be entitled to the exclusive ownership and possession of his unit. Each owner shall be entitled to an undivided interest in the common elements in the percentages expressed in this Declaration, which percentages of undivided interest of each owner shall have permanent character and shall not be altered without the consent of all owners and first mortgage holders expressed in an amended declaration duly recorded. The percentage of the undivided interest in the common elements shall not be separated from the unit to which it appertains and shall be deemed to be conveyed or encumbered or released from liens with the unit even though such interest is not expressly mentioned or described in the conveyance or other instrument. Each owner may use the common elements in accordance with the purposes for which

the same are intended, without hindering or encroaching upon the lawful rights of the other owners.

3. Enforcement. Failure of any owner to comply strictly with the provisions of this Declaration, the By-Laws and the Rules and Regulations, shall be grounds for an action to recover sums due, or damages, or injunctive relief or any or all of them. Such actions may be maintained by the Association on its own behalf or on behalf of the unit owners aggrieved. In any case of flagrant or repeated violation by a unit owner, he may be required by the Association to give sufficient surety or sureties for his future compliance with the provisions of this Declaration, the By-Laws and the Rules and Regulations. Nothing herein contained shall prevent, in a proper case, an independent action by an aggrieved unit owner for such relief.

X. MAINTENANCE

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

1. Units.

A. By the Association. The responsibility of the Association shall be as follows:

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

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

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

B. <u>By the Unit Owner.</u> The responsibility of the unit owner shall be as follows:

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

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

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

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

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

2. Common Elements.

A. By the Association. The maintenance and operation of the common elements shall be the responsibility and the expense of the Association.

B. Alteration and Improvement. After the completion of the improvements included in the common elements which are contemplated by this Declaration of Condominium, there shall be no alteration or further improvement of common elements without prior approval in writing of seventy-five percent (75%) of the votes of the unit owners, and the approval in writing of all mortgagees who are the holders of mortgages comprising first liens on the units so approved; provided, however, that any alteration or improvement of the common elements bearing the approval in writing of the unit owners entitled to cast fifty-one percent (51%) of the votes in the Association, and the approval in writing of all mortgagees who are the holders of mortgages comprising first liens on the units of such approving unit owners and which does not prejudice the rights of any owners not consenting, may be done if the owners who do not approve are relieved from the initial cost thereof. There shall be no change in the share and rights and obligations of a unit owner in the common elements which are altered or further improved, whether or not the unit owner contributes to the initial cost thereof.

XI. ASSESSMENTS

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

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

2. Interest, Application of Payments. Assessments, and installments thereon, paid on or before fifteen (15) days after the date when due shall not bear interest, but all sums not paid on or before fifteen (15) days after the date when due shall bear such late charges, penalties, interest and other costs and expenses, at a rate set by the Board of Directors of the Association, but not to exceed the maximum legal rate, together with all expenses, including attorney's fees, incurred by the Association in any undertaking to collect such unpaid assessments and expenses. All payments upon account shall be first applied to such late charges, penalties, interest and other costs and expenses, including attorney's fees, and then to the assessment payment first due.

3. Liens for Assessments. The Association is hereby granted a lien upon each unit and its appurtenant undivided interest in common elements, and upon the goods, furniture and effects belonging to the unit owner and located in such

unit, which lien shall secure and does secure the moneys due for all assessments now or hereafter levied or subject to being levied against the owner of each unit, which lien shall also secure such late charges, penalties and interest, if any, which may be due on the amount of any delinquent assessment owing to the Association, and which lien shall also secure all costs and expenses, including a reasonable attorney's fee, which may be incurred by the Association in enforcing this lien upon said unit and its appurtenant undivided interest in the common elements. The said lien for non-payment of common expenses shall have priority over all other liens and encumbrances, recorded or unrecorded, except only (1) tax lien on the unit in favor of the state, the county, any municipality and any special district, and (2) all sums unpaid on a first mortgage of record. In any suit for the foreclosure of said lien, the Association shall be entitled to rental from the owner of any unit from the date on which the payment of any assessment or installment thereof becomes delinquent and shall be entitled to the appointment of a receiver for said unit, without notice to the owner of such unit. The rental required to be paid shall be equal to the rental charged on comparable type of dwelling units in Lake Forest, Baldwin County, Alabama. The lien granted to the Association shall further secure such advances for taxes and other payments which may be required to be advanced or paid by the Association in order to preserve and protect its lien, and the Association shall further be entitled to interest at a rate set by the Board of Directors of the Association but in no case to exceed the maximum legal rate on any such advances made for such purposes. All persons, firms or corporations who shall acquire, by whatever means, any interest in the ownership of any unit, or who may be given or acquire a mortgage, lien or other encumbrance thereon, are hereby placed on notice of the lien granted to the Association. Where the holder of a first lien or other purchaser of a unit obtains title to the unit as a result of foreclosure of a first lien or by deed in lieu of foreclosure, such acquirer of title, his successors and assigns, shall not be liable for payment of the share of common expenses or other assessments by the Association pertaining to such unit or chargeable to the former unit owner which become due prior to the acquisition of title to such unit as a result of foreclosure. Such unpaid share of common expenses or other assessments shall be deemed to be common expenses collectible from all of the remaining unit owners, excluding such acquirer, his successors and assigns.

4. Rental Pending Foreclosure. In any foreclosure of a lien for assessments, the owner of the unit subject to the lien shall be required to pay a reasonable rental for the unit.

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

6. Statement of Unpaid Assessments. The Association shall promptly provide any unit owner and/or the holder of a mortgage comprising a first lien on any unit so requesting the same in writing with a written statement of unpaid assessments due from the unit owner.

XII. ASSOCIATION

The operation and *administration* of the condominium shall be by the Association of the unit owners, pursuant to the provisions of the Condominium Ownership Act of Alabama, which said Association shall be incorporated by Articles of Incorporation recorded in the office of the Judge of Probate of Baldwin County, Alabama. The Association shall be an entity which shall have the capability of bringing suit and being sued with respect to the exercise or non-exercise of its powers. It shall have exclusive authority and power to maintain a class action and to settle a cause of action on behalf of unit owners of the condominium with reference to the common elements, the roof and structural components of a building or other improvement, and mechanical, electrical and plumbing elements serving an improvement or a building as distinguished from mechanical elements serving only a unit; and with reference to any and all other matters in which all the unit owners of the condominium have a common interest. The Association shall be further organized and shall fulfill its function pursuant to the following provisions:

1. Name. The name of the Association shall be THE WOODLANDS CONDOMINIUM OWNERS ASSOCIATION, INC.

2. Powers. The powers and duties of the Association shall include those set forth in the Condominium Ownership Act, and those set forth in this Declaration of Condominium and the By-Laws of the Association, attached to and made a part hereof, and shall have the power to purchase a unit of the condominium. The powers of the Association shall

include, but not be limited to, the maintenance, management and operation of the condominium property.

3. Members.

A. Qualification. The members of the Association shall consist of all of the record owners of units.

B. Change of Membership. Change of membership in the Association shall be established by the recording in the public records of Baldwin County, Alabama, of a deed or other instrument establishing a record title to a unit in the condominium, and the delivery to the Association of a certified copy of such instrument, the owner designated by such instrument thereby becoming a member of the Association. The membership of the prior owner shall be thereby terminated.

C. Voting Rights. Each unit shall be entitled to one (1) vote, the numerical value of which shall be the percentage assigned to the unit of which the member is the owner. The vote for a unit shall be cast by the Owner thereof or the owner of a possessory interest therein, or in the case of a corporate owner, by an officer or employee thereof. Owners of more than one (1) unit shall be entitled to a vote for each unit owned. However, should the Association be a unit owner, it shall not have the voting right for that unit.

D. Designation of Voting Representative. In the event a unit is owned by one (1) person, his right to vote shall be established by the record title to his unit. If a unit is owned by more than one (1) person, the person entitled to cast the vote for the unit shall be designated by a certificate signed by all of the record owners of the unit and filed with the Secretary of the Association. If a unit is owned by a corporation, partnership or limited partnership, the officer, employee or individual entitled to cast the vote for the unit shall be designated by a certificate of appointment signed by the president or vice president and attested by the secretary or assistant secretary of the corporation (in the case of a corporation) or by the general partners (in the case of a partnership or limited partnership), which certificate shall be filed with the Secretary of the Association. If such a certificate is not on file with the Secretary of the Association for a unit owned by more than one (1) person or by a corporation, partnership or limited partnership, the membership or vote of the unit concerned shall not be considered in determining the requirement for a quorum nor for any purpose requiring the approval of the person entitled to cast the vote for the unit. Such certificate shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the unit concerned is effected. A certificate designating the person entitled to cast the vote of a unit may be revoked by any owner thereof.

E. Approval or Disapproval by Unit Owners. Whenever the approval or disapproval of a unit owner is required upon any matter, whether or not the subject of an Association meeting, such approval or disapproval shall be expressed by the same person who would cast the vote of such owner if in an Association meeting, unless the joinder of all record owners is specifically required by this Declaration of Condominium.

F. Restraint upon Assignment of Shares in Assets. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner except as an appurtenance to his unit.

4. Board of Directors. The affairs of the Association shall be conducted by a Board of Directors which shall consist of such number not less than three (3) nor more than five (5) as shall, from time to time, be determined and fixed by vote of a majority of the voting rights present at any annual meeting of the members.

5. Indemnification. Every Director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, or any settlement thereof, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a Director or officer of the Association, whether or not he is

a Director or officer at the time such expenses are incurred, except in such cases wherein the Director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement, the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interest of the Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled.

6. Limitation of Liability. Notwithstanding the liability of the Association to maintain and repair parts of the condominium property, the Association shall not be liable for injury or damage caused by a latent condition of the property to be maintained and repaired by the Association nor for injury or damage caused by the elements, or other owners or persons.

7. By-Laws. By-Laws of the Association shall be in the form attached as EXHIBIT "C".

8. Miscellaneous. The unit owner shall have the right to cancel any contracts entered into by the Association, without penalty or charge, while it is in control of the Developer upon giving ninety (90) days written notice to all parties.

XIII. INSURANCE

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

1. Authority to Purchase. All insurance policies upon the condominium property shall be purchased by the Association in the name of the Association as trustee for

each of the unit owners in the percentages of ownership set forth in the Declaration of Condominium, and their mortgagees as their interest may appear, and provision shall be made for the issuance of certificates of mortgage endorsements to the mortgagees of the unit owners. Such policies shall be deposited with the Association. A unit owner may at his own expense additionally insure his own unit for his own benefit provided such additional insurance upon his unit be placed with the Association's insurance agent; and provided, further, that any diminution in insurance proceeds to the Association resulting from the existence of such other insurance shall be chargeable to the owner who acquired such other insurance, who shall be liable to the Association to the extent of any such diminution and/or loss of proceeds. A unit owner may obtain at his own expense insurance coverage upon his own personal property, and such other coverage, including personal liability, as he may desire.

2. <u>Coverage.</u>

A. <u>Casualty.</u> All buildings and improvements upon the land and all personal property comprising the condominium property shall be insured with a single insurance agent, if possible, in an amount sufficient to avoid application of a co-insurance clause, but not more or less than one hundred percent of the insurable replacement value, without deduction for depreciation, as determined annually by the Board of Directors of the Association. If reasonably available, the policy or policies shall contain a stipulated amount clause, or determinable cash adjustment clause, or similar clause to permit a cash settlement covering specified value in the event of destruction and a decision not to rebuild.

(i) Loss or Damage by Fire and other hazards covered by a standard extended coverage endorsement, and

(ii) Flood Insurance. If the condominium is located within an area which has been officially identified by the Secretary of Housing and Urban Development as having special flood hazards and for which flood insurance has been made available under the National Flood Insurance Program, the Association shall obtain and pay the premiums upon, as a common expense, a master or blanket policy of flood insurance on all buildings and improvements upon the lands comprising the condominium property in an amount deemed appropriate by the Association, but not less than the following: The lesser of (A) the maximum coverage available under the National Flood Insurance Program for all buildings and other insurable property within the condominium to the extent that such buildings and other insurable property are within an area having special flood hazards; or (B) one hundred percent (100%) of current replacement cost of all such buildings and other insurable property within such area.

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

B. Public Liability in such amounts and with such coverage as shall be required by the Board of Directors of the Association, but in no event shall the amount of the coverage be less than one million dollars for bodily injury and property damage for any single occurence.

C. Workmen's Compensation policy, if needed to meet the requirements of the law.

D. Other Insurance. The Board may purchase and maintain in force debris removal insurance, fidelity bonds, and other insurance and/or bonds as it may deem necessary. The Board is authorized to provide coverage for payment of maintenance charges in behalf of an owner whose unit is rendered uninhabitable by a peril insured against, and to absolve such an owner of the obligation to pay maintenance charges to the extent that the same are offset by proceeds from such coverage.

E. Revision. Insurance coverages will be analyzed by the Board, or its representative, at least every five (5) years from the date hereof and the insurance program revised accordingly.

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

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

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

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

D. Contain a waiver by the insurer of any right of subrogation to any right of the Association, or either against the owner or lessee of any unit; and

E. Contain a standard mortgagee clause which shall:

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

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

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

4. <u>Premiums.</u> Premiums upon insurance policies purchased by the Association shall be paid by the Association as a common expense.

5. <u>Insurance Trustee; Shares of Proceeds.</u> All insurance policies purchased by the Association shall be for the benefit of the Association and the unit owners and their mortgagees as their interests may appear, and shall provide that all proceeds covering casualty losses shall be paid to the Association, as Trustee for each of the unit owners in

the percentages established by the Declaration, which said Association, for the purpose of these provisions, is herein referred to as the Insurance Trustee. The duty of the Insurance Trustee shall be to receive such proceeds as are paid and hold the same in trust for the purposes elsewhere stated herein and for the benefit of the unit owners and their mortgagees, as follows:

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

B. Units. Proceeds on account of units shall be held for the owners of damaged units in proportion to the cost of repairing the damage suffered by each unit owner, which cost shall be determined by the Association.

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

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

benefit of any mortgagee of a unit and may be enforced by him.

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

XIV. RECONSTRUCTION OR REPAIR AFTER CASUALTY

In the event of the damage or destruction of all or part of the property, then, unless it be determined by a vote of one hundred percent (100%) of the owners and one hundred percent (100%) of all record owners of first mortgages on units not to repair or reconstruct such damaged or destroyed property, the following provisions shall apply:

1. Reconstruction or Repair. If any part of the condominium property shall be damaged by casualty, it shall be reconstructed or repaired.

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

B. Building.

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

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

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

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

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

4. Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, assessments shall be made against the unit owners who own the damaged property, and against all unit owners in the case of damage to common areas and facilities, in sufficient amounts to provide funds to pay the estimated costs. If at any time

during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made against the unit owners who own the damaged property, and against all unit owners in the case of damage to common areas and facilities, in sufficient amounts to provide funds for the payment of such costs. Such assessments against unit owners for reconstruction and/or repair of damages to units shall be in proportion to the cost of reconstruction and repair of their respective units. Such assessments for reconstruction and/or repair of damage to common areas and facilities shall be in proportion to the owner's share in the common areas and facilities.

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

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

(i) Unit Owner. The portion of insurance proceeds representing damage for which responsibility of reconstruction and repair lies with the unit owner shall be paid by the Insurance Trustee to the unit owner, or if there is a mortgagee endorsement, then to the unit owner and the mortgagee jointly.

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

(iii) <u>Association -- Major Damage.</u> If estimated costs of reconstruction and repair which is the responsibility of the Association is more than the total of the annual assessments for recurring expense to be made during the year in which the casualty occurs, then the construction fund shall be disbursed in payment of such costs in the manner required by the Board of Directors of the Association and upon approval of an architect qualified to practice in Alabama and employed by the Association to supervise the work.

(iv) Surplus. It shall be presumed that the first moneys disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds; and if there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere herein provided.

XV. USE RESTRICTIONS

The use of the property of the condominium shall be in accordance with the following provisions:

1. Single Family Residences. The condominium property shall be used only as a residence, and for the furnishing of services and facilities herein provided for

the enjoyment of such residence. Each of the units shall be occupied only by the resident and his family and their guests as a residence and for no other purpose.

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

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

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

the Association to all unit owners and residents of the condominium upon request.

5. <u>Proviso.</u> Provided, however, that until the DEVELOPER of the condominium has completed and sold seventy-five percent (75%) of the units of the condominium, or until two (2) years from the date of this Declaration of Condominium or until Developer elects to terminate its control of the condominium, whichever shall first occur, the rules adopted by the DEVELOPER shall govern and there shall be no meeting of members of the Association, unless a meeting is called by the Board of Directors of the Association, and neither the unit owners nor the Association nor the use of the condominium property by unit occupants shall interfere with the completion of the contemplated improvements and the sale of the units. DEVELOPER may make such use of the unsold units and of the common areas and facilities as may facilitate such completion and sale, including but not limited to showing of the property and the display of signs.

XVI. SALES AND OTHER TRANSFERS

1. No unit owner shall sell, assign, convey or otherwise transfer his unit or any interest therein unless, at least ten (10) days prior to any such sale, assignment, conveyance or transfer, he gives written notice to the Board of the name and address of each proposed purchaser, assignee or transferee. The purpose of this paragraph is to make certain that any proposed purchaser, assignee or transferee is made aware of the provisions of this Declaration, as well as any delinquent assessments, if any attributable to the

applicable unit, prior to the consummation of any such purchase, assignment or transfer.

2. In the event of a resale of a unit by a unit owner other than the DEVELOPER, the unit owner shall furnish to a purchaser, before execution of any contract to purchase a unit, or otherwise before conveyance, a copy of the Declaration, other than plats and plans, a copy of the Articles of Incorporation creating the Association, the By-Laws and a certificate containing:

(A) A statement setting forth the amount of any current common assessments;

(B) A statement of any capital expenditures approved by the Association for the current and next two (2) succeeding fiscal years;

(C) A statement of the amount of any reserves for capital expenditures and of any portions of those reserves designated by the Association for any specific projects;

(D) The most recent balance sheet and income and expense statement of the Association, if any;

(E) The current operating budget of the Association, if any;

(F) A statement of any unsatisfied judgments against the Association and the status of any pending suits to which the Association is a party; and

(G) A statement describing any insurance coverage provided by the Association.

3. The Association, within ten (10) days after a request by a unit owner, shall furnish a certificate

containing the information necessary to enable a unit owner to comply with this section. The unit owner providing a certificate pursuant to this section shall not be liable to the purchaser for any erroneous information provided by the Association and included in the certificate. Further, a unit owner is not liable to a purchaser for the failure or delay of the Association to provide the certificate in a timely manner; however, the contract of purchase shall be voidable by the purchaser, until a certificate has been provided and for five (5) days thereafter, or until conveyance, whichever first occurs.

XVII. COMPLIANCE AND DEFAULT

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

1. <u>Negligence.</u> A unit owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, negligence or carelessness or by that of any member of his family or his or their guests, employees, agents or lesses, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of a unit or its appurtenances.

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

3. <u>*No Waiver of Rights.*</u> The failure of the Association or any unit owner to enforce any covenant, restriction, or other provision of the Alabama Condominium Ownership Act, this Declaration of Condominium, the By-Laws or the Rules and Regulations shall not constitute a waiver of the right to do so thereafter.

XVIII. COVENANT AGAINST PARTITION

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

XIX. AMENDMENT

This Declaration of Condominium and the By-Laws of THE WOODLANDS CONDOMINIUM OWNERS ASSOCIATION, INC., may be amended in the following manner:

1. <u>Notice.</u> Notice of the subject matter of the proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

2. <u>Resolution.</u> A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by ten percent (10%) of the members of the Association, and after being so proposed and thereafter approved by one (1) of such bodies, it must then be approved by the other to become effective. Directors and members not present at the meeting considering the amendment may express their approval or disapproval in writing, providing such approval or disapproval is delivered to the Secretary at or prior to the meeting. Such approvals must be by not less than a majority of the Directors and by not less than seventy-five percent (75%) of the votes of the Association; and provided, further, that any such amendment shall have been approved in writing by seventy-five percent (75%) of all of the mortgagees who are the holders of mortgages comprising first liens on units comprising seventy-five percent (75%) of the votes of the Association.

3. <u>Recording.</u> A copy of each amendment will be certified by the President and Secretary of the Association as having been duly adopted and shall be effective when recorded in the office of the Judge of Probate of Baldwin County, Alabama.

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

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

6. <u>Provisions Pertaining to the DEVELOPER.</u>

A. Notwithstanding any other provisions herein contained, for so long as the DEVELOPER continues to own any of the units, the DEVELOPER reserves the unrestricted right to sell, assign or lease any unit which it continues to own after the recording or filing of this Declaration of Condominium, and to post signs on the condominium property.

B. Provided, however, that until the DEVELOPER of the condominium has completed and sold all of the units of the condominium, or until July 1, 1985, or until DEVELOPER elects to terminate its control of the condominium, whichever shall first occur, the following additional provisions shall be deemed to be in full force and effect:

(i) The DEVELOPER reserves the right to amend the By-Laws of the Association.

(ii) The Directors of the Association shall be designated by the DEVELOPER and such Directors as may be so designated need not be unit owners.

In view of DEVELOPER'S financial commitment to this condominium, DEVELOPER'S obligation, as the initial owner of a substantial number of units, to share in the common expenses as such unit owner, and DEVELOPER's need to insure the success of the project, DEVELOPER hereby reserves unto itself, its successors and assigns, the right to manage all of the affairs of the condominium and all decisions of the Association.

C. None of the provisions in this subparagraph contained shall be construed so as to relieve the DEVELOPER from any obligations of a unit owner to pay assessments as to each unit owned by them, in accordance with the condominium documents.

XX. PROPORTIONATE CHANGES IN COMMON EXPENSES AND COMMON SURPLUS

In the event any one (1) or more of the units are not rebuilt by reason of the loss of lands as a result of destruction, condemnation or otherwise, and therefore the number of units is reduced, or in the event the Association becomes the owner of a unit as heretofore provided, then the proportionate share of the common expenses and of the common surplus of each unit shall be increased by adding to each remaining unit their proportionate percentages of ownership out of the percentages of ownership of the units so reduced.

XXI. MORTGAGES

1. Notice to Mortgagees of Default by Unit Owner. In the event of any default in the performance by a unit owner of any of his duties or obligations under this Declaration, the By-Laws or the Rules and Regulations of the Association, the Association shall, if such default is not cured within sixty (60) days, upon request by the holder of a mortgage constituting a first lien on the unit of such defaulting owner, give written notice of such default to such mortgage holder; provided, however, that if the default is a failure to pay any charges or assessments to the Association, such notice shall be given if such default is not cured within fifteen (15) days; and provided further, however, that the Association shall have no obligation to give any notices to, or to take any other actions required by this Declaration with respect to any mortgages, other than those from whom the Association has received a copy of the mortgage or written notice which sets out the unit number of the mortgaged unit, the name of the mortgagor, the name and address of the mortgagee and the date of the mortgage. The Secretary of the Association shall keep a list of mortgagees which shall contain the information set out above.

2. Inspection of Association's Books and Records. Any holder of a mortgage constituting a first lien on a unit shall, upon reasonable notice delivered to the Association at reasonable time or times, be entitled to examine the books and records of the Association.

3. <u>General Protection of Mortgage Holders.</u> Unless at least seventy-five percent (75%) of all of the first mortgage liens on any unit or units (based upon one (1) vote for each first mortgage so held) have given their prior written approval, the Association shall not be entitled to:

(A) By act or omission seek to abandon or terminate the condominium regime;

(B) Change the pro rata interest or obligations of any individual unit for:

(i) The purpose of levying assessments or changing or allocating distributions of hazard insurance proceeds or condemnation awards, or

(ii) Determining the pro rata share of ownership of each unit in the common elements, except to the extent necessary to allow the addition of new phases in accordance with the Declaration;

(C) Partition or subdivide any condominium unit;

(D) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the common elements. The granting of easements for public utilities or for other public purposes consistent with the intended use of the common elements by the condominium project shall not be deemed a transfer within the meaning of this clause;

(E) Use hazard insurance proceeds for losses to any condominium property (whether to units or to common elements) for other than the repair, replacement or reconstruction of such improvements, except as provided by statute in case of substantial loss to the units and/or common elements of the condominium project.

XXII. BLANKET MORTGAGES

The entire property of the condominium, or some or all of the units included therein, may be subjected to a single or blanket mortgage constituting a first lien thereon created by a recordable instrument executed by all of the owners of the property or units covered thereby. Any unit included under the lien of such mortgage may be sold or otherwise conveyed or transferred subject thereto. Any such mortgage shall provide a method whereby any unit owner may obtain a release of his unit from the lien of such mortgage and a satisfaction and discharge in recordable form upon payment to the holder of the mortgage of a sum equal to the reasonable proportionate share attributable to his unit of the then outstanding balance of unpaid principal and accrued interest, and any other charges then due and unpaid. The proportionate share of the mortgage required to be paid for release shall be determined by provisions pertaining thereto stated in the mortgage, or, if the mortgage contains no such provisions, then according to the proportionate share of the common elements of the condominium attributable to such unit or units.

XXIII. TERMINATION

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

XXIV. SEVERABILITY

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

IN WITNESS WHEREOF, ADRIAN L. JOHNSON has hereunto set his hand and seal on this the 29TH day of MARCH, 1984.

Adrian L. Johnson (SEAL)
ADRIAN L. JOHNSON

TATE OF ALABAMA :

COUNTY OF BALDWIN :

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that ADRIAN L. JOHNSON, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he executed the same voluntarily on the day the same bears date.

Given under my hand and seal on this the 29TH day of MARCH, 1984.

NOTARY PUBLIC

This instrument prepared by:

SAM W. IRBY
Attorney at Law
317 Magnolia Avenue
Post Office Box 1031
Fairhope, Alabama 36533

MISC 049 PAGE 0096

EXHIBIT "A"

PARCEL A:

Lots 1, 2, 19 and 20, Block 68, Park City, according to the map or plat thereof recorded in Miscellaneous Book 1, Pages 230-231 in the records in the office of the Judge of Probate, Baldwin County, Alabama.

PARCEL B:

All of that certain fifteen foot (15') alley lying between Lots 1, 2, 19 and 20 in Block 68 of Park City; according to the plat thereof recorded in Miscellaneous Book 1, Pages 230-231, of the records in the Office of the Judge of Probate of Baldwin County, Alabama, and more particularly described as:

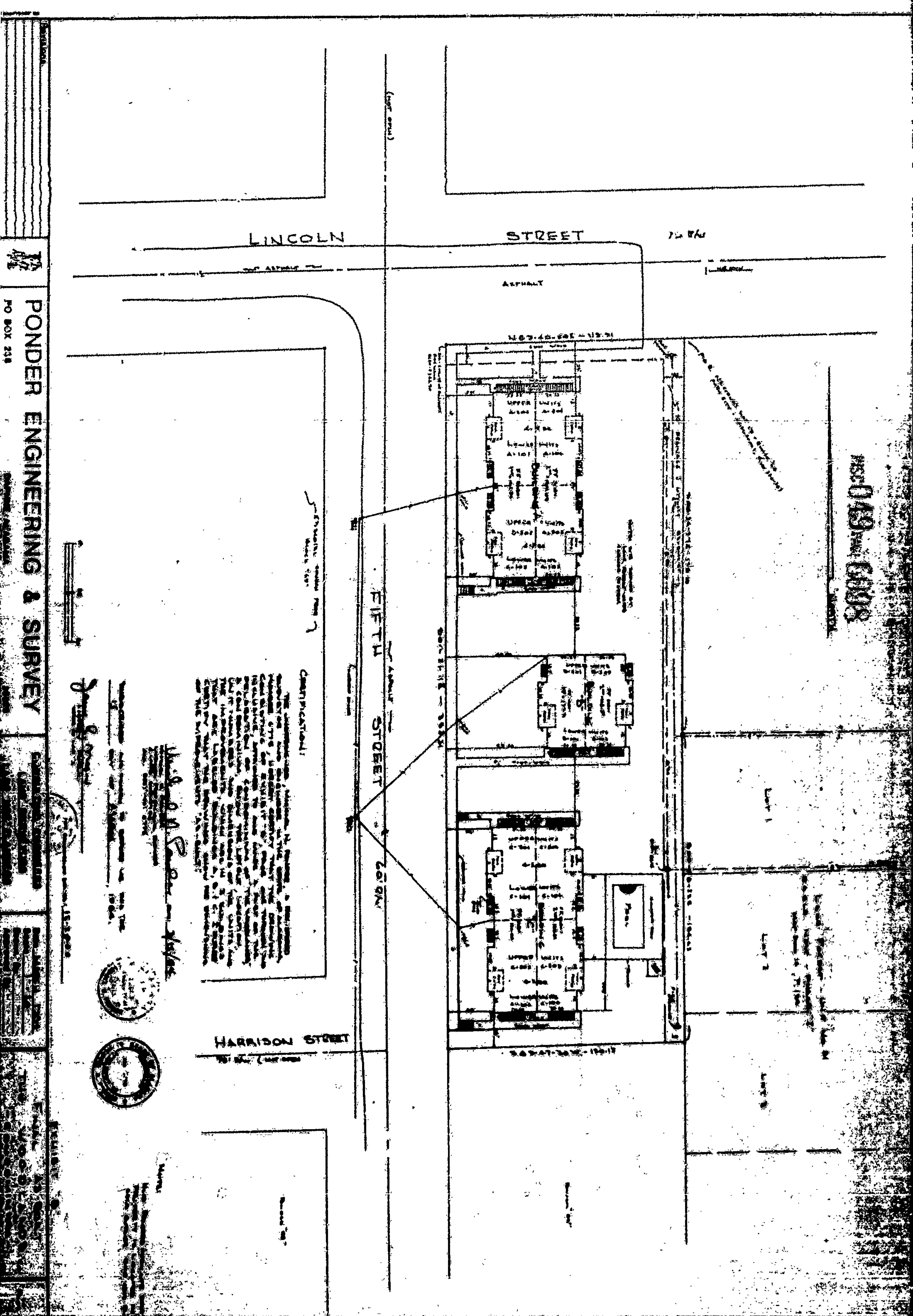
Beginning at the Southwest Corner of Lot 1, Block "68", Park City, as recorded in Miscellaneous Book 1, Pages 230-287 of the Baldwin County, Alabama, Probate Records: Thence run North 00-21-11 East, along the East right-of-way line of Fifth Street, 150.00 feet to a point on the South right-of-way line of a 15.00 foot vacated alley, said point being the point of beginning of parcel herein described; thence run North 89-47-17 East, 119.26 feet to a point on the West boundary line of Lake Forest Unit 31, (Eagles Nest Phase II); thence run North 00-34-37 East, along said West boundary line, 15.00 feet; thence run South 89-47-17 West, 119.38 feet to a point on the East right-of-way line of Fifth Street; thence run South 00-21-11 West, along said East right-of-way line, 15.00 feet to the point of beginning. Said parcel containing 0.04 acres.

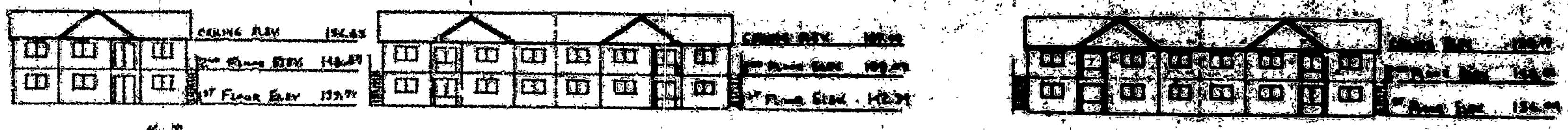
PARCEL C:

All that part of the North 1/2 of that certain 75' right-of-way formerly known as Harrison Street which falls South of and contiguous to Lots 1, 2, 19 and 20 in Block 68 of Park City, according to the plat thereof recorded in Miscellaneous Book 1, Pages 230-231, of the records in the office of the Judge of Probate of Baldwin County, Alabama.

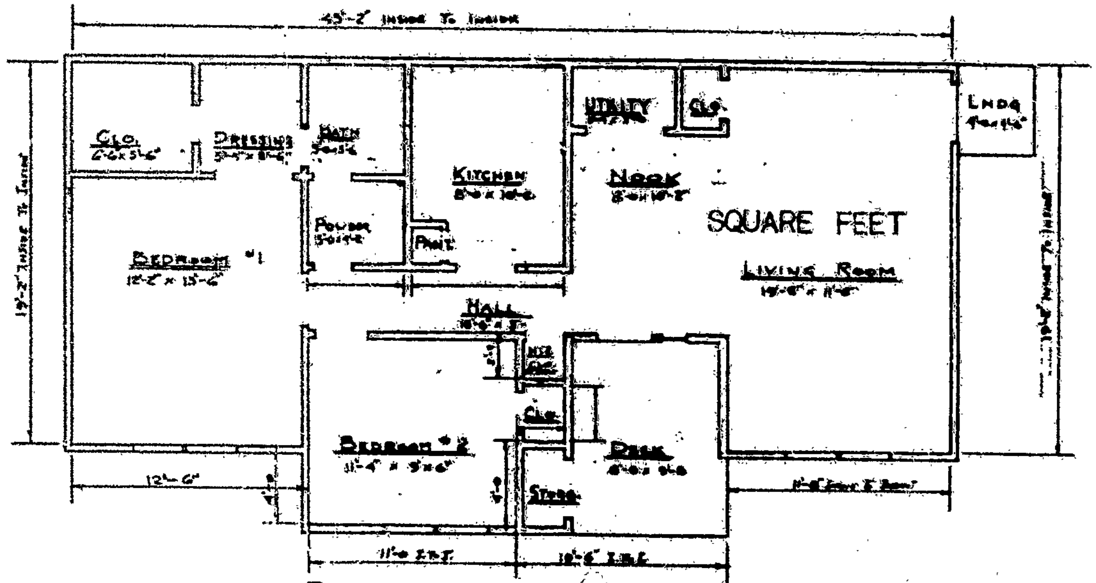
RSL158 PG 0097

EXHIBIT "B"
Page 1





BUILDING "B"   BUILDING "A"   BUILDING "C"



TYPICAL
TWO BEDROOM UNIT

EXHIBIT "B"

THE WOODLANDS LAKEFOREST, ALABAMA	DATE: 3-10-8 PAGE 2
FLOOR PLAN & SIDE ELEVATIONS	

EXHIBIT "C"

BY-LAWS OF WOODLANDS CONDOMINIUM OWNERS ASSOCIATION, INC.

I.

IDENTITY

These are the By-Laws of THE WOODLANDS CONDOMINIUM OWNERS ASSOCIATION, INC., an association organized pursuant to the Alabama Condominium Ownership Act, Code of Alabama 1975, Section 3' -8-1, et seq., for the purpose of administering THE WOODLANDS , a condominium located Lake Forest, Baldwin County, Alabama.

1. The office of the Association shall be such as is from time to time fixed by the Board of Directors of the Association.

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

II.

MEETINGS OF MEMBERS

1. The annual meeting of members shall be held at the office of the Association at 7:30 p.m., local time, on the second Tuesday in January of each year for the purpose of electing Directors and of transacting any other business authorized to be transacted by the members; provided,

however, if that day is a legal holiday, the meeting shall be held at the same hour on the next day following that is not a legal holiday.

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

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

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

by the affidavit of the person giving the notice. Notice of meeting may be waived before or after meetings.

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

6. A quorum at meetings of members shall consist of persons entitled to cast a majority of the votes of the entire membership. As used in these By-Laws, the term "majority" means fifty-one percent (51%) of the votes in accordance with the percentages assigned in the Declaration of Condominium.

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

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

9. Adjourned meetings. Any meeting of the Association may be adjourned from time to time to such date and time as may be determined by majority vote of the

members present, whether a quorum be present or not, without notice other than the announcement at the meeting. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted by a quorum at the meeting as originally called.

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

Call to order

Calling of the roll and certifying of proxies

Proof of notice of meeting or waiver of notice

Reading and disposal of any unapproved minutes

Reports of officers

Reports of committees

Election of Directors

Unfinished business

New business

Adjournment

11. Proviso. Provided, however, that until the DEVELOPER of the condominium has completed and sold seventy-five (75%) of the units of the condominium, or until two (2) years from the date of the Declaration of Condominium, or until DEVELOPER elects to terminate its control of the condominium, whichever shall first occur, there shall be no meeting of members of the Association, unless a meeting is called by the Board of Directors.

<u>III.</u>

<u>BOARD OF DIRECTORS</u>

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

2. <u>Election of Directors</u> shall be conducted in the following manner:

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

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

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

D. Provided, however, that until the DEVELOPER of the condominium has completed and sold all of the units of the condominium, or until July 1, 1985, or until DEVELOPER elects to terminate its control of of the condominium, whichever shall first occur, there shall be no meeting of members of the Association, unless a meeting is called by the Board of Directors, and the rules adopted by the DEVELOPER shall govern.

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

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

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

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

telegraph, which notice shall state the time, place and purpose of the meeting.

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

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

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

10. Directors shall serve without compensation, and a Director may not be an employee of the Association.

IV. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

1. To exercise all of the powers of the Association with respect to the operation and regulation of the condominium project which are conferred upon the Board by the Condominium Ownership Act or which may be conferred upon the Board by these By-Laws pursuant to such Act.

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

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

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

5. To maintain a class action and to settle a cause of action on behalf of owners with reference to the common elements, the roof and structural components of a building or other improvement, and mechanical, electrical and plumbing elements serving an improvement or a building as distinguished from mechanical elements serving only a unit;

and to bring an action and to settle the same on behalf of two (2) or more of the owners, as their respective interests may appear, with respect to any cause of action relating to the common elements or more than one (1) condominium unit, all as the Board deems advisable.

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

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

8. To employ a management agent or manager, at a compensation established by the Board, to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in this section, and any such duties so conferred upon the managing agent or manager by the Board of Directors may at any moment be revoked, modified or amplified by the majority of owners in a duly constituted meeting.

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

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

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

V.

OFFICERS

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

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

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

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

5. The Treasurer shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He shall keep the financial records and books of account of the Association in accordance with good accounting practices; shall keep detailed, accurate records in chronological order of the receipts and expenditures affecting the common areas and facilities, specifying and itemizing the maintenance and repair expenses of the common areas and facilities and any other expenses incurred; and he shall perform all other duties incident to the office of Treasurer. The records, books of account, and the vouchers authorizing payments, shall be available for examination by a member of the Association at convenient hours of week days.

VI.

FISCAL MANAGEMENT

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

2. Assessments for recurring expenses. Assessments for recurring common expenses shall be made for the calendar year annually in advance, on or before December 10th preceding the year for which the assessments are made. The Board may include a Maintenance Fund Reserve for contingencies in such assessments, and such assessments may from time to time be increased or reduced at the discretion of the Board. The proportionate interest of each unit owner in said fund cannot be withdrawn or separately assigned, but shall be deemed to be transferred with such unit, even though not expressly mentioned or described in the conveyance thereof. In case the condominium regime hereby created shall be terminated and the property removed from the Alabama Condominium Ownership Act, any part of the said fund remaining after full payment of all common expenses of

the Association shall be distributed to all apartment owners in their respective proportionate shares. Such assessments shall be due in monthly installments on the 1st day of each month of the year for which the assessments are made. If such annual assessment is not made as required, an installment in the amount required by the last prior assessment shall be due upon each installment payment date until changed by a new assessment. The total of the assessments for recurring common expenses shall be not more than one hundred ten percent (110%) of the assessments for this purpose for the prior year unless approved in writing by unit owners entitled to cast a majority of the votes in the Association. In the event such an annual assessment proves to be insufficient, it may be amended at any time after approval in writing by unit owners entitled to cast a majority of the votes in the Association, and the amended assessment for the remaining portion of the calendar year shall be due at the time the next monthly installment is due. The first assessment shall be determined by the Board of Directors of the Association.

3. <u>Acceleration of assessment installments upon default</u>. If a unit owner shall be in default in the payment of an installment upon any assessment, the Board of Directors may accelerate the remaining installments of such assessment upon notice thereof to the unit owner, and thereupon the unpaid balance of the assessment shall come due upon the date stated in the notice, but not less than ten (10) days after delivery thereof to the unit owner, or not less than twenty (20) days after the mailing of such

notice to him by registered or certified mail, whichever shall first occur. Upon default in the payment of an installment upon any assessment, the Board of Directors of the Association shall be entitled to charge interest and service charges at the highest available rate allowable under the law of the State of Alabama.

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

5. Default. In the event an owner of a unit does not pay any sums, charges or assessments required to be paid to the Association within thirty (30) days from the due date, the Association may foreclose the lien encumbering the unit created by non-payment of the required moneys in the same fashion as mortgage liens are foreclosed; provided that thirty (30) days prior notice of the intention to foreclose shall be mailed, postage prepaid, to the unit owner and to all persons having a mortgage lien or other interest of record in such unit as shown in the Association's record of ownership. The Association shall be entitled to the appointment of a receiver, if it so requests. The Association shall have the right to bid-in the unit at a foreclosure sale and to acquire, hold, mortgage and convey

the same. In any such foreclosure action, the lien of the Association shall be subordinate and inferior to any mortgage liens of record encumbering such unit at the time of the commencement of the foreclosure action by the Association. In lieu of foreclosing its lien, the Association may bring suit to recover a money judgment for any sums, charges or assessments required to be paid to the Association without waiving its lien securing same. In any action either to foreclose its lien or to recover a money judgment, brought by or on behalf of the Association against a unit owner, the losing defendants shall pay the cost thereof together with a reasonable attorney's fee.

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

6. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Directors and in which moneys of the Association shall

be deposited. Withdrawal of moneys from such accounts shall be only by checks signed by such persons as are authorized by the Directors.

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

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

VII.

OBLIGATIONS OF THE OWNERS

1. Assessments. Every owner of any unit in the condominium shall contribute pro rata toward the expense of administration of the condominium, as provided in the Declaration and in these By-Laws.

2. Maintenance and Repair.

A. Every owner must perform promptly all maintenance and repair work within his own unit, which if omitted would affect the condominium in its entirety or in a part belonging to other owners, and is expressly responsible for the damages and liabilities that his failure to do so may engender.

B. All of the repairs of internal or appurtenant installations of the unit as water, light, power, air conditioning, heat, sewage, telephones, sanitary installations, doors, windows, lamps, and all other accessories belonging to the unit area shall be maintained at the owner's expense.

C. An owner shall reimburse the Association for any expenditures incurred in repairing or replacing any common areas and facilities damaged through his fault.

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

4. House Rules. In order to assure the peaceful and orderly use and enjoyment of the building and common elements of said condominium, the Board of Directors may from time to time adopt, modify and revoke in whole or in part by a vote of the members present in person or represented by proxy whose aggregate interest in the common elements constitutes eighty percent (80%), at any meeting duly called for the purpose, such reasonable rules and regulations, to be called House Rules, governing the conduct of persons on the condominium as it may deem necessary. Such house rules upon adoption, and every amendment, modification and revocation thereof, shall be delivered

promptly to each owner and shall be binding upon all members of the Association and occupants of the building.

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

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

7. Title. Every unit owner shall promptly cause to be duly recorded in the office of the Judge of Probate of Baldwin County, Alabama, the deed or other conveyance to him

of his unit or other evidence of his title thereto and file such evidence of his title with the Association, and the Secretary shall maintain such information in the record of ownership of the Association.

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

VIII.

PARLIAMENTARY RULES

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

IX.

AMENDMENTS

These By-Laws may be amended by following the provisions of paragraph XIX of the Declaration of Condominium.

X.

REGISTERED OFFICE AND AGENT

The address of the initial registered office of THE WOODLANDS CONDOMINIUM OWNERS ASSOCIATION, INC., is Post Office Box 148, Daphne, Alabama 36526, and the name of its initial registered agent is ADRIAN L. JOHNSON.

The foregoing were adopted as the By-Laws of THE WOODLANDS CONDOMINIUM OWNERS ASSOCIATION, INC., at the first meeting of the Board of Directors on the 29th day of MARCH, 1984.

Secretary

Approved:

Adrian L. Johnson
President

This Instrument Prepared By:

Sam W. Irby
Attorney at Law
317 Magnolia Avenue
Post Office Box 1031
Fairhope, Alabama 36533

EXHIBIT "D"

JOINDER OF MORTGAGEE

STATE OF ALABAMA :

COUNTY OF BALDWIN :

FIRST SOUTHERN FEDERAL SAVINGS AND LOAN ASSOCIATION OF MOBILE, herein called the Mortgagee, the owner and holder of a mortgage which is dated the 7th day of November, 1983, which said mortgage is recorded in Real Property Book 159, beginning at page 1412, of the records in the office of the Judge of Probate of Baldwin County, Alabama, joins in the making of the foregoing Declaration of Condominium, and the Mortgagee agrees that the lien of said mortgage shall hereafter be upon the property described in the Declaration of Condominum of the Woodlands, to which this Joinder of Mortgagee is attached.

IN WITNESS WHEREOF, FIRST SOUTHERN FEDERAL SAVINGS AND LOAN ASSOCIATION OF MOBILE, has caused this instrument to be executed on this the 22nd day of March, 1984.

FIRST SOUTHERN FEDERAL SAVINGS AND LOAN ASSOCIATION OF MOBILE

By: ____________________

Its: Vice President

ATTEST:

By: ____________________

Its: Vice President

STATE OF ALABAMA :

COUNTY OF Mobile :

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Chester M. Fox and C. B. Evans, whose names as Vice President and Vice President respectively of FIRST SOUTHERN FEDERAL SAVINGS AND LOAN ASSOCIATION OF MOBILE, are signed to the foregoing instrument and who are known to me, acknowledged before me on this day that, being informed of the contents of the instrument, they, as such officers and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and seal on this the 22nd day of March, 1984.

NOTARY PUBLIC

My commission expires [illegible]

This instrument prepared by:

SAM W. IRBY
Attorney at Law
317 Magnolia Avenue
Post Office Box 1031
Fairhope, Alabama 36533