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Tuscaloosa County, Alabama

DECLARATION OF CONDOMINIUM
FOR
UNIVERSITY DOWNS CONDOMINIUM
TUSCALOOSA COUNTY, ALABAMA

Date: July 26, 2006

THIS INSTRUMENT PREPARED BY:
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DECLARATION OF CONDOMINIUM
OF
UNIVERSITY DOWNS CONDOMINIUM, a condominium

This Declaration is made and entered into this 21st day of July, 2006 by University Downs Condominiums, Inc., an Alabama corporation (hereinafter referred to as the "Declarant"), for itself, and for its successors, grantees and assigns, for the purpose of creating a condominium and establishing certain easements, covenants, and restrictions to run with the land.

RECITALS

1. The Declarant is the owner of certain real estate described in Article IV below, located in the City of Tuscaloosa, County of Tuscaloosa, State of Alabama (hereinafter referred to as the "Parcel").
2. The Declarant intends to and does hereby submit the Parcel together with all buildings, structures, improvements, and other permanent fixtures thereon, and all rights and privileges belonging or in any way pertaining thereto, to the provisions of the Alabama Uniform Condominium Act, Ala. Code Sections 35-8A-101, et seq.
3. The Declarant further desires to establish for its own benefit and for the mutual benefit of all future owners or occupants of the Parcel or any part thereof, a condominium form of ownership, and intends that all future owners, occupants, mortgagees, and any other persons hereinafter acquiring an interest in the Parcel shall hold that interest subject to certain rights, easements, and privileges in the Parcel, and certain mutually beneficial restrictions and obligations with respect to the proper use, conduct, and maintenance of the property, as hereinafter set forth.
4. The Declarant reserves the right for Declarant, as well as an Affiliate of Declarant, to submit to the provisions of the Act and this Declaration at a later date all or any portion of the Additional Property, defined below, subject to the terms of this Declaration.

NOW THEREFORE, the Declarant, as the owner of the Parcel, and for the purposes above set forth, declares as follows:

ARTICLE I DEFINITIONS

The terms used herein shall have the meaning specified in the Act, and as follows, unless the context otherwise requires:

1.01 "Act" means the Alabama Uniform Condominium Act, Ala. Code Sections 35-8A-101, et seq.

1.01A "Additional Property" means the parcel or parcels of real property described on Exhibit A and incorporated herein by reference.

1.02 "Articles" means the Articles of Incorporation of the Association recorded in the Office of the Judge of Probate of Tuscaloosa County, Alabama at Incorporation Book 200 6 Page 3176, which are attached as Exhibit B and which are incorporated herein by reference.

1.03 "Assessment" means a proportionate share of the funds required for the payment of the Common Expenses and Limited Common Expenses, which from time to time may be levied by the Association against each Unit Owner.

1.04 "Association" means the University Downs Condominium Association, Inc., a corporation, its successors and assigns, which is the entity responsible for the administration and management of the Condominium.

1.05 "Board" means the Board of Directors of the Association.

1.06 "Buildings" means all structures or structural improvements located on the Condominium Property and forming part of the Condominium.

1.07 "Bylaws" means the duly adopted Bylaws of the Association, a copy of which are attached as Exhibit C and incorporated herein by reference.

1.08 "Common Elements" means all portions of the Condominium Property, except the Units. The Unit Owners have an undivided interest in the Common Elements.

1.09 "Common Expenses" means the expenses arising out of the ownership of the Common Elements, including expenses incurred in the maintenance, administration, improvement, and repair of the Common Elements, whether incurred or estimated by the Board, for which the unit Owners are liable to the Association in accordance with the terms of the Condominium Documents.

1.10 "Common Surplus" means the excess of all receipts of the Association over the amount of the Common Expenses.

1.11 "Condominium" means the University Downs Condominiums, and consists of the Condominium Property submitted to the condominium form of ownership by this Declaration.

1.12 "Condominium Documents" means this Declaration, the Articles, Bylaws, Rules and Regulations and all exhibits attached thereto as the same may be amended from time to time.

1.13 "Condominium Property" or "Property" means the Parcel and all property covered by the Declaration, including any Additional Property, if submitted, and includes all existing improvements now existing or, in the case of Additional Property, upon submission, or hereafter placed thereon, all easements, rights, interests and appurtenances thereto, and all personal property now or hereafter used in connection therewith.

1.14 "Declaration" means this Declaration as it may be amended from time to time.

1.15 "Declarant" means University Downs Condominiums, Inc., sometimes also referred to as the "Developer", and its successors and assigns.

1.16 "Limited Common Elements" shall mean and include any area designated by this Declaration and the Condominium Documents, including the Plat and Plan, or any amendment thereto, as Limited Common Elements and any areas defined in the Act as Limited Common Elements for the exclusive use of one or more, but fewer than all of the Units. Should any Limited Common Element ever be determined not to be a Limited Common Element under the Act, the same shall be deemed to be part of the Common Elements with an exclusive easement of use appurtenant to the Unit to which it was originally assigned as a Limited Common Element.

1.17 "Member" means a member of the Association, membership in which is confined to persons holding fee ownership in a Unit.

1.18 "Mortgagee" shall mean a holder of a mortgage who has given notice to the Association that the Mortgagee is the holder of a mortgage affecting all or any part of the Condominium Property as hereinafter provided, or any insurer or guarantor of such a mortgage.

1.19 "Occupant" means a person or persons in possession of a Unit, regardless of whether that person is the Unit Owner.

1.20 "Plat" or "Plan" or "Plat and Plan" means the recorded plat prepared by McGiffert and Associates, Civil Engineers, which depicts the location, layout, identifying numbers, and dimensions of the Units and the Limited Common Areas and the Common Areas, which plat is recorded at Plat Book 2006 Page 182 in the Probate Office of Tuscaloosa County, Alabama, and by this reference made a part hereof. The Plat is attached hereto as Exhibit D and is incorporated herein by reference.

1.21 "Special Assessments" means the costs and expenses, other than Common Expenses, for which the Unit Owners are liable to the Association.

1.22 "Unit" means a part of the Property designed and intended for any permitted type of independent use and consisting of one or more rooms situated on one or more floors of the Buildings or a part or parts thereof, so specified as a Unit on the Plat and includes the private

elements thereof. The boundaries of a Unit are as specified on the Plat. When a Unit is conveyed, the following shall also be included as appurtenances thereto: (a) an undivided percentage share in the Common Elements and Common Surplus as provided herein; (b) the exclusive right to use such portion of the Common Elements as may be provided by this Declaration and as may not be separately conveyed in accordance with this Declaration; (c) an exclusive easement for the use of the airspace occupied by the Unit as it exists at any particular time and as the Unit may lawfully be altered or reconstructed from time to time, provided that an easement in a space that is vacated shall be terminated automatically; and (d) a percentage share in other appurtenances as may be provided in this Declaration.

1.23 "Unit Owner" means the person or persons whose estates or interests, individually or collectively, make up the fee simple ownership of a Unit and of the percentage of undivided interest in the Common Elements as provided herein.

Whenever the context permits hereunder, use of the plural shall include the singular, use of the singular shall include the plural, and the use of any gender shall be deemed to include all genders.

ARTICLE II SUBMISSION OF PROPERTY TO ACT

By this Declaration, the Declarant hereby submits the Parcel and the Property to the provisions of the Act.

ARTICLE III NAME AND ADDRESS

The name of the Condominium is University Downs Condominium, a condominium. The Condominium is generally located at the following street address: 120 15th Street, Tuscaloosa, Alabama 35401, Tuscaloosa, County of Tuscaloosa, Alabama 35401. The name of the Condominium Association is University Downs Condominium Association, Inc.

ARTICLE IV DESCRIPTION OF PROPERTY

4.01. The Property described in Exhibit A attached hereto is hereby submitted to the condominium form of ownership. The Property is located entirely in Tuscaloosa County, Alabama. The Buildings consist of 72 Units.

4.02. The boundaries of each Unit are as shown on the Plat, reference to which is hereby made in aid of and as a part of this description.

4.03. Each Unit is assigned a number or letter or a combination thereof, which is indicated on the Plat and also as listed on Exhibit F attached hereto.

4.04. The Common Elements shall consist of all portions of the Condominium that are

not Units, together with the property, items or other rights listed on Exhibit E attached hereto and incorporated herein by reference.

4.05. The Limited Common Elements shall include the limited common areas located substantially as shown on the Plans along with all areas defined as Limited Common Areas under the Act.

4.06 Also, subject to any applicable provisions of Section 20.04 hereof, Declarant, for itself and/or an Affiliate of Declarant, further reserves the right to add all or any portion of the Additional Property, together with any improvements constructed or existing thereon at the time of submission which may eventually consist of as many as eighteen (18) residential buildings containing not more than three hundred eighty (380) Units, to the Condominium Property within the maximum time-frame from the conveyance of the first Unit in the Condominium: (a) eight (8) years with respect to the UD I Remaining Property, twelve (12) years with respect to the UDII Property, and ten (10) years with respect to the Regency Oaks Property. Any additional phase, from the aesthetical and all other perspectives including, without limitation, the style and size of building and Units shall be within Declarant's sole discretion, and no assurances are made with respect thereto. The submission of the Additional Property may be accomplished in one or more phases with no maximum time period for doing so, by filing an amendment to the Declaration, which amendment only needs to be signed by the Declarant, or applicable Affiliate of Declarant. If all or any portion of the Additional Property is later submitted to the Condominium form of ownership by amendment to this Declaration, the Additional Property may only be added if developed in conjunction with the allocation of percentage ownership of the Common Elements, the sharing of Common Expenses and the allocation of voting rights as set forth in Article XX hereof. NOTHING CONTAINED HEREIN SHALL OBLIGATE THE DECLARANT TO SUBMIT ANY OR ALL OF THE ADDITIONAL PROPERTY TO THE CONDOMINIUM AND DECLARANT MAY SUBMIT ALL, PART OR NONE OF THE ADDITIONAL PROPERTY. ANY PART OF THE ADDITIONAL PROPERTY NOT SUBMITTED TO THE CONDOMINIUM PROPERTY MAY BE DEVELOPED OR USED BY THE DECLARANT IN ANY MANNER IT DEEMS PROPER THAT IS IN ACCORDANCE WITH GOVERNMENTAL REGULATIONS.

ARTICLE V COMMON ELEMENTS

5.01. Each Unit Owner shall be entitled to an ownership in the Common Elements allocated to their respective Unit as is reflected on Exhibit F attached hereto and incorporated herein by reference. The ownership interest in the Common Elements shall be an undivided interest, and except as provided in the Act, shall remain undivided. No Unit Owner shall bring any action for partition or division of the Common Elements. The ownership interest in the Common Elements shall not be conveyed, transferred, encumbered, or otherwise affected separate from the ownership of the Unit, and any agreement to the contrary shall be void.

5.02. Each Unit Owner shall have the right to use the Common Elements (except any portions of the Property subject to leases made by Declarant or made by or assigned to the Board) in common with all other Unit Owners, as may be required for the purposes of access,

ingress to, egress from, use, occupancy, and enjoyment of the respective Unit owned by such Unit Owner. The Unit Owner shall have the right to the exclusive use and possession of the Limited Common Elements serving his/her Unit. The right to use the Common Elements and Limited Common Elements shall be subject to and governed by the provisions of the Act and the Condominium Documents. The Association shall have the authority to lease, grant concessions, or grant easements with respect to parts of the Common Elements, subject to the provisions of the Condominium Documents.

5.03. Each Unit Owner shall be liable for a proportionate share of the Common Expenses, and the proportionate share of Common Expenses shall be the same ratio as his percentage of ownership in the Common Elements. Payment of Common Expenses shall be in such amounts and at such times as determined by the Association pursuant to the Bylaws. No Unit Owner shall be exempt from payment of his or her proportionate share of the Common Expenses by waiver or nonuse or nonenjoyment of the Common Elements, or by abandonment of his Unit.

5.04. If any Unit Owner shall fail or refuse to make any payment of the Common Expenses when due, the amount due, together with interest thereon at the maximum percentage annual rate of interest as may then be permitted under the laws of the State of Alabama from and after the date said Common Expenses become due and payable, shall constitute a lien on the interest of the Unit Owner in the Property.

5.05. The Common Surplus shall appertain to the Units in proportion to the liability for Common Expenses appertaining to each Unit; or in the alternative, such Surplus or any portion thereof may be added to a reserve fund for maintenance, repair, and replacement of the Common Elements, at the sole discretion of the Association.

ARTICLE VI EASEMENTS AND TITLE EXCEPTIONS

6.0. The Condominium Property shall be, and the same is hereby declared to be, subject to the restrictions, easements, conditions and covenants prescribed and established herein and to the restrictions, easements, conditions and limitations now of record affecting the Condominium Property, which easements and restrictions are more particularly described in Section 6.10 hereof.

6.02. Utility easements are reserved throughout the whole of the Property, including Units, as may be required for utility services (including, without limitation, water, sewer, gas, electricity, telephone and cable television) in order to adequately serve the Condominium Property.

6.03. There may be utility equipment located in or on the Common Elements appurtenant to some Units. An easement is hereby reserved in favor of each Unit for the purpose of placement, maintenance, repair and replacement of said utility equipment by the Developer and the Owner of the appurtenant Unit; provided that no utility equipment shall be placed in any part of the Common Elements or Limited Common Elements other than its present location

unless the written approval of the Association shall have first been obtained. The Association shall have the right to grant such permits, licenses and other easements over the Common Elements for utilities, roads and other purposes necessary for the due and reasonable operation of the Condominium.

6.0. The Common Elements shall be, and the same are hereby declared to be, subject to a perpetual nonexclusive easement of way over all roads, parking areas, walkways, halls, stairways, and other common areas, in favor of all Unit Owners and the Developer for all proper and nominal purposes and for the furnishing of services and facilities for which the same are reasonably intended for the enjoyment of said Unit Owners and the Developer, subject to all restrictions in the Condominium Documents. The Limited Common Elements shall be subject to a nonexclusive easement in favor of the Association for repair, service and other uses reasonably intended or required by the Association.

6.05. Each Unit Owner shall have a nonexclusive easement for use of any property hereafter acquired by the Association for the common benefit of the Owners by purchase, lease or otherwise, for all normal and proper purposes for which the same are reasonably intended, subject to all restrictions in the Condominium Documents and the Rules and Regulations.

6.06. To the extent that any Unit, or any Common Element or Limited Common Element encroaches on any other Unit, Common Element, or Limited Common Element, whether by reason of any deviation from the Plat and Plan, or by reason of the settling or shifting of any land or improvement, a valid easement shall exist for the encroachment and/or the maintenance of the same, so long as the encroaching Unit, Common Element or Limited Common Element stands. A valid easement shall not relieve a Unit Owner from liability for such Unit Owner's wrongful acts.

6.07. Each Unit, Common Element and Limited Common Element shall have an easement of support from every other Unit, Common Element, and Limited Common Element which provide such support.

6.08. The Association may, but shall not be obligated to, dispense chemicals for the extermination of insects and pests within the Units and Common Elements. In the event the Association chooses to provide such pest control services, the Association and its duly authorized contractors, representatives and agents shall have an easement to enter Units for the purpose of dispensing chemicals for the exterminating of insects and pests within the Units and Common Elements. Unit Owners shall either provide a key to the Unit for purpose of such entry or have someone available at such times as are designated by the Board to allow entry in to the Unit for this purpose. The Association shall not be liable for any illness, damage or injury caused by the dispensing of pest chemicals for this purpose.

6.09. The easements and other rights created herein for the Unit Owners shall be appurtenant to the Unit of that Owner and all conveyances of title to the Unit shall include a conveyance of the easements and rights as herein provided even though no specific reference to such easements and rights appears in such instrument.

6.10. The Condominium Property is declared to be subject to the following restrictions, easements, conditions and limitations:

(A) The terms, conditions, covenants, and provisions of this Declaration, the Articles of Incorporation and By-Laws of the Association, and the Rules and Regulations Concerning the Use of University Downs Condominium, a Condominium;

(B) Sewer, water, electric, telephone, and other utility easements, if any, now or hereafter placed of record, including the right to erect, maintain and install all electrical, telephone and television wires, cables and conduits, sewers, water pipes and drains, and other improvements for public conveniences or utilities in, on, under, over, and through the Condominium;

(C) Easements existing and to be created for ingress and egress to the Condominium;

(D) Any and all other easements pertaining or applying to any Common Elements; and

(E) Those other matters listed on Exhibit G attached hereto and incorporated herein by reference.

ARTICLE VII SPECIAL DECLARATION AND DEVELOPMENT RIGHTS

7.01. The Developer reserves the right (1) to change the interior design and arrangement of all Units, including without limitation, the erection or removal of interior walls, fixtures, plumbing, electrical wiring, doors, flooring, heating and air conditioning, ventilation and ducts, and (2) to alter the boundaries between Units and (3) to increase or decrease the number of Units so long as the Developer owns the Units so altered. Any changes in the boundaries between Units shall be reflected by an amendment to the Plat and Plan and, if necessary, an amendment to this Declaration. If two (2) adjoining Units are combined by the Developer to make one (1) large Unit, the Association's assessments and the ownership interest in the Common Elements attributable to the combined Unit shall remain as though there are two (2) separate Units. An amendment to the Plan or this Declaration reflecting an alteration of the boundaries of the Units owned by the Developer must be signed and acknowledged only by the Developer and need not be approved by the Unit Owners and Mortgagees, whether or not such approval may elsewhere be required herein; provided, however, that any change which shall result in a change in the undivided interest in the Common Elements or the Limited Common Elements or a change in the share of the Common Expenses or the Limited Common Expenses with respect to Unit Owners other than the Developer at the time of such change or which shall result in the alteration of boundaries of Units (other than the common walls separating the Units owned by the Developer) may not be made without an amendment of this Declaration approved by the Unit Owners and Mortgagees in the manner elsewhere required herein.

7.02. The Developer expressly reserves the right of the recordation of this Declaration

to increase the size of any Unit created by this Declaration and owned by the Developer and to increase the height of any wall on the Property without the consent of any owner or Mortgagee. There is no limitation on this option to increase the size of the Units.

7.03. All Units and the Common Elements shall be subject to all statutory and all other rights concerning sales and management offices and models in Units and the Common Elements in favor of the Developer provided in § 35-8A-215 of the Act. The Developer otherwise expressly reserves the right to use one (1) or more Units owned by the Developer as models, and any portion of the Common Elements or one (1) or more Units for management offices and/or sales and leasing offices. The Developer reserves the right to relocate offices and/or models from time to time within the Property. Upon relocation or sale of a model, the management office or sales office and the furnishings thereof may be removed by the Developer. The Developer further reserves the right to maintain on the Common Elements advertising signs in any location or locations and from time to time to relocate and/or remove the same, all in the sole discretion of the Developer.

7.04. Subject to the rights of the Mortgagees hereunder, neither the Unit Owners nor the Board, nor their use of the Condominium Property or application of this Declaration shall interfere with the completion of the sales of the Units in the Condominium until the Developer has closed the sales of all of such Units. Subject to the rights of the Mortgagees hereunder, the Developer may make such use of the unsold Units and of the Common Elements as may facilitate such sale, including, but not limited to, maintenance of a sales office, management office and model units, the showing of the Condominium Property and the Units therein, and the display of signs thereon and therein. These Special Declarant Rights exist so long as the Developer owns any Unit in the Condominium or holds any Unit in the Condominium for sale in the ordinary course of business or leases any Unit it owns. The Developer expressly reserves the right to lease any Unit which it may own in the Condominium Property on such terms as it may deem proper and desirable and may transfer Units subject to such lease, including leasing such Unit(s) to the Association for use as a management, sales, or leasing office.

7.05. All rights of Declarant under this Article VII shall continue until the later of the submission of all of the Additional Property to the Condominium or the expiration of the time periods as set forth in 4.06 above.

ARTICLE VIII ORGANIZATION AND MANAGEMENT

8.01. The Association shall be responsible for the management of the Common Elements. The powers and duties of the Association shall include those set forth in the Act, the Alabama Nonprofit Corporation Act (Ala. Code Sections 10-3A-1 to 225), this Declaration, the Articles of Incorporation and the By-Laws. The Association and the Board may contract, in whole or in part, for the performance of any of the management duties of the Condominium and delegate to such contractor all powers and duties of the Association, except such as are specifically required to be performed by the Association by the Act or by the Condominium Documents. The Association and the Board may, in its sole discretion, enter into such contracts with third parties affiliated with any Member of the Association, with any Board Member, or

with the Declarant, so long as the terms of said contracts are reasonably related to the goods or services to be provided by the affiliated third party or parties.

8.02. The Members of the Association shall constitute all record owners of the Units. Change of membership in the Association shall be established by recording in the Probate Court of Tuscaloosa County, Alabama, the deed or other instrument establishing record fee simple title to a Unit of the Condominium Property, and the delivery to the Association of a certified copy of such instrument, the Owner designated by such instrument thereby becoming a record Unit Owner and a Member of the Association. Membership of the prior Owner shall thereby be terminated. All present and future Owners, tenants and occupants of the Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations. The votes shall be cast in the manner provided in the Articles and Bylaws of the Association. Each Unit shall be allocated one (1) vote.

8.03. The By-Laws of the Association shall be in the form attached as to this Declaration, and made a part hereof for all purposes, and may be amended from time to time as set forth therein.

8.04 Notwithstanding anything contained herein to the contrary, unless a specific voting requirement in excess of a simple majority is required for either a vote of the Board or a vote of the Members, any such voting requirements shall be construed to require only a simple majority

**ARTICLE IX
ASSESSMENTS**

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9.01 The Association is given the authority to administer the operation and the management of the Common Elements and Condominium Property, it being recognized that the delegation of such duties to one entity is in the best interest of the Owners of all Units. To provide the funds necessary for such proper operation, the Association is hereby granted the right to make, levy, and collect assessments against the Unit Owners to pay Common Expenses and such other expenses which the Association is authorized to incur under the terms and conditions of this Declaration

9.02 All assessments for the payment of Common Expenses shall be levied annually and paid monthly by the Unit Owners, and unless specifically otherwise provided for in this Declaration, each Unit shall bear the same percentage share of such assessment as the percentage share of ownership for the undivided interest in the Common Elements and Limited Common Elements appurtenant to said Unit; provided, however, the Declarant and the Association shall have the right, but not the obligation, to elect not to make an assessment for Common Expenses or required reserves for such period of time as they shall choose, upon condition that the Declarant pay and guarantee all Common Expenses and required reserves incurred prior to making assessments therefor against Unit Owners. The assessments for Common Expenses shall be payable commencing on the date of the purchase of a Unit.

9.03 Assessments levied by the Association shall include an adequate reserve fund for maintenance, repair and replacement of those Common Elements and Limited Common Elements that must be replaced or repaired on a periodic basis, and may be payable in regular installments or by Special Assessments.

9.04 Within sixty (60) days prior to the beginning of each fiscal year of the Association, the Board shall adopt a proposed annual budget for the next fiscal year, and such budget shall project the amount of funds for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Property, including reasonable allowances for contingencies and reserves therefor if the Board shall so provide, in accordance with the Act and this Declaration. Said budget shall take into account any projected anticipated income which is to be applied in reduction of the amounts required to be collected as an assessment each year. Within thirty (30) days after adoption of such annual budget by the Board, copies of said budget shall be made available to each Member. The Board shall set a date for a meeting of the Members to consider ratification of the budget not less than fourteen (14) nor more than thirty (30) days after mailing or delivering the budget to the Members. Unless at such meeting a majority of the Members present in person or by proxy reject the budget, the budget is deemed ratified. In the event the proposed budget is rejected, the budget for the preceding year shall continue in effect until such time as a new budget is ratified. If the budget is ratified, the assessment for said year shall be established based upon such budget. Should the Board at any time determine in its sole discretion that the assessments levied are or may prove to be insufficient for any reason including emergencies and nonpayment of any Unit Owner's assessment, the Board shall have the authority to levy such additional assessments as it shall deem necessary in accordance with the applicable provisions of the Condominium Documents and the Act.

9.05 The omission by the Association, before the expiration of any year, to fix the assessments for that or the next year shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of any Unit Owner from the obligation to pay assessments or any installment thereof for that or any subsequent year, but the assessment fixed for the preceding year shall continue until a new assessment is fixed.

9.06 The Association shall keep detailed, accurate records in chronological order of the receipts and expenditures affecting the Common Elements and Limited Common Elements, specifying and itemizing the maintenance and repair expenses of the Common Elements, Limited Common Elements and any other expenses incurred. Records and vouchers authorizing the payments, together with other books, records and financial statements of the Association shall be available for examination by any Member or Member's representative, or by holders, insurers and guarantors of Mortgages secured by Units, during regular business hours in a location designated by the Board.

9.07 Each Unit Owner shall be assessed and is individually liable for each Unit Owner's proportionate share of the Common Expenses. Each Unit Owner shall be assessed and is individually liable for the Limited Common Expenses arising out of the Limited Common Elements appurtenant to such Owner's Unit.

9.08 All Unit Owners shall be obligated to pay the assessment for Common Expenses or for the Limited Common Expenses adopted by the Board pursuant to the terms of this Declaration. No Unit Owner may be exempted from liability for such Unit Owner's contribution toward Common Expenses or Limited Common Expenses by waiver of the use or enjoyment of any of the Common Elements, Limited Common Elements or by abandonment of a Unit. No Unit Owner shall be liable for the payment of any part of the Common Expenses or Limited Common Expenses assessed against such owner's Unit subsequent to a sale or other conveyance by the owner of such Unit. The purchaser of a Unit shall be jointly and severally liable with the selling Unit Owner for all unpaid assessments against such Unit up to the time of conveyance without prejudice to the purchaser's right to recover from the selling Unit Owner the amounts paid by the purchaser therefor. Whenever any Unit may be sold or mortgaged by the owner thereof, the Association, upon request of the owner or purchaser of such Unit, shall furnish to the owner, the purchaser, any proposed Mortgagee, or any closing agent, within the time period prescribed by the Act, a statement verifying the status of the payment of any assessment which shall be due and payable to the Association by the owner of such Unit and other information required by the Act. Any purchaser, proposed Mortgagee or closing agent may rely upon such statement in concluding the proposed purchase or mortgage transaction, and the Association shall be bound by such statement without prejudice to the right of the Association to recover from the selling owner the correct amount due. In the event that a Unit is to be sold or mortgaged when any assessment is outstanding against the Owner of such Unit and such assessment due the Association is in default, the purchase or mortgage proceeds shall first be applied by the purchaser or Mortgagee to the payment of any delinquent assessment or installment due the Association before application of the payment to the selling Unit Owner.

9.09 The obligation to pay any assessment or installment thereof due the Association shall be in default if such Assessment or any installment thereof is not paid to the Association on or before the due date for such payment. When in default, the delinquent assessment or delinquent installment due the Association shall bear interest at the rate established by the Board, not to exceed the maximum interest rate per annum allowed by law, until such delinquent assessment or installment and all interest due thereon has been paid in full. The Association shall have a lien against Units for delinquent assessments. Said lien shall secure the monies due for all assessments then or thereafter levied against each Unit, and such lien shall also secure interest, if any, which may be due on the amount of any delinquent assessment owing the Association. Said lien shall also secure all costs and expenses, including late penalties and reasonable attorney fees and court costs incurred by the Association in collecting delinquent assessments and enforcing the same upon said Unit and its appurtenant undivided interest in the Common Elements or Limited Common Elements. The lien granted to the Association may be foreclosed in the same manner as real estate mortgages in the State of Alabama. The lien granted to the Association shall further secure such advances for taxes and payment on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to protect and preserve its lien, and the Association shall further be entitled to interest on any such advance made for such purpose. 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 rights granted to the Association and such interest in any Unit shall be acquired expressly subject to the lien. The lien herein granted to the Association shall be effective from and after the time of

the recording of this Declaration in the Probate Court of Tuscaloosa County, Alabama, and no further recordation of any claim of lien for assessment under this section is required. Such lien shall include only assessments which are due and payable when the action to enforce the lien is commenced plus late penalties and penalties imposed by the Association for violations of the Rules and Regulations, interest, costs, reasonable attorneys' fees, advances to pay taxes and prior encumbrances and interest thereon, all as above provided.

9.10 Institution of a suit at law to collect payment of any delinquent assessments shall not be deemed to be an election by the Association which shall prevent its thereafter seeking enforcement of the collection by foreclosure of any sums remaining owing to it, nor shall proceeding by foreclosure to effect such collection be deemed to be an election precluding the institution of a suit at law to collect any sum then remaining owing to the Association. The Association shall be entitled to bid at any sale held in connection with the foreclosure of the assessment lien and may apply as a cash credit against its bid all sums secured by the lien enforced.

ARTICLE X RESTRICTIONS ON USE

10.01 The Association is authorized to promulgate, amend and enforce Rules and Regulations from time to time provided that such Rules and Regulations are not contrary to or inconsistent with the Act and the Condominium Documents. The initial Rules and Regulations are as set forth in 10.02 below. A copy of the Rules and Regulations shall be furnished by the Board to each Unit Owner prior to the time they become effective. All present and future Unit Owners, tenants, occupants, and any person who uses any part of the Condominium Property in any manner, are subject to, and shall comply with the provisions of the Condominium Documents and the Rules and Regulations. The acquisition, rental or occupancy of a Unit or the use of any part of the Condominium Property by any one (1) person shall constitute such person's agreement to be subject to and bound by the provisions of the Condominium Documents and the Rules and Regulations, and such provisions shall be deemed to be enforceable as equitable servitudes and 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 in full in each and every deed of conveyance or lease thereof. The Association may promulgate enforcement provisions for violation of any Rule or Regulation by a Unit Owner, a Unit Owner's family members, guests, invitees, lessees or renters, including the payment of penalties for such violations. THE ASSOCIATION MAY MODIFY, AMEND OR EXPAND THE RULES AND REGULATIONS AT ANY TIME.

10.02 The use of the Condominium Property is subject to the following initial Rules and Regulations and, to the extent applicable, the following restrictions:

(A) Each Unit is hereby restricted to residential use and the parking spaces located upon the Common Areas shall be used exclusively for the parking of passenger automobiles (including sport utility vehicles, pick-up trucks and similar vehicles).

(B) There shall be no obstruction of the Common Elements or Limited Common Elements, nor shall anything be kept or stored in the Common Elements or Limited Common Elements nor shall anything be constructed on or planted in or removed from the Common Elements or Limited Common Elements, nor shall the Common Elements in any other way be altered without the prior written consent of the Association.

(C) No immoral, improper, offensive or unlawful use shall be made of any Unit or Common Elements or Limited Common Elements, or any part thereof, and all laws, zoning ordinances and regulations of all governmental authorities having jurisdiction over the Condominium Property shall be observed.

(D) No Owner shall permit anything to be done or kept on the Condominium Property which will result in any increase of fire or hazard insurance premiums or the cancellation of insurance on any part of the Condominium Property, or which would be in violation of any law. No waste shall be committed to the Common Elements or Limited Common Elements.

(E) No sign of any kind shall be displayed on or from any part of the Condominium Property, without the prior written consent of the Board, except signs temporarily used by the Developer in the selling or leasing of the Units.

(F) No noxious or offensive activities shall be carried on, nor shall any outside lighting or sound speakers or other sound producing devices be used, nor shall anything be done, on any part of the Condominium Property which, in the judgment of the Board, may be or become an unreasonable annoyance or nuisance to the other Owners.

(G) No Owner shall cause or permit anything to be placed on the outside walls of an Owner's Unit, and no sign, awning, canopy, window air conditioning unit, shutter, or other fixture shall be affixed to or placed upon the exterior walls or roof of any building or any part thereof, without the prior written consent of the Board.

(H) No clothes, sheets, blankets, towels, laundry of any kind or other articles shall be hung out or exposed on balconies, railings, furniture or on any part of the Common Elements or Limited Common Elements. The Common Elements and Limited Common Elements shall be kept clear of rubbish, debris and other unsightly materials.

(I) No waterbed shall be placed or utilized in any Unit.

(J) Subject to, and as may be superseded by, any applicable FCC rules or regulations, no radio or television antenna or satellite dish shall be attached to or hung from the exterior of any building without the prior written approval of the Board, which approval shall not be unreasonably withheld.

(B) There shall be no obstruction of the Common Elements or Limited Common Elements, nor shall anything be kept or stored in the Common Elements or Limited Common Elements nor shall anything be constructed on or planted in or removed from the Common Elements or Limited Common Elements, nor shall the Common Elements in any other way be altered without the prior written consent of the Association.

(C) No immoral, improper, offensive or unlawful use shall be made of any Unit or Common Elements or Limited Common Elements, or any part thereof, and all laws, zoning ordinances and regulations of all governmental authorities having jurisdiction over the Condominium Property shall be observed.

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(J) Subject to, and as may be superseded by, any applicable FCC rules or regulations, no radio or television antenna or satellite dish shall be attached to or hung from the exterior of any building without the prior written approval of the Board, which approval shall not be unreasonably withheld.

(K) No one shall use or permit to be brought into any Unit or upon any of the Common Areas and facilities any inflammable oils or fluids such as gasoline, kerosene, naphtha or benzene, or other explosives or articles deemed extra hazardous to life, limb or property, without the written consent of the Board of the Association.

(L) Any business, trade, garage sale, moving sale, rummage sale, or similar activity, is expressly prohibited at or about the Condominium, whether within a Unit or otherwise, except that an Owner or occupant residing in a Unit may conduct business activities within the Unit so long as: (i) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Unit; (ii) the business activity conforms to all zoning and other legal requirements for the Condominium; (iii) the business activity does not involve door-to-door solicitation of residents of the Condominium; (iv) the business activity does not, in the Board's reasonable judgment, generate a level of vehicular or pedestrian traffic which is noticeably greater than that which is typical of Units in which no business activity is being conducted; (v) the business activity is consistent with the residential character of the Condominium and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Condominium, as may be determined in the sole discretion of the Board. The terms "business" and "trade", as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether (i) such activity is engaged in full or part-time, (ii) such activity is intended to or does generate a profit, or (iii) a license is required. Leasing or rental of a Unit shall not be considered a business or trade within the meaning of this subsection. This subsection shall not apply to any activity conducted by Declarant with respect to its development and sale of the Condominium or its use of any Units which it owns within the Condominium, including the operation of a rental or leasing program to which certain Units within the Condominium may be subject.

10.03 Entire Units may be leased by the Unit Owners; provided, however, that any such lease and the rights of any tenant thereunder are hereby made expressly subject to the power of the Association to prescribe reasonable rules and regulations relating to the lease and rental of Units and to enforce the same directly against such tenant or other occupant by the exercise of such remedies as the Board deems appropriate and, further, the Association may prescribe and/or require the form of lease to be utilized; provided, however, that no restrictions shall be imposed which shall have the individual or cumulative effect of prohibiting or materially impairing the rental or lease of Units. Further, all leases must be in writing, with a copy provided to the Association no later than five (5) days of the execution thereof. No lease shall be entered into for a period of less than six (6) months. This restriction on use shall be a covenant running with each Unit, creating a burden on each single Unit and Unit Owner for the benefit of every other Unit and Unit Owner. Notwithstanding anything contained in this Section 10.03 to the contrary, each Unit Owner shall be responsible for the actions of his tenants and nothing herein or in any such lease shall relieve a Unit Owner of his obligations under this Declaration, the Articles of Incorporation, the By-Laws or the Rules and Regulations. Each Unit Owner who has or who shall lease his Unit irrevocably empowers and authorizes the Association or its managing agent to enforce the Rules and Regulations of the Association and to terminate the lease of and evict

any tenant who fails to comply with said rules or who provides other sufficient cause for termination of the lease and eviction in accordance with the laws of the State of Alabama, this Declaration, the By-laws, the Rules and Regulations, or any contract for lease. The Association, the Board or its managing agent shall not become liable to any Unit Owner or sublessor or other party for any loss of rents or other damages resulting from the reasonable exercise of the provisions of this Section. THE PROVISIONS OF THIS SECTION SHALL NOT BE APPLICABLE TO THE DEVELOPER WHO IS IRREVOCABLY EMPOWERED WITHOUT ANY LIMITATION AT ALL TIMES, WHETHER FOR PERMANENT OR TEMPORARY OCCUPANCY TO SELL, LEASE OR RENT UNITS FOR ANY PERIOD AND UNDER ANY TERMS TO ANY LESSEES OR PURCHASERS OR TRANSFEREES WITH THE RIGHT TO TAKE ANY ACTION NECESSARY TO CONSUMMATE THE SALE OR RENTAL OF SAID UNITS, INCLUDING, BUT NOT LIMITED TO, THE RIGHT TO MAINTAIN MODEL UNITS, POST SIGNS, HAVE EMPLOYEES IN THE OFFICES MAINTAINED IN THE CONDOMINIUM BUILDINGS, USE THE COMMON ELEMENTS AND SHOW UNITS TO PROSPECTIVE TENANTS. SALES AND RENTAL OFFICE SIGNS AND ALL ITEMS PERTAINING TO THE RENTAL OR SALE OF UNITS SHALL NOT BE CONSIDERED COMMON ELEMENTS AND SHALL REMAIN THE PROPERTY OF THE DEVELOPER.

10.04 Each Unit Owner grants a right of access to such Owner's Unit to the Association, and to any other person authorized by the Association for the purpose of making inspections and for the purpose of correcting any condition originating in an Owner's Unit and threatening other Units, Common Elements or Limited Common Elements or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements within an Owner's Unit, if any, or to correct any condition which violates the provisions of any Mortgage covering another Unit, or to enforce any provision of the Condominium Documents, provided that requests for entry are made in advance and that such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate whether the Unit Owner is present at the time or not. Each Unit Owner further grants a right of access to such Owner's Unit to the Developer and/or the Developer's agent for the purpose of making all repairs required by any warranty delivered to the Unit Owner at the closing of the sale of an Owner's Unit. To the extent that damages inflicted on the Common Elements, Limited Common Elements or any Unit through which access is taken, the Unit Owner or the Association, if it causes the same, shall be liable for the prompt repair thereof. Keys will be supplied by each Unit Owner in furtherance, and in order to accommodate, the Association's rights hereunder.

10.05 The Association shall not be liable for any failure of water or power supply, telephone, security, fire protection or other service to be obtained by the Association or paid for out of the Common Expense funds or problems resulting from the operation or lack of operation of sewer lines servicing the Condominium Property, or for injury or damage to a person or property caused by the natural elements or resulting from electricity, water, snow or ice which may leak or flow from any portion of the Common Elements, Limited Common Elements or from any wire, pipe, drain, conduit, appliance or equipment. The Association shall not be liable to the Owner of any Unit for the loss or damage, by theft or otherwise, of articles which may be stored upon any of the Common Elements or Limited Common Elements. No diminution or

abatement of the Common Expense assessments, as herein elsewhere provided, shall be claimed or allowed for any reason, except by action taken by the Board in accordance with the By-Laws.

10.06 The violation of any Rule or Regulation adopted by the Board or breach of the provisions of the Condominium Documents, shall give the Developer, the Association, or any Unit Owner the right, in addition to any other right or remedy elsewhere available, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach. All expenses of such actions or proceedings against a defaulting Unit Owner, including court costs, attorneys' fees and other fees and expenses, and all damages, liquidated or otherwise, together with interest thereon at the highest lawful rate on judgments until paid, shall be charged to and assessed against such defaulting Unit Owner, and the Association shall have a lien for all of the same upon the Unit of such defaulting Unit Owner, upon all of such defaulting Unit Owner's additions and improvements and a security interest under the Alabama Uniform Commercial Code upon all of such defaulting Unit Owner's personal property located in the defaulting Unit or elsewhere on the Condominium Property. Nothing herein contained shall prevent a Unit Owner from maintaining such an action or proceeding against the Association and the expense of any action to remedy a default of the Association shall be a Common Expense if a court of competent jurisdiction finds the Association to be in default as alleged in such action or proceeding.

10.07 Failure of the Association to insist in any one or more instances upon the strict performance of any of the terms, covenants, conditions or restrictions of this Declaration, or to exercise any right or option herein contained, or to serve any notice or to institute any action shall not be construed as a waiver or a relinquishment from the future performance of such term, covenant, condition or restriction, but such term, covenant, condition or restriction shall remain in full force and effect. The receipt by the Association of any assessment from a Unit Owner with knowledge of the breach of any covenant hereof shall not be deemed to be a waiver of such breach and no waiver by the Association of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Board

ARTICLE XI RIGHTS OF MORTGAGEES

11.01 Any Mortgagee of a Unit shall have the right to be given written notification by the Association of (a) any default by the Unit Owner in the payment of assessments or in any other provision of the Condominium Documents; (b) any loss to or taking of the Common Elements or Limited Common Elements if such loss or taking, should in the opinion of the Board, be estimated to exceed Ten Thousand and No/100 Dollars (\$10,000.00); (c) damage to a Unit covered by the Mortgage if the amount of such damage exceeds Ten Thousand and No/100 Dollars (\$10,000.00); (d) any condemnation of all or a portion of the Condominium Property; (e) a lapse or cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and (f) any proposed action that requires the consent of a specified percentage of Mortgagees.

11.02 Mortgagees shall have the right to examine the books and records of the Association or the Condominium Property and to receive annual reports, other financial data,

and, upon Mortgagee's request, a copy of the annual compiled statement, if any, within one hundred twenty (120) days following the end of any fiscal year of the Association.

11.03 (A) Any lien which is or may be created hereunder upon any Unit including, but not limited to, the lien created for assessments herein and the right to foreclose the same is and shall be subject and subordinate to and shall not affect the rights of the holder of the indebtedness secured by any Mortgage upon such interest made in good faith and for value and recorded prior to the creation of the lien hereunder provided that, after the foreclosure of any such mortgage there may be a lien created pursuant to this Declaration on the interest of the purchaser as a Unit Owner after the date of such foreclosure sale to secure all assessments hereunder. After the date of such foreclosure sale, said lien, if any, shall be claimed and shall have the same effect and be enforced in the same manner provided herein. Notwithstanding the foregoing, the lien created pursuant to this Declaration is prior to any Mortgage to the extent of the Common Expense assessments based on the annual budget which would have become due in absence of acceleration during the six (6) months immediately preceding institution of an action to enforce the lien.

(B) No provision of this Declaration, the Articles, the By-Laws or the Rules and Regulations shall be construed to grant to any Unit Owner or any other party any priority over any rights of the Mortgagees of the Units pursuant to their Mortgages in the case of distribution to Unit Owners of insurance proceeds or condemnation awards.

(C) All assessments, property taxes and other charges imposed by any taxing authority which may become liens prior to a mortgage, shall be separately assessed against and collected on each Unit as a single parcel, and not on the Condominium Property as a whole.

(D) No breach of the covenants, conditions or restrictions herein contained shall defeat or render invalid the lien of any Mortgage made in good faith and for value, but all of said covenants, conditions and restrictions shall be binding upon and effective against any Unit Owner whose title is derived through foreclosure or otherwise.

11.04 Whenever any Mortgagee desires the benefit of the provisions of this Article to be applicable to such Mortgagee, the Mortgagee shall serve written notice of such fact upon the Association, by registered or certified mail, addressed to the Association, and actually mailed to the Association's address, identifying the Unit upon which it holds a mortgage or identifying any Units owned by it, together with sufficient pertinent facts to identify any mortgage which may be held by the Mortgagee. Said notice shall designate the place to which the notices are to be given by the Association to such Mortgagee.

11.05 The entire Condominium Property, 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 Condominium 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.

ARTICLE XII MAINTENANCE, ALTERATION, AND IMPROVEMENTS

12.01. (1) The Association, as a Common Expense, shall maintain, repair, and replace if necessary the following:

- (a) All portions of the Common Elements and Limited Common Elements.
- (b) All conduits, ducts, plumbing, wiring, and other facilities for the furnishing of utility services that are contained within a Unit that are not the responsibility of a Unit Owner under Paragraph 12.02, hereof.

(2) The Association may enter into a contract with any firm, person, or corporation, or may join with other entities in contracting for the maintenance and repair of the Condominium Property and other type properties, and may delegate to such agent all or any portion of the powers and duties of the Association, except such as are specifically required by the Condominium Documents to have the approval of the Members of the Association; provided, however, that any such contract shall be for a term not to exceed one year, and shall provide that it may be terminated by either party, without cause or payment of any fee, on not more than ninety (90) days' prior written notice.

12.02. Each Unit Owner shall maintain his Unit and the interior thereof in good tenantable condition and repair, and shall repair, maintain, and replace if necessary the following:

(1) The fixtures and equipment in his Unit, including the refrigerator, stove, fans, dishwasher, and all other appliances, drains, plumbing fixtures and connections, sinks, and plumbing within the Unit; electric panels, wiring, outlets, and electric fixtures within the Unit; interior doors, windows, screening and glass, including glass between the Unit and any patio or deck adjacent to such Unit; all exterior doors, except the painting of the exterior faces of exterior doors which shall be a responsibility of the Association; and all wall coverings and carpeting within a Unit.

(2) The plumbing, heating, ventilation, air conditioning, and electrical systems serving only that Unit, whether located within or without the boundary of that Unit, including the heater and air conditioning compressor, hot water heaters, fuse boxes, wiring, CATV wiring, fireplace flues, and all other plumbing, electrical, gas, or mechanical systems. In the event any such system or a portion thereof is within another Unit, or requires access to another Unit, the repair, maintenance, or replacement thereof shall be performed by the Association, and the cost thereof shall constitute an Assessment against the Unit Owner responsible therefor.

12.03. Each Unit Owner agrees as follows:

(1) To perform all maintenance, repairs, and replacements that are his obligation under Paragraph 12.02, hereof.

(2) To pay for all of his utilities, including, without limitation, electricity, gas, telephone and CATV used within the Unit and all taxes or fees levied against his Unit.

(3) Not to make, or cause to be made, any repairs to any plumbing, heating, ventilation or air conditioning systems located outside his Unit but required to be maintained by him under Paragraph 12.02(2), hereof, except by licensed plumbers or electricians authorized to do such work by the Association or its delegate.

(4) Not to make any addition or alteration to his Unit or to the Common Elements or do any act that would impair the structural soundness or safety of any part of the Condominium Property. Structural alterations within a Unit may be made only with the written consent of the Association.

(5) To make no alterations, additions, improvements, decoration, repair, replacement, or change to the Common Elements, or to any outside or exterior portion of the building, specifically including, but not limited to, screening or enclosing private balconies, installing garage or other exterior doors, or affixing exterior shutters to windows, without the prior written consent of the Association. If consent is granted, the Unit Owner shall use only a licensed contractor who shall comply with all Rules and Regulations with respect to the work which may be adopted by the Association. The Unit Owner shall be liable for all damages to another Unit and to the Common Elements caused by any contractor employed by such Unit Owner or by the subcontractors or employees of such contractor, whether said damages are caused by negligence, accident, or otherwise.

(6) To allow the Association, its delegates, agents, or employees at all reasonable times to enter into any Unit for the purpose of maintaining, inspecting, repairing, or replacing Common Elements; or for repairing, maintaining or replacing any plumbing, heating, ventilation or air-conditioning system located within such Unit but serving other parts of the Condominium Property; or to determine, in case of emergency, the circumstances threatening Units or Common Elements and to correct the same; or, to determine compliance with the provisions of the Condominium Documents.

(7) To promptly report to the Association any defects or needed repairs for which the Association is responsible.

12.04. The Association shall determine the exterior color scheme of the Buildings and shall be responsible for the maintenance thereof, except as may be otherwise provided for herein. Unless specifically directed by the Association to do so, no Owner shall paint any exterior surface or add or replace anything hereon or affixed thereto.

12.05. The Association shall be responsible for the maintenance, repair, and

replacement of the Common Elements, except as otherwise provided for in Paragraph 12.02; provided, that if any repairs or replacements are made necessary because of abuse or negligent use thereof by a Unit Owner, the cost of such repair or replacement may be assessed against such Unit Owner.

12.06. Except for repairs and maintenance of the existing improvements, after the completion of the improvements in accordance with the Plans, there shall be no alteration or further improvement of the Common Elements without the prior approval of the Members. Any such alteration or improvement shall be financed and constructed in accordance with the provisions of the Bylaws.

ARTICLE XIII INSURANCE

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13.01. Insurance, other than title insurance, that shall be carried on the Property and the property of the Unit Owners shall be governed by the provisions of this Article. Insurance coverage maintained by the Association pursuant to these provisions is hereafter referred to as "Specified Insurance."

13.02. The Association shall retain the original of all insurance policies for Specified Insurance in a place of safekeeping such as a safe or a safety deposit box and shall provide copies of such policies to Mortgagees requesting such copies.

13.03. No material adverse change in the Specified Insurance provisions, including changes in the amount of coverage, the risks covered, the ratio to value of coverage, or endorsements or other changes in the coverage provisions, may be made by the Association without written notice to any Mortgagee.

13.04. Each company issuing Specified Insurance must be specifically authorized by the laws of the State of Alabama to transact such business as is necessary to provide the Specified Insurance.

13.05. The named insured on all policies of Specified Insurance shall be the Association, and in the case of property damage insurance, the Association, as agent for all Unit Owners (without naming them) and their mortgagees (without naming them), as their interests may appear.

13.06. The Board shall secure and maintain in effect a policy of property damage insurance providing coverage in an amount not less than the full replacement value of the Buildings, excluding coverage of improvements and betterments of Units made by Unit Owners, and including coverage for all improvements, fixtures and personal property included in the Common Elements. The policy shall include an "Agreed Amount Endorsement" or its equivalent, if available, or an "Inflation Guard Endorsement," if available. Such coverage shall afford protection against risks as are covered by an all-risk form and other risks which from time to time shall be customarily covered with respect to condominium buildings similar in construction, location and use as the Buildings.

13.07. The Board shall secure and maintain in effect a comprehensive general liability covering loss or damage resulting from an occurrence on the Property in a minimum amount of \$1,000,000.00 covering all claims for bodily injury or property damage, or both, arising out of a single occurrence.

13.08. Should the Association employ personnel, all coverages required by law, including worker's compensation, shall be obtained so as to meet the requirements of the law.

13.09. The Board shall secure and maintain in effect adequate fidelity coverage to protect against loss of money through dishonest acts on the part of officers, directors, employees, and all others who handle or are responsible for handling the funds of the Association, including but not limited to employees or professional managers. Such fidelity bonds shall meet the following requirements: (1) Fidelity bonds shall name the Association as an insured or obligee. (2) The bonds shall be written in an amount equal to at least one hundred and fifty percent (150%) of the estimated annual Common Expenses (including reserves) unless a greater amount is required by any governmental body. (3) The bonds shall contain waivers of any defense based on the exclusion of persons who serve without compensation from any definition of "employee" or similar expression. (4) The bonds shall provide that they may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least thirty (30) days' prior written notice to the holder of any Institutional Mortgage.

13.10. The Board shall have authority to obtain such other insurance as it deems desirable, in such amounts, from such sources and in such forms as it deems desirable. The premiums for such insurance shall be a Common Expense.

13.11. A UNIT OWNER SHALL BE LIABLE FOR ANY CLAIM, DAMAGE, OR JUDGMENT ENTERED AS A RESULT OF THE USE OR OPERATION OF HIS UNIT CAUSED BY HIS OWN CONDUCT. EACH UNIT OWNER SHALL BE RESPONSIBLE FOR OBTAINING, AND IS ENCOURAGED TO OBTAIN, HIS OWN INSURANCE ON THE CONTENTS OF HIS OWN UNIT AND THE CONTENTS OF ANY LIMITED COMMON ELEMENTS SERVING HIS UNIT, AS WELL AS ADDITIONS AND IMPROVEMENTS THERETO, DECORATIONS, FURNISHINGS, AND PERSONAL PROPERTY THEREIN, AND PERSONAL PROPERTY STORED ELSEWHERE ON THE PROPERTY, AND ANY OTHER INSURABLE MATTERS OR OCCURRENCES WHICH ARE NOT OTHERWISE PROVIDED HEREIN BY THE ASSOCIATION, IT BEING UNDERSTOOD THAT THE ASSOCIATION'S RESPONSIBILITY FOR INSURANCE SHALL BE LIMITED TO THE INSURANCE COVERAGE PROVIDED HEREIN.

13.12. Premiums for insurance maintained by the Association shall be paid by the Association as a Common Expense. Should the Association fail to pay such premiums when due, or should the Association fail to comply with other insurance requirements of the holder of any mortgage, said mortgage holder shall have the right, at its option, to order insurance policies and to advance such sums as are required to maintain or procure such insurance. To the extent of any money so advanced, said mortgage holder shall be subrogated to the Assessment and lien rights of the Association as against the individual Unit Owners for the payment of such item of

Common Expense.

13.13. All insurance policies purchased by the Association shall provide that all proceeds covering property losses shall be paid to the Association. The Association is hereby irrevocably appointed agent with full power of substitution, for each Unit Owner and for each owner of any other insured interest in the Property. The Association shall have power to adjust all claims arising under insurance policies purchased by the Association; to bring suit thereon in its name and/or in the name of other insureds; to deliver releases on payments of claims; to compromise and settle such claims; and otherwise to exercise all of the rights, powers, and privileges of the Association and each Unit Owner or any other holder of an insured interest in the Property under such insurance policies. However, the actions of the Association shall be subject to the approval of any applicable mortgage holder if the claim shall involve more than one Unit, and if only one Unit is involved, such actions shall be subject to the approval of any Mortgagee holding a mortgage encumbering such Unit.

13.14. The Association shall receive such insurance proceeds as are paid to it and shall hold the same in trust for the purposes stated herein and for the benefit of the Unit Owners and their mortgagees in the following shares:

(1) Common Elements. An undivided share of the proceeds on account of damage to Common Elements shall be held for each Unit Owner, with such share's portion of the total proceeds being the same percentage as the share of the Common Elements appurtenant to his Unit.

(2) Units. Except as provided in subparagraph (3) below, proceeds on account of damage to Units shall be held in the following undivided shares:

(a) When the Buildings are to be restored, the proceeds shall be held for the Unit Owners of damaged Units, with the share of each in the total proceeds being in the proportion that the cost of repairing the damage suffered by such Unit Owner bears to the total cost of repair, which costs shall be determined by the Board.

(b) When the Buildings are not to be restored, the proceeds shall be held for the Unit Owners in undivided shares that are the same as their respective shares of the Common Elements.

(3) Mortgagees. In the event a mortgagee endorsement has been issued with respect to a Unit, the share of the Owner of that Unit shall be held in trust for the mortgagee and the Unit Owner as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination of whether any damaged property shall be reconstructed or repaired except as may be specifically provided to the contrary elsewhere in this Declaration.

13.15. Proceeds of insurance policies received by the Association shall be distributed to or for the benefit of the beneficial owners in the following manner:

(1) Reconstruction or Repair. First, if the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, with remittances to Unit Owners and mortgagees being payable jointly to them. This is a covenant for the benefit of any Mortgagee of a Unit and may be enforced by any such Mortgagee.

(2) Failure to Reconstruct or Repair. If it is determined that the damage for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners, with remittances to Unit Owners and their Mortgagees being payable jointly to them. This is a covenant for the benefit of and may be enforced by any Mortgagee of a Unit.

ARTICLE XIV DAMAGE, DESTRUCTION, AND TERMINATION

14.01. If any part of the Common Elements shall be damaged to the extent that reconstruction or repair is necessary, the determination of whether or not it shall be reconstructed or repaired shall be made in the following manner:

(1) Common Elements. If the damage is solely to a portion or portions of the Common Elements and does not extend to the Units, the same shall be reconstructed or repaired.

(2) Common Elements and Units. If the damage extends to one or more Units as well as the Common Elements, then the Buildings shall be reconstructed and repaired pursuant to the provisions of this Article, unless within ninety (90) days after notice is given to all Unit Owners and Mortgagees of the extent of the damage and the amount of such insurance that is forthcoming, all of the Unit Owners and Mortgagees on all such damaged Units shall agree in writing that the same shall not be reconstructed or repaired.

14.02. Any reconstruction or repair must be sufficient to restore the Property to substantially the same condition in which it existed prior to the casualty and must be made substantially in accordance with the plans and specifications of the original Buildings or, alternatively, to plans and specifications approved by the Board.

14.03. If the damage is only to those parts of Units for which the responsibility of maintenance and repair is that of the respective Unit Owners, then those Unit Owners shall be responsible for reconstruction and repair after casualty. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Association. When the Association has the responsibility of reconstruction or repair, it shall obtain reliable and detailed estimates of the cost to repair or rebuild prior to the commencement of reconstruction and repair.

14.04. If the proceeds of insurance are not sufficient to defray completely the estimated cost of reconstruction and repair by the Association, Special Assessments shall be levied against the Unit Owners who own damaged Units, and, in the case of damage to Common Elements, against all Unit Owners in sufficient amounts to provide funds for the payment of such costs.

Special Assessments against Unit Owners for damage to Units shall be in the proportion that the cost of reconstruction and repair of their respective Units bears to the total cost of such reconstruction and repair. An Assessment against a Unit Owner on account of damage to Common Elements shall be in proportion to the Unit Owner's share in the Common Elements. Special Assessments for reconstruction and repair may be collected, and the collection enforced, in the same manner as any other Assessment.

14.05. The funds for the payment of costs for reconstruction and repair after casualty, which shall consist of the proceeds of insurance held by the Association and funds collected by the Association from Assessments and Special Assessments against Unit Owners, shall be disbursed first as directed by the Board to pay the Association's share of the costs of reconstruction and repair. The remaining share of said funds, if any, shall be distributed to Unit Owners of damaged Units who are responsible for the reconstruction and repair of the damaged portions of their Units. The distribution to each such Unit Owner shall be made in the proportion that the estimated cost of reconstruction and repair of such damage to his Unit bears to the total of such estimated costs in all damaged Units. However, no Unit Owner shall be paid an amount in excess of such estimated costs for his Unit. If applicable, the distribution shall be paid to the Unit Owner and the Mortgagee jointly. Any surplus remaining after the completion of all needed reconstruction and repairs shall be distributed to the beneficial owners of the fund.

14.06. The Condominium may be terminated by the agreement of Unit Owners of Units to which eighty (80) percent of the votes in the Association are allocated, so long as all Mortgagees are in agreement with such termination. The agreement to terminate must be evidenced by the execution of a termination agreement, or ratifications thereof, in the same manner as a deed, by the requisite number of Unit Owners. The termination agreement must specify a date after which the agreement will be void unless it is recorded before that date and must otherwise comply with the Act. The termination agreement and all ratifications thereof must be recorded in the probate office of Tuscaloosa County, Alabama and is effective only upon such recordation. After termination of the Condominium, the Unit Owners shall own the Condominium Property and all assets of the Association as tenants in common in undivided shares.

ARTICLE XV CONDEMNATION

15.01. If the Condominium is terminated after condemnation, the proceeds of the condemnation awards will be deemed to be insurance proceeds and shall be owned and distributed in the manner provided in this Declaration for the distribution of insurance proceeds if the Condominium is terminated after damage to the Common Elements. If the Condominium is not terminated after condemnation, the size of the Building will be reduced and the property damaged by the taking will be made usable in the manner provided below. The proceeds of said awards shall be used for these purposes and shall be disbursed in the manner provided for disbursement of funds by the Association after damage to the Common Elements.

15.02. If the taking reduces the size of a Unit and the remaining portion of the Unit can be made habitable, the award for the taking of a portion of the Unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the

Condominium:

(1) Restoration of Unit. The Unit shall be made habitable. If the cost of the restoration exceeds the amount of the award, and the Owner of the Unit does not within a reasonable period of time provide the additional funds required for restoration, such additional funds may, in the discretion of the Board, be expended for restoration by the Association and be assessed against the Unit Owner as a Special Assessment.

(2) Distribution of Surplus. The balance of the award, if any, shall be distributed to the Owner of the Unit and to the holder of any mortgage encumbering the Unit, the remittance being made payable jointly to the Owner and any such Mortgagee.

(3) Adjustment of Shares in Common Elements. If the floor area of the Unit is reduced by the taking, the percentage representing the share in the Common Elements, the Common Expenses and the Common Surplus appurtenant to the Unit shall be reduced in the proportion by which the floor area of the Unit is reduced by the taking, and then the shares in the Common Elements, Common Expenses, and Common Surplus appurtenant to the other Units shall be restated as percentages of the difference between one hundred percent (100%) and the total of the new shares as reduced by the taking so that the shares of such other Units shall be in the same proportions to each other as before the taking and so that the total of the percentages of such shares shall still equal one hundred percent (100%).

15.03. If the taking is of the entire Unit, or so reduces the size of a Unit that it cannot be made habitable, the award for the taking of the Unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the Condominium:

(1) Payment of Award. The award shall be paid first to any Mortgagee or Mortgagees in an amount sufficient to payoff its mortgage on such Unit; and then to the Unit Owner in an amount not to exceed the market value of the Condominium Parcel immediately prior to the taking as diminished by any sums from the award previously reserved for any Mortgagee; and the balance, if any, to the repairing and replacing of the Common Elements damaged by the taking.

(2) Addition to Common Elements. The remaining portion of the Unit, if any, shall become part of the Common Elements and shall be for use by all of the Unit Owners in the manner approved by the Board; provided that if the cost of the work shall exceed the balance of the fund from the award for the taking, the work shall be approved in the manner elsewhere required in this Declaration for further improvement of the Common Elements.

(3) Adjustment of Shares in Common Elements, Common Expenses, and Common Surplus. The shares in the Common Elements, the Common Expenses, and the Common Surplus appurtenant to the Units that continue as part of the Condominium shall be adjusted to distribute the ownership of the other shares among the reduced number of Unit Owners. This adjustment shall be done by restating said shares of the continuing Unit Owners as percentages aggregating one hundred percent (100%) so that the shares appurtenant to the Units of the continuing Owners shall be in the same proportions to each other as before the adjustment.

(4) Assessments. If the balance of the award (after payments to the Unit Owner and such Mortgagees as above provided) for the taking is not sufficient to finance the alteration of the remaining portion of the Unit for use as a part of the Common Elements, the additional funds required for such purposes shall be raised by Special Assessments against all of the Unit Owners who will continue as Owners of Units after the changes in the Condominium effected by the taking. Such Special Assessments shall be made in proportion to the shares of those Owners in the Common Elements after the changes effected by the taking.

(5) Arbitration. If the market value of a Condominium Parcel prior to the taking cannot be determined by agreement among the Unit Owner, Mortgagee(s) of the Unit, and the Association within thirty (30) days after notice by either party, the value shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two (2) appraisers appointed by the American Arbitration Association who shall base their determination on an average of their appraisals of the Condominium Parcel; and a judgment of specific performance on the decision rendered by the arbitrators may be entered in any court of competent jurisdiction. The cost of arbitration proceedings shall be assessed against all Owners of Units prior to the taking in proportion to the shares of the Owners in the Common Elements as they exist prior to the changes effected by the taking.

15.04. Awards for the taking of Common Elements shall be used to make the remaining portion of the Common Elements usable in the manner approved by the Board; provided that if the cost of the work shall exceed the balance of the funds from the awards for the taking, the work shall be approved in the manner required elsewhere in this Declaration for further improvement of the common elements. The balance of the awards for the taking of the Common Elements, if any, shall be distributed to the Unit Owners in the shares in which they own the Common Elements after adjustment of these shares on account of the condemnation, except that if a Unit is encumbered by a Mortgagee, the distribution shall be paid jointly to the owner and the Mortgagee.

ARTICLE XVI GENERAL PROVISIONS

16.01 There shall be no judicial or other partition of the Condominium Property or any part thereof of any Unit, nor shall any person acquiring any interest in the Condominium Property or any part thereof or any Unit seek any such partition unless the Condominium Property has been removed from the provisions of the Act.

16.02 At the request of the Association, each Unit Owner, by acceptance of a deed to a Unit, agrees to provide the Association with a key to the Unit (and the security alarm code, if any) to be used by the Association for maintenance, emergency, security or safety purposes. Neither the Declarant nor the Association shall be liable for any loss or damage due to it holding such key, or use of such key for the purposes described above and each Unit Owner shall indemnify and hold harmless the Declarant, the Association and its officers and directors against any and all expenses, including attorneys' fees, reasonably incurred by or imposed upon the

Declarant, the Association or its officers and directors in connection with any action, suit or other proceeding (including settlement of any such action, suit or proceeding) brought by the Unit Owner or the Unit Owner's family, tenants, guests, employees, invitees, lessees or licensees against the Declarant, the Association, or its officers or directors arising out of or relating to its holding or use of such key for the purposes described above.

16.03 Each owner and each owner's family, tenants, guests, employees, invitees, lessees or licensees acknowledge the following:

(A) The Condominium is located adjacent to thoroughfares that may be affected by traffic and noise from time to time and may be improved and/or widened in the future.

(B) The views from an Owner's Unit may change over time due to, among other circumstances, additional development and the removal or addition of landscaping.

(C) No representations are made regarding the zoning of adjacent property, or that the category to which adjacent property is zoned may not change in the future.

(D) No representations are made regarding the schools that currently or may in the future serve the Unit.

(E) Since in every neighborhood, there are conditions that different people may find objectionable, it is acknowledged that there may be conditions outside of the Condominium Property that an owner may find objectionable and that it shall be the sole responsibility of the owners to become acquainted with neighborhood conditions that could affect the Unit.

(F) No representations are made that the Unit is or will be soundproof or that sound may not be transmitted from one Unit to another.

(G) The floor plans and the dimensions and square footage calculations shown on the Plans, if any, are only approximations. No representation is made by the Developer or the engineer who measured the dimensions that they are anything other than approximations. Any Unit Owner who wishes to verify the dimensions should hire his own surveyor or perform his own investigation as to the dimensions, measurements and square footage of his Unit. By acceptance of a deed to a particular Unit, the purchaser acknowledges that he is aware of this information and that he will not take any action against the Developer or engineer based on any discrepancy between the actual size of the Unit and the dimensions shown on the Plat and Plan.

(H) The Declarant may engage in construction activities related to the Common Elements, the Limited Common Elements and improvement of Units. Such construction activities may, from time to time, produce certain conditions on the Condominium, including, without limitation: (1) noise or sound that is objectionable because of its volume,

duration, frequency or shrillness; (2) smoke; (3) noxious, toxic, or corrosive fumes or gases; (4) obnoxious odors; (5) dust, dirt or flying ash; (6) unusual fire or explosion hazards; (7) temporary interruption of utilities; and/or (8) other conditions that may threaten the security or safety of persons on the Condominium Property. Notwithstanding the foregoing, all Unit Owners agree that such conditions on the Condominium Property resulting from renovation and construction activities shall not be deemed a nuisance and shall not cause the Declarant and its agents to be deemed in violation of any provision of this Declaration.

(I) Exposed concrete surfaces in portions of the Condominium which are not heated and cooled are subject to cracking due to (1) water penetration, (2) expansion and contraction of the concrete with temperature changes, and (3) building settlement.

(J) Concrete surfaces in heated and cooled portions of the Condominium are subject to cracking due to building settlement.

(K) A Unit may trap humidity created by every day living (cooking, bathing, laundering etc.). As a result, condensation may appear on the interior portion of windows and glass surfaces and fogging of windows and glass surfaces may occur due to temperature disparities between the interior and exterior portions of the windows and glass. If left unattended and not properly maintained by Unit Owners, the condensation may increase resulting in staining, damage to surrounding seals, caulk, paint, wood work and sheetrock, and potentially, mildew and/or mold.

(L) Mold and/or mildew can grow in any portion of the Condominium that is exposed to elevated levels of moisture. The Association and each Unit Owner agree to (1) regularly inspect the parts of the Condominium that they respectively maintain, and which are visible and accessible without having to first conduct invasive testing, for the existence of mold, mildew, and/or water intrusion and/or damage; (2) upon discovery, immediately repair in a good and workmanlike condition the source of any water intrusion in the parts of the Condominium that they respectively maintain; (3) remediate or replace any building material located in the parts of the Condominium that they respectively maintain that has absorbed water or moisture as a result of water intrusion; and (4) promptly and regularly remediate all mold and/or mildew discovered in the parts of the Condominium that they respectively maintain in accordance with current industry-accepted methods. In addition, each Unit Owner agrees to notify the Association of the discovery of mold, mildew, and/or water intrusion and/or damage in their respective Units.

(M) The Condominium Property is situated in a location that may be subject to hurricanes, tornadoes, strong winds, tropical storms, erosion, flooding, and other forces of nature that may cause damage or casualty losses to the Condominium Property.

ARTICLE XVII AMENDMENTS

17.01 Without limiting the rights of the Developer to alter the Condominium as described hereinabove in this Declaration, and notwithstanding any other provision herein contained, the following provisions shall be deemed to be in full force and effect none of which

shall be construed as to relieve the Developer from any obligations as a Unit Owner to pay assessments as to Units owned by it in accordance with the Condominium Documents:

(A) The Developer reserves the right to amend the Articles of Incorporation and the By-Laws of the Association until such time as Developer relinquishes control of the Association as provided below.

(B) The Developer reserves the right to amend this Declaration and the Condominium Documents so long as there is no Unit Owner other than the Developer.

(C) The Developer reserves the right at any time to amend this Declaration without the consent of other Owners if required by any Mortgagee as a condition of making a loan secured by an interest in a Unit in order to meet the requirements of the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association; provided, that any such changes or amendments requested by a Mortgagee shall not materially affect the rights of the Unit Owners or the value of the Unit or the undivided interest in the Common Elements or Limited Common Elements, if any, attributable to each Unit Owner.

17.02 At such time as there is a Unit Owner other than the Developer, then, in addition to the amendments permitted above, the Declaration may be amended in the following manner:

(A) A proposal to amend this Declaration may be considered at any meeting of the Members of the Association called for that purpose in accordance with the provisions of the By-Laws; provided that the Association provides prior written notice of such meeting to the Mortgagees as provided above.

(1) The proposal to amend this Declaration must be approved by the affirmative vote of a majority of the Members and Mortgagees; or

(2) In the event the proposed amendment seeks to amend a voting requirement that requires greater than majority approval for the action contemplated, then the amendment of such provision must be approved by the affirmative vote of the percentage required to amend such section, as set forth in this Declaration, not less than the relevant Approval Requirement of the total allocated votes of the Association and the affirmative vote of the Mortgagees representing not less than the relevant Approval Requirement of the total allocated votes of the Units subject to the Mortgages; or

(B) By unanimous consent or agreement of the Unit Owners and the Mortgagees as evidenced by their signatures to the amendment.

17.03 Notwithstanding the foregoing Section 17.02, no amendment to the Declaration under this Article shall:

(A) change a Unit, including the ownership in Common Elements and responsibility for Common Expenses and voting rights, without the prior written approval of the Unit Owner or Unit Owners so affected and prior written approval of any Mortgagee; or

(B) eliminate, modify, change, impair, abridge, prejudice or otherwise adversely affect any rights, benefits, privileges or priorities granted to the Developer without the written consent of the Developer.

17.04 A copy of each amendment so adopted shall be certified by the President or Vice President and Secretary or Assistant Secretary of the Association as having been fully adopted, and shall be effective when recorded in the Probate office of Tuscaloosa County, Alabama.

ARTICLE XVIII BOARD OF DIRECTORS

18.01 The Developer, its successors or assigns, may appoint and remove the members of the Board, and in the event of vacancies, the Developer shall fill the vacancies, until no later than the earlier of either: (i) sixty (60) days after seventy-five percent (75%) of the total number of Units (including any Units which may be included in any Additional Property submitted to the Condominium) have been conveyed to purchasers of Units other than Developer, or (ii) two (2) years have elapsed from the date the Developer has ceased to offer Units for sale in the ordinary course of business (including any Units which may be included in any Additional Property submitted to the Condominium), (iii) two (2) years have elapsed since the expiration of the time periods for submission of Additional Property to the Condominium, or (iv) the Developer elects by written notice to the Association, at the Developer's option, to terminate such control of the Association, whichever first occurs. Notwithstanding the above, members of the Board, who are other than Board members elected by Developer, may be subject to election to the Board by Unit Owners other than the Developer provided such election is required by Code of Alabama, §35-8A-303.

18.02 Within sixty (60) days before the date of termination of control of the Association by the Developer, the Association shall call and give not less than ten (10) days nor more than thirty (30) days notice of a meeting of the Unit Owners for the purpose of electing the members of the Board. Such meeting shall be called and the notice given in accordance with the By-Laws.

18.03 (A) The Developer shall be deemed to be the Owner of each Unit which has not been conveyed to a person other than Developer. Unless otherwise provided in the Condominium Documents, the Developer shall be entitled to all rights and privileges available to, and shall be subject to any and all obligations and duties imposed upon the owner of any such Unit under the Condominium Documents.

(B) Any person having a first Mortgage lien against any Unit which has not been conveyed to a person other than the Developer, whether under a blanket Mortgage affecting the Condominium Property generally or under a Mortgage on one or more specific Units, shall be deemed to be a Mortgagee with respect to any such Unit, and shall be entitled to all rights and privileges available to a Mortgagee of any such Unit under the Condominium Documents.

(C) Notwithstanding the provisions above, no Assessments shall be imposed by the Association against the Developer as the owner of unsold units until sixty (60) days after the conveyance of the first Unit by the Developer. During such period, the Developer shall be responsible for the Common Expenses and Limited Common Expenses of the Condominium Property, except that the Developer shall be entitled to use and apply to the payment of such Common Expenses and Limited Common Expenses any and all Assessments made against the Unit Owners other than Developer and collected by the Association for Common Expenses and Limited Common Expenses. The Developer shall be solely responsible for the maintenance, repair and operation of the unsold Units.

18.04 Any agreement entered into by the Association prior to the passage of control of the Association from the Developer (including contracts for professional management of the Condominium Property, whether it be the Developer, its successors and assigns, or any other person or entity) shall provide (1) that the Association shall have the right to terminate the contract without cause which is exercisable without penalty any time upon not more than ninety (90) days written notice to the other party thereto; and (2) the Association shall have the right to terminate the contract for cause which is exercisable without penalty at any time upon not more than thirty (30) days written notice to the other party thereto.

ARTICLE XIX DISPUTE RESOLUTION

19.01 (A) All persons subject to this Declaration, and any person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, "Bound Party"), agree that it is in the best interest of all concerned to encourage the amicable resolution of disputes involving the Condominium, the Association and/or the Unit Owners without the emotional and financial costs of litigation. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim described in subsection (B), unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in Section 19.02 in a good faith effort to resolve such Claim.

(B) As used in this Article, the term "Claim" shall refer to any claim, grievance or dispute arising out of or relating to:

- (1) the interpretation, application, or enforcement of the Condominium Documents;
- (2) the rights, obligations and duties of any Bound Party under the Condominium Documents; or
- (3) the design or construction of improvements within the Condominium;

except that the following shall not be considered "Claims" unless all parties to the matter otherwise agree to submit the matter to the procedures set forth in Section 19.02:

- (i) any suit by the Association to collect Assessments or other

amounts due from any owner;

(ii) any suit by the Association to obtain a temporary restraining order (or emergency equitable relief) and such ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of this Declaration;

(iii) any suit between owners, which does not include Developer or the Association as a party, if such suit asserts a Claim which would constitute a cause of action independent of the Condominium Documents;

(iv) any suit in which any indispensable party is not a Bound Party; and

(v) any suit as to which any applicable statute of limitations would expire within one hundred eighty (180) days of giving the Notice required by Section 19.02(A), unless the party or parties against whom the Claim is made agree to toll the statute of limitations as to such Claim for such period as may reasonably be necessary to comply with this Article.

19.02 (A) Notice. The Bound Party asserting a Claim ("Claimant") against another Bound Party ("Respondent") shall give written notice ("Notice") to each Respondent and to the Board stating plainly and concisely:

- (1) the nature of the Claim, including the persons involved and the Respondent's role in the Claim;
- (2) the legal basis of the Claim (i.e., the specific authority out of which the Claim arises);
- (3) the Claimant's proposed resolution or remedy; and
- (4) the Claimant's desire to meet with the Respondent to discuss in good faith ways to resolve the Claim.

(B) Negotiation. The Claimant and Respondent shall make a reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the parties in negotiating a resolution of the Claim.

(C) Mediation. If the parties have not resolved the Claim through negotiation within thirty (30) days of the date of the Notice described in Section 19.02(A) (or within such other period as the parties may agree upon), the Claimant shall have thirty (30) additional days to submit the Claim to mediation with an entity designated by the Association (if the Association is not a party to the Claim) or to an independent agency or individual providing dispute resolution services in the State of Alabama. If the Claimant does not submit the Claim to mediation within such time, or does not appear for the mediation when scheduled, the Claimant shall be deemed to have waived the Claim, and the Respondent shall be relieved of any and all liability to the Claimant (but not third parties) on account of such Claim. If the parties do not settle the Claim within thirty (30) days after submission of the matter to mediation, or within such time as determined reasonable by the mediator, the mediator shall issue a notice of termination of the mediation proceedings indicating that the parties are at an impasse and the date that mediation

was terminated. The Claimant shall thereafter be entitled to file suit or to initiate administrative proceedings on the Claim, as appropriate. Each party shall bear its own costs of the mediation, including attorneys' fees, and each Party shall share equally all fees charged by the mediator.

(D) Settlement. Any settlement of the Claim through negotiation or mediation shall be documented in writing and signed by the parties. If any party thereafter fails to abide by the terms of such agreement, then any other party may file suit or initiate administrative proceedings to enforce such agreement without the need to again comply with the procedures set forth in this Section. In such event, the party taking action to enforce the agreement or award shall, upon prevailing, be entitled to recover from the non-complying party (or if more than one non-complying party, from all such parties in equal proportions) all costs incurred in enforcing such agreement or award, including, without limitation, attorneys' fees and court costs.

19.03 In addition to compliance with the foregoing alternative dispute resolution procedures, if applicable, the Association shall not initiate any judicial or administrative proceedings unless first approved by a vote of the Members, except that no such approval shall be required for actions or proceedings:

- (A) initiated during the period that the Declarant controls the Association;
- (B) initiated to enforce the provisions of this Declaration, including collection of assessments and foreclosure of liens;
- (C) initiated to challenge property taxation or condemnation proceedings;
- (D) initiated against any contractor, vendor, or supplier of goods and services arising out of a contract for services or supplies; or
- (E) to defend claims filed against the Association or to assert counterclaims in proceedings instituted against it.

This Section 19.03 shall not be amended unless such amendment is approved by the Members.

19.04 Due to the complex nature of construction and the subjectivity involved in evaluating such quality, disputes may arise as to whether a defect exists and the Developer's responsibility therefor. It is the Developer's intent to resolve all disputes and claims regarding "Alleged Defect" (as defined below) amicably, and without the necessity of time-consuming and costly litigation. Accordingly, the Association and all Unit Owners shall be bound by the following claim resolution procedure with respect to Alleged Defects:

(A) Developer's Right to Cure. In the event that the Association, Board or any Unit Owner or Unit Owners (collectively, "Claimant") claim, contend or allege that any portion of the Condominium, including, without limitation, the Common Elements, the Limited Common Elements, any Unit, and/or any improvements constructed on the Condominium Property, are defective or that the Developer or its agents, consultants, contractors or subcontractors (collectively, the "Developer's Agents") were negligent in the planning, design,

engineering, grading, construction or other development thereof (collectively an "Alleged Defect"), the Developer hereby reserves the right to inspect, repair and/or replace such Alleged Defect as set forth herein.

(B) Notice to Developer. In the event that a Claimant discovers any Alleged Defect, Claimant shall, within a reasonable time after discovery, notify the Developer, in writing, at such address as the Developer may from time to time provide to the Association, or such other address at which the Developer maintains its principal place of business, of the specific nature of such Alleged Defect ("Notice of Alleged Defect").

(C) Right to Enter, Inspect, Repair and/or Replace. Within a reasonable time after the receipt by the Developer of a Notice of Alleged Defect or the independent discovery of any Alleged Defect by the Developer, the Developer shall have the right, upon reasonable notice to Claimant and during normal business hours, to enter onto or into, as applicable, the Common Elements, the Limited Common Elements, any Unit, and/or any improvements or other portion of the Condominium Property for the purposes of inspecting and, if deemed necessary by the Developer, repairing and/or replacing such Alleged Defect. In conducting such inspection, repairs and/or replacement, the Developer shall be entitled to take any actions as it shall deem reasonable and necessary under the circumstances.

(D) Legal Actions. No Claimant shall initiate any legal action, cause of action, proceeding, or arbitration against the Developer alleging damages (1) for the costs of repairing or the replacement of any Alleged Defect, (2) for the diminution in value of any real or personal property resulting from such Alleged Defect, or for any consequential damages resulting from such Alleged Defect, unless and until Claimant has (i) delivered to the Developer a Notice of Alleged Defect and (ii) the Developer has, within ninety (90) days after its receipt of such Notice of Alleged Defect, either (a) failed to repair or replace such Alleged Defect or (b) if such Alleged Defect cannot reasonably be repaired or replaced within such ninety (90) day period, failed to commence such repair or replacement of the Alleged Defect and, thereafter, failed to pursue diligently such repair or replacement to completion.

(E) No Additional Obligations: Irrevocability and Waiver of Right. Nothing set forth in this Paragraph 19.04 shall be construed to impose any obligation on the Developer to inspect, repair, or replace or pay for any item or Alleged Defect for which the Developer is not otherwise obligated to do under applicable law or other agreement to which the Developer is a party. The right of the Developer to enter, inspect, repair and/or replace reserved hereby shall be irrevocable and may not be waived or otherwise terminated except by a writing, in recordable form, executed and recorded by the Developer in the Probate Office of Tuscaloosa County. This provision does not create any warranties, express or implied, on the part of the Developer or the Association.

(F) Arbitration. Any disagreement between an Owner or Owners, the Board, and/or the Association or Developer concerning Developer's efforts to remedy or repair any Alleged Defect (a "Dispute"), after compliance with the foregoing provisions of this Section 19.04, shall be resolved by binding arbitration conducted in Tuscaloosa County, Alabama in accordance with the rules then in effect of the American Arbitration Association concerning

condominium construction disputes. Such Dispute shall be decided by a panel of three (3) arbitrators, each of which shall have at least five (5) years of experience in the field of real estate development and/or construction and none of which shall have had any previous business dealings or relationships with Developer, any of the Unit Owners or the Association. The arbitrators shall be selected from a panel of potential arbitrators submitted by the American Arbitration Association in accordance with these requirements, and one such arbitrator shall be selected by Developer, one such arbitrator shall be selected by the Unit Owner or Owners and/or the Association, as applicable, who are involved in the Dispute, and the third arbitrator shall be selected by the first two arbitrators. In the event that the arbitrators selected by Developer, on one hand, and the Unit Owner or Owners and/or the Association, on the other hand, are unable to agree on a third arbitrator, the third arbitrator having the required characteristics shall be selected by the American Arbitration Association. The award rendered by the arbitrators so impaneled shall be final and binding upon the parties hereto, and judgment upon the award rendered by such arbitrators may be entered in any court having jurisdiction over any of the parties hereto. In such arbitration proceeding, the rules of discovery applicable to the federal district court having jurisdiction in Tuscaloosa, Alabama shall apply. Arbitration proceedings pertaining to a Dispute shall be transcribed verbatim by a competent court reporting company selected by the American Arbitration Association, and the cost of such transcription shall be borne one-half (1/2) by each of Developer, on one hand, and the Unit Owner or Owners and/or the Association, as applicable, on the other hand. The initial fee of the American Arbitration Association shall be borne by the party initiating the arbitration proceeding, and all other costs and fees of the arbitration shall be borne one-half (1/2) by the person initiating arbitration and one-half (1/2) by the party(ies) against whom the arbitration is initiated.

Notwithstanding anything herein to the contrary, the respective parties to the arbitration shall each be responsible for their own costs incurred in the arbitration with respect to third party expenses, including, but not limited to costs of discovery, attorneys' fees, accountants' fees, investigation fees, experts' fees and the like.

ARTICLE XX DEVELOPMENT RIGHTS TO ADD ADDITIONAL PROPERTY TO THE CONDOMINIUM

20.01 Reservation of Development Rights. Declarant hereby expressly retains and reserves the right, but no obligation, except as expressly provided herein, to submit all or any portion of the Additional Property to the provisions of the Act and this Declaration in the manner provided in § 35-8A-210 of the Act. Prior to being added to the Condominium, if so added, no portion of the Additional Property shall be subject to this Declaration. If any portion of the Additional Property is added to the Condominium, only such portion added shall be subject to this Declaration.

20.02 Exercise of Development Rights. Except as otherwise specifically set forth in this Declaration, there shall be no limitations on the development right to add property to the Condominium or the exercise thereof. The right may be exercised to add all or any portion of the Additional Property to the Condominium at one time or at different times, or the right may not be exercised at all, in Declarant's sole discretion. There shall be no limitations to the boundaries of

any portion of the Additional Property added to the Condominium and no assurances are made with respect thereto. The exercise of the right as to a portion of the Additional Property shall not prohibit Declarant from, or obligate Declarant to, further exercise of the right as to any other portion of the Additional Property.

20.03 Expiration of Development Rights. The development right to submit all or any portion of the Additional Property to the Condominium may be exercised by Declarant at any time and from time to time for the following periods from the date this Declaration is recorded in the Office of the Judge of Probate of Tuscaloosa County, Alabama: twenty five (25) years with respect to the Remaining UD I Property, the UD II Property, and the Regency Oaks Property. Upon the expiration of said periods, to the extent not exercised or previously terminated by Declarant by express amendment to this Declaration, the right shall expire and terminate; provided, however, that Declarant may extend said period for the exercise of the development right with the consent of the Unit Owners of Units to which two-thirds (2/3) of the votes in the Association appertain, exclusive of any vote or votes appurtenant to any Unit or Units then owned by Declarant, within one (1) year prior to the date upon which the development right would otherwise have expired.

20.04 Improvements on Additional Property. No assurance is made that any structures on any portion of the Additional Property added to the Condominium will be compatible with the structures on the Property in terms of physical appearance, structure, type, quality of construction, the principal materials to be used or architectural style thereof. The maximum number of Units that may be created on the Additional Property added to the Condominium is as follows: Remaining UD I Property: 132 Units, UD II Property: 180 Units and the Regency Oaks Property: 68 Units, and the maximum average number of Units per acre that may be created on any portion of the Additional Property added to the Condominium is twenty five (25) Units per acre. There is no requirement that the Units to be constructed/converted on the Additional Property will be similar to the Units submitted with this Declaration. All units constructed on the Additional Property added to the Condominium shall be restricted exclusively to residential use in accordance with the terms of this Declaration, subject to Declarant's right reserved to use any Unit owned by it in connection with the development, construction, sales and promotional activities relating to the Condominium. There are no limitations as to the particular location of any improvements that may be made on any portion of the Additional Property added to the Condominium. Declarant may construct on any portion of the Additional Property added to the Condominium, such roads and drives, if any, as Declarant shall deem necessary to provide access to the Units within the Additional Property. Declarant shall have the right, but not the obligation, to construct such improvements on the Additional Property, or any portion thereof added to the Condominium as Declarant shall deem advisable for the common use and enjoyment of the Unit Owners. No limitations are placed on the right of Declarant reserved hereby to create Limited Common Elements within any portion of the Additional Property or to designate Common Elements therein which may subsequently be assigned as Limited Common Elements. Except as expressly provided in this Section 20.04, there are no assurances that any Units created on any portion of the Additional Property added to the Condominium will be substantially similar to the Units submitted with this Declaration and there are no assurance as to what types of Units may be created on the Additional Property. All improvements on the Additional Property will be substantially completed prior to being added to the Condominium.

20.05 Reallocations and Amendment. Upon the addition of any portion of the Additional Property to the Condominium, the share of undivided interest in the Common Elements and the share of liability for Common Expenses allocable to all Units then included in the Condominium shall be reallocated so that the undivided interest of each Unit shall be as stated on Exhibit H attached hereto, subject to the right of Declarant to make adjustments, so that the total of all interests equals precisely one hundred percent (100%). Each Unit located upon any portion of the Additional Property added to the Condominium shall be allocated one (1) vote in the Association, which shall be of equal voting power with the vote allocated to each other Unit in the Condominium. To add Additional Property to the Condominium, Declarant and/or Affiliate of Declarant, shall be required to execute and record an amendment to this Declaration and the Plat, submitting such Additional Property to the Act and this Declaration and reallocating the undivided interests in the Common Elements, the liabilities for Common Expenses and the votes in the Association.

ARTICLE XXI MISCELLANEOUS

21.01 The rights and powers reserved to or exercisable by the Developer under the Condominium Documents or the Act may be exercised by any successor assignee of the Developer (i) who acquires title from the Developer by foreclosure or other judicial sale or deed in lieu of foreclosure, (ii) to whom the Developer specifically assigns such rights and powers, or (iii) an Affiliate of Developer.

21.02 The headings and captions herein are used solely as a matter of convenience and shall not define, limit or expand any term or provision of this Declaration.

21.03 It is the intention of the Developer that the provisions of this Declaration are severable so that if any provision is invalid or void under any applicable federal, state or local law or ordinance, decree, order, judgment or otherwise, the reminder shall be unaffected thereby.

21.04 The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of a condominium project in accordance with Alabama law. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provision or any other provision hereof.

21.05 This Declaration shall be governed by, and is to be construed according to, the laws of the State of Alabama.

21.06 The provisions of § 35-8A-107 of the Act shall apply in the event any or all of the Property shall be taken by eminent domain. The Association shall represent the Unit Owners in condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the Common Elements, or part thereof, by the condemning authority and each Unit Owner appoints the Association as attorney-in-fact for such purpose. In the event of a taking or acquisition of part or all of the Common Elements by a condemning authority, the award or proceeds of settlement shall be payable to the Association to be held in trust for Unit

Owners and their Mortgages as their interests may appear.

21.07 No Owner or any other party shall have priority over any rights of any Mortgagee pursuant to its mortgage in case of a payment to the Owner of insurance proceeds or condemnation awards for losses to or a taking of Units and/or Common Elements.

21.08 Each Unit Owner and the Association shall comply with all applicable governmental laws, statutes, ordinances and regulations (the "Laws") affecting the Units and the Common Elements and each party violating the Laws shall hold harmless and indemnify the others from and against all claims and damages, including court costs, attorney fees and costs of investigation arising out of such violation.

21.09 If any provision of this Declaration shall be deemed to be invalid or unenforceable, the remainder of this Declaration shall not be affected thereby.

21.10 The singular whenever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, masculine or feminine shall be assumed as though in each case fully expressed.

21.11 The terms and conditions of this Declaration shall be governed by the laws of the State of Alabama.

21.12 Any notice to be given to the Association shall be delivered to the office of the Association or deposited in the mail, postage prepaid, addressed to the Association at the address of the office of the Association or at such other address last designated by notice to the Unit Owner. Such notice shall be deemed given upon hand delivery to the office of the Association or, if mailed, two (2) business days after depositing in the mail.

Any notice to be given to a Unit Owner or occupant of a Unit shall be delivered to the Unit or deposited in the mail postage prepaid, addressed to the Unit Owner or occupant of a Unit at the address last designated by notice to the Association. Such notice shall be deemed given upon hand delivery to the Unit or, if mailed, two (2) business days after depositing in the mail.

21.13 The Association shall make available for inspection upon request, during normal business hours or under other reasonable circumstances, to Unit Owners and Mortgagees current copies of the Declaration, the Bylaws, plats and plans, and all other documents affecting the Condominium, including the books and records, financial statements, and the most recent audited financial statement, if one is prepared.

21.14 Upon any sale, conveyance, assignment or transfer of all or any interest in a Unit, at any time and resulting in any change in legal or equitable title thereto, by any Unit Owner, other than Declarant, to any other person, firm or entity other than Declarant ("Transfer"), the Unit Owner making such Transfer, as a condition to such Transfer, or if an agreement of Transfer so provides, the transferee of such Unit Owner, shall pay an assignment fee to the

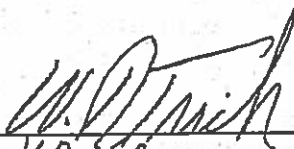
Association equal to one percent (1%) of the amount of any total purchase price or the total amount of any other consideration, directly or indirectly, paid or received by the Unit Owner from such transferee. This assignment fee shall be paid at the time of the closing or effective date of such Transfer and, if not paid, the Transfer shall be null and void. Declarant reserves the right to require inclusion of a provision to this effect in any deed or other document evidencing any Transfer and also in the deed from Declarant to an original Unit Owner, other than Declarant.

(Signature Pages Follow)

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IN WITNESS WHEREOF, the Developer has caused these presents to be executed, by and through its duly authorized representative, as of the day and year first above written.

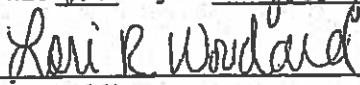
UNIVERSITY DOWNS CONDOMINIUMS, Inc. an
Alabama Corporation

By: 
Its: VP-Sec.

STATE OF ALABAMA)
TUSCALOOSA COUNTY)

I, the undersigned, a Notary Public in and for said State of Alabama, hereby certify that William F. Trick, whose name as VP-Secretary of University Downs Condominiums, Inc., an Alabama corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, he, as VP-Secretary and with full authority, and being authorized to do so, executed the same as and for the act of said corporation on the day the same bears date.

GIVEN under my hand and official seal this 24th day of July, 2006.


Notary Public
My Commission Expires: 11/3/09

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The undersigned, as **MORTGAGEE** under the Mortgage encumbering the real property identified in the foregoing Declaration of Condominium of University Downs Condominiums, joins in the execution of the foregoing Declaration of Condominium of University Downs Condominiums, for the sole purpose of establishing the validity of the Declaration of Condominium of University Downs Condominiums as required by §§ 35-8A-1, *et seq.* of the CODE OF ALABAMA. The undersigned is not the Declarant, and does not assume any obligation whatsoever under the terms, covenants and conditions of the foregoing Declaration of Condominium, and the execution hereof does not in any way subordinate or make the said Mortgage inferior to the said Declaration of Condominium.

MORTGAGEE:

AmSouth Bank

By: Dean H. Burgess

Dean H. Burgess

Its: Senior Vice President

2006 16291

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EXHIBIT LIST

Exhibit "A"	Legal Description of Initial Phase Property and Additional Property	
Exhibit "B"	Articles of Incorporation of University Downs Condominium Association, Inc.	
Exhibit "C"	Bylaws of University Downs Condominium Association, Inc.	
Exhibit "D"	Plat or Plans	
Exhibit "E"	Common Elements	
Exhibit "F"	Common Elements Ownership Interest	2006 16292
Exhibit "G"	Title Exceptions	Recorded in the Above DEED Book & Page
Exhibit "H"	Reallocations	07-27-2006 11:47:02 AM

EXHIBIT " A "

2006 16293

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LEGAL DESCRIPTION

PARCEL A

OWNER: UNIVERSITY DOWNS, LTD.

SOURCE OF TITLE: DEED BOOK 1087, PAGE 189

A parcel of land located in the Southeast Quarter of the Southwest Quarter of Section 24, Township 21 South, Range 10 West being part of Lot 11 Baker Property as recorded in Plat Book 19, Page 94 in the Probate Office of Tuscaloosa County, Alabama and being more particularly described as follows:

As a STARTING POINT, start at the Southeast corner of the Southeast Quarter of the Southwest Quarter of said Section 24; thence run in a Northerly direction along the East boundary of said Southwest Quarter for a distance of 86.47 feet to the Southeast corner of said Lot 11 and the POINT OF BEGINNING of the parcel herein described, said point being on the curving North Right-of-Way of 15th Street East, a 108 foot Right-of-Way; thence continue in a Northerly direction along said course and along said East boundary of said Southwest Quarter and along the East boundary of said Lot 11 for a distance of 200.00 feet to a point; thence with an interior angle of 181 degrees 58 minutes, run in a Northwesterly direction along said lot line for a distance of 15.98 feet to a point; thence with an interior angle of 198 degrees 03 minutes, run in a Northerly direction along said lot line for a distance of 5.00 feet to a point; thence with an interior angle of 187 degrees 35 minutes, run in a Northeasterly direction along said lot line for a distance of 37.52 feet to a point; thence with an interior angle of 172 degrees 25 minutes, run in a Northerly direction along said lot line for a distance of 26.18 feet to a point; thence with an interior angle of 157 degrees 09 minutes, run in a Northwesterly direction along said lot line for a distance of 32.57 feet to a point; thence with an interior angle of 202 degrees 30 minutes, run in a Northerly direction along said lot line for a distance of 53.78 feet to a point; thence with an interior angle of 185 degrees 32 minutes, run in a Northeasterly direction along said lot line for a distance of 33.72 feet to a point; thence with an interior angle of 182 degrees 02 minutes, continue in a Northeasterly direction along said lot line for a distance of 81.41 feet to a point on the said East boundary of the Southwest Quarter; thence with an interior angle of 172 degrees 54 minutes, run in a Northerly direction along said East boundary of the Southwest Quarter and along said lot line for a distance of 255.33 feet to a point; thence with an interior angle of 85 degrees 04 minutes, run in a Southwesterly direction for a distance of 274.44 feet to a point; thence with an interior angle of 266 degrees 47 minutes, run in a Northwesterly direction for a distance of 84.22 feet to a point; thence with an interior angle of 90 degrees 13 minutes, run in a Southwesterly direction for a distance of 203.81 feet to a point on the West Boundary of said Lot 11; thence with an interior angle of 89 degrees 38 minutes, run in a Southeasterly direction along said West Boundary for a distance of 245.28 feet to a point; thence with an interior angle of 185 degrees 38 minutes, run in a Southerly direction along said lot line for a distance of 103.09 feet to a point; thence with an interior angle of 99 degrees 17 minutes, run in a Southeasterly direction along said lot line for a distance of 386.97 feet to a point; thence with an interior angle of 282 degrees 51 minutes, run in a Southerly direction along said lot line for a distance of 65.30 feet to a point; thence with an interior angle of 158 degrees 25 minutes, run in a Southeasterly direction along said lot line for a distance of 40.23 feet to a point; thence with an interior angle of 202 degrees 33 minutes, run in a Southerly direction along said lot line for a distance of 242.01 feet to a point on a curve, said curve having a delta of 96 degrees 10 minutes and a radius of 25.00 feet; thence with an interior angle of 228 degrees 05 minutes to the chord, run in a Southerly direction to a Northwesterly direction along said curve and along said lot line for a chord distance of 37.20 feet (arc distance of 41.96 feet) to a point on the curving North Right-of-Way of said 15th Street East, said curve having a centerline delta of 0 degrees 50 minutes and a centerline radius of 34,377.48 feet; thence with an interior angle of 48 degrees 09 minutes from the chord and to the chord, run in a Southeasterly direction along said curving North Right-of-Way and along said lot line for a chord distance of 77.84 feet (arc distance of 77.84 feet) to the POINT OF BEGINNING at which point the interior angle is 83 degrees 12 minutes from the chord. Said parcel containing 4.14 acres.

EXHIBIT "B"

(Articles of Incorporation)

(See Attached)

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