

*Mykel
Bowling*



One Piedmont Place

4770 WHITESBURG DRIVE, S.E.

Association Papers

One Piedmont Homeowner's Association, Inc.

Summary

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Rules and Regulations

Management Contract

Developed and Built By

GLENCOE BUILDING CORPORATION

ONE PIEDMONT HOMEOWNER'S ASSOCIATION, INC.

SUMMARY OF CONDOMINIUM DOCUMENTS

One Piedmont Homeowners's Association, Inc. is a nonprofit corporation chartered under the laws of the State of Alabama. The Association is in essence the management company of One Piedmont, A Condominium. Each person who purchases a unit in the Condominium automatically becomes a member of the Association.

The Association is responsible for some of the maintenance chores normally associated with home ownership and it provides for the orderly management of the common facilities provided in One Piedmont, A Condominium. The Association may contract with a professional management firm to provide services for the Condominium. Included in these services are lawn mowing; weeding and watering; maintenance of all improvements in the Common Areas, including access roads and parking areas; maintenance of the elevators and TV security system; and maintenance of the exterior (except glass, screens and doors) and roofs of all condominium units.

Government of the Association is controlled by the Board of Directors who are elected by the Members of the Association. Each Association member is entitled to one vote, except that the Developer has three votes for each unit owned by it. Annual meetings of the Association are held in February of each year and special meetings may be called at the request of condominium owners.

Services provided by the Association are paid for from an annual assessment paid monthly by each Association Member. The condominium documents provide procedures to ensure timely payment of assessments due by Association Members. The amount of the assessments are determined annually in a proposed budget of common expenses prepared by the Board of Directors. The annual assessments may not be

increased by more than ten (10%) percent of the previous year's assessment unless approved by a majority of the condominium owners.

The Common Elements or areas of One Piedmont, A Condominium are owned pro-rata by the individual unit owners. Not only does the Association manage and maintain all the Common Areas, but it also provides insurance for the owners to insure them against casualty losses or liability as to their percentage interest in the Common Areas.

In addition to the services provided for the Common Areas, the Association also provides exterior maintenance for the condominium units. This includes painting, repairing, replacing and caring for roofs, gutters, down spouts and all other exterior improvements except for glass surfaces, screens and doors.

Each owner is responsible for the maintenance and repair work within his unit. If such repairs are omitted and such omissions affect the Condominium in its entirety or any part belonging to other owners, then the negligent owner is responsible for all damages resulting from his inaction. Also any Association member is responsible for any damage done to Common Areas and facilities which he or his guests have caused.

To provide for reasonable use and operation of the Common Areas and facilities, the Association has established and published Rules and Regulations governing their use, personal conduct of members and guests thereon, and penalties for infractions thereof. A copy of these House Rules is available upon request.

The property and units comprising ONE PIEDMONT, A CONDOMINIUM has been or will be established as a Condominium by the filing in the Probate Records of Madison County, Alabama, of a document entitled "DECLARATION OF CONDOMINIUM OF

ONE PIEDMONT, A CONDOMINIUM". Among other things, this document describes the Common Elements and Unit Boundaries of the Condominium, matters relating to Assessments, Common Expenses, Insurance, Maintenance, Repair, Percentages of Ownership and the privileges, rights, duties and obligations of the owners of the units and the Association. A copy of this Declaration may be inspected at the sales office, as soon as it is available.

If you have any questions regarding One Piedmont Homeowner's Association, Inc., a condominium representative will review all legal documents with you.

The Association does not provide owner's title insurance, and if an owner desires such insurance, it is such owner's responsibility to purchase it.

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DECLARATION OF CONDOMINIUM OF
ONE PIEDMONT, A CONDOMINIUM

STATE OF ALABAMA
RECORDING DEPARTMENT
OCT 6 1 48 PM '87
MAILED

THIS DECLARATION is made on this the 6th day of October, 1987 by
GLENCOE BUILDING CORPORATION, a corporation organized and existing under the
laws of the State of Alabama, herein called "Developer" for itself, its suc-
cessors, grantees and assigns; and FIRST ALABAMA BANK, an Alabama banking cor-
poration, herein called "Mortgagee".

WHEREAS, Developer is the fee simple owner of that certain real estate
situated in the County of Madison, State of Alabama, hereinafter more par-
ticularly described, and intends to improve said lands in the manner hereinafter
described; and,

WHEREAS, FIRST ALABAMA BANK holds a first mortgage on such real estate, and
as such mortgagee is executing this Declaration in accordance with Title 35,
Section 35-8-7, Code of Alabama, 1975; and,

WHEREAS, Developer proposes to establish a condominium which shall be known
as "ONE PIEDMONT, A CONDOMINIUM" in phases but reserves the right and option, in
its sole discretion, to complete only one (1) phase as market or other con-
siderations may dictate; and,

WHEREAS, Phase I will consist of one (1) building containing a total of
twenty-four (24) residential units, sixteen (16) garage units, sixteen (16)
storage units, and three (3) lobby areas and one (1) separate, detached building
containing eight (8) garage units and eight (8) storage units. Subsequent pha-
ses will consist of one (1) building containing a total of not more than twenty-
four (24) residential units, sixteen (16) garage units, sixteen (16) storage
units and three (3) lobby areas and one (1) separate, detached building con-
taining eight (8) garage units and eight (8) storage units; and,

WHEREAS, Phase I of the Condominium will be created by the recording of this Declaration, which may be amended by Developer without requiring the approval or consent of any of the unit owners, to include subsequent phases. In no event will subsequent phases have the benefit of the common elements created and established for Phase I, nor will Phase I have the benefit of the common elements created and established for subsequent phases, unless and until such phases are included in the Condominium by the appropriate incremental certificate or certificates of amendment to this Declaration as hereinafter provided.

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

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

2. NAME. The name by which this Condominium is to be known and identified is "ONE PIEDMONT, A CONDOMINIUM".

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

ticularly described on Exhibit "A" which is attached hereto and made a part hereof by reference.

The land owned by Developer which will be submitted to the condominium form of ownership when subsequent phases are included in the condominium by the recording of incremental certificate or certificates of amendment to this Declaration as hereinafter provided, is that certain land situated lying and being in the County of Madison, State of Alabama, and more particularly described on Exhibit "B" attached hereto and made a part hereof by reference.

4. ADDRESS. The post office address of said land is 4770 Whitesburg Drive, Huntsville, Alabama, 35801.

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

(a) "Association" means ONE PIEDMONT HOMEOWNER'S ASSOCIATION, INC., and its successors, and is the Association of Unit Owners referred to in said Act.

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

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

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

6. DEVELOPMENT PLAN.

6.1. PHASE I PLANS. The Phase I improvements will be constructed by Developer substantially in accordance with the plans and specifications therefor which said plans are identified as Exhibit "C" hereto attached and made a part hereof by reference, including a set of floor plans of each type of unit showing the layout, location, the designating numbers of each unit in each building, which said building has no name but units of which are numbered 100 - 107, inclusive, 200 - 207, inclusive and 300 - 307, inclusive. There are two types of units, Type A and Type B, which are mirror image units. The size of each unit is approximately 1248 square feet. Each unit is a 2-bedroom configuration, and is the same in dimension, style, quality and character of construction. The type of each unit and its corresponding unit number may be determined by reference to Exhibit "D" hereto attached and by reference made a part hereof. The dimensions of each unit are found by reference to Exhibit "D".

Each unit purchaser shall be assigned a garage unit and storage unit. Each purchase contract shall refer to the unit as well as one garage unit and one storage unit. The garage units being numbered G1 - G24, and storage units being numbered S1 - S24, as identified on Exhibit "E".

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

6.3. INCREMENTAL DEVELOPMENT. Developer, at its sole option, may develop the project on an incremental basis by filing an incremental certificate or certificates of amendment to this Declaration at the time of or prior to the recording of the first conveyance of a unit in any subsequent phases; provided, however, that if such incremental certificate or certificates of amendment be not filed on or before five (5) years from the date of the filing of this Declaration, the Developer shall have the right to use and/or dispose of said land described in Exhibit "B" of this Declaration, which has not been included by incremental certificate or certificates of amendment, free of and discharged from the provisions of this Declaration. Further, Developer may, in its sole discretion, prior to the expiration of such five year period, elect to remove any or all of such land described in Exhibit "B" of this Declaration which has not been included by incremental certificate or certificates of amendment, and any such land so removed shall be free of and discharged from the provisions of this Declaration. The Developer shall not in any event file an incremental certificate of amendment to this certificate after five (5) years from the date of the recording this Declaration.

6.4. Subsequent Phases shall consist of not more than twenty-four (24) residential units in any one building, sixteen (16) garage units, sixteen (16) storage units and three (3) lobby areas. Eight (8) garage units and eight (8) storage units will be contained in a detached building. Such units shall be constructed in substantial conformity with the plans and specifications identified on Exhibit "C".

6.5. The plans and specifications of units constructed in Phase I and/or subsequent phases may be altered or amended from time to time by Developer to

meet marketing requirements as Developer, in its sole discretion, deems necessary. No such alteration or amendment shall substantially reduce the size or quality of any unit.

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

6.7. IMPROVEMENTS AND PRINCIPAL MATERIALS OF WHICH CONSTRUCTED.

A. Phase I improvements constructed and to be constructed upon the land hereinbefore described as to Phase I will include and will be limited to one building containing twenty-four (24) residential units, sixteen (16) garage units, sixteen (16) storage units, and three (3) lobby areas. Eight (8) garage units and eight (8) storage units will be contained in a detached building. The building will be on reinforced concrete slabs. Each unit will be equipped with

range with oven, microwave, disposal, dishwasher, trash compactor, heating and air conditioning unit (heat pump), fireplace with gas logs, television cable outlet, 40-gallon electric water heater, and TV security system. The first six units contracted for will include a refrigerator; subsequent unit sales may, at purchaser's option, include a refrigerator for additional consideration. The condominium will also include access areas, parking areas and lawn areas.

B. In the event Developer, at its sole option, elects to incorporate subsequent phases into the Condominium, improvements to be constructed upon land hereinbefore described in Exhibit "B" may include, but not be limited to twenty-four residential units, sixteen (16) garage units, sixteen (16) storage units and three (3) lobby areas in any one building. A detached building would house eight (8) garage units and eight (8) storage units. The common elements of Phase I and subsequent phases will become common elements of the entire Condominium, without difference or distinction between phases, and will then include the access area, parking areas, and lawn areas, hereinbefore mentioned, and will additionally include the access areas, parking areas, and lawn areas, all located substantially in the subsequent phase areas as shown in the plans and drawings.

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

A. The land described in Exhibit "A" attached hereto, subject to the addition of the land described in Exhibit "B" by incremental development as provided herein.

B. All central and appurtenant installations for services such as power, light, telephone, storm drains, sewer, and water; heat and air conditioning, including all pipes, ducts, wires, cables, and conduits used in connection therewith, whether located in common areas or in units and all utility and mechanical equipment, buildings and spaces, which are not used or reserved for the exclusive use of certain units.

C. Lobby areas and elevators.

D. Covered walkways and stairwells.

E. Automobile parking spaces not assigned to the exclusive use of any unit.

F. All outdoor and exterior lights, materials and finishes.

G. All signs.

H. All foundations, columns, girders, beams, and supports of buildings and such component parts of walls, roofs, floors and ceilings as are not located within the units.

I. Lawn areas, landscaping, streets and walkways.

J. Sprinkler hose on garage level, standpipes on each floor for fire protection, and underground landscape sprinkler system.

K. Security system including TV cameras.

L. All other parts of the development existing for the common use or necessary to the existence, maintenance and safety of the development.

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

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

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

shall be:

(1) Upper and Lower Boundaries. The upper and lower boundaries of the unit shall be the following boundaries:

(i) Upper Boundary -- The horizontal planes of the undecorated finished ceiling extended to intersections with the perimetrical boundaries.

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

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

6.11 SURFACES. An owner shall not be deemed to own the studs, wall board and structural components of the perimeter walls and/or loadbearing walls, nor the windows and doors bounding the unit. An owner, however, shall be deemed to own and shall have the exclusive right and duty to repair, maintain, paint, repaint, tile, wax, paper or otherwise finish and decorate the surfacing materials of the floors of his unit, and all window screens and windows and door glass; and all appurtenant installations, including all pipes, ducts, wires,

cables and conduits used in connection therewith, for services such as power, light, telephone, sewer, water, heat and air conditioning, whether located in the boundaries of the unit or in common areas which are for the exclusive use of the unit; and all ceilings and partition walls. An owner shall have the exclusive right and duty to wash and keep clean the interior and exterior surfaces of windows and doors bounding his unit.

7. THE UNITS. The description and location of the particular units and the appurtenances thereto are determined with the aid of the plans therefor, as set out in paragraph no. 6 hereinbefore, and as follows:

A. Units Numbered. Each unit is assigned a number which is indicated on the site plan, attached hereto.

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

8. DETERMINATION OF PERCENTAGES OF OWNERSHIP IN COMMON ELEMENTS, COMMON EXPENSES AND COMMON PROFITS. The common profits shall be distributed among, and the common expenses shall be charged to, the unit owners according to the percentages of the undivided interests of the respective units in the common elements. For purposes of percentage interest in the common elements, common

expenses and common profits, and voting on all matters requiring action by the owners, when the first Phase is completed and occupied, each unit owner shall have a one twenty-fourth (1/24) interest therein. Upon the incorporation of subsequent phases into the development by incremental increase as herein provided, each unit owner shall have an equal interest in the common elements, common expenses, common profits and voting on all matters requiring action by the owners. Such interest shall be determined by the total number of units incorporated by incremental certificate or certificates to this Declaration. However, in no event shall any unit owner's interest be less than one forty-eighth (1/48).

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

10. UNITS SUBJECT TO DECLARATION, BY-LAWS AND RULES AND REGULATIONS. All present and future owners, tenants and occupants of units shall be subject to, and shall comply with the provisions of this Declaration, the By-Laws and the

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

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

12. MAINTENANCE. The responsibility for the maintenance of the Condominium property shall be as follows:

12.1 UNITS.

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

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

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

Condominium other than the unit within which contained.

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

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

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

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

(3) To maintain and replace all exterior glass doors and windows of his/her unit.

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

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

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

of the Association. (ii) Any owner of two or more adjacent units may alter the walls dividing such units by placing a doorway or opening through the common wall so long as such opening does not interfere with any pipes, ducts, wires, cables, conduits or other services common to the building.

12.2 COMMON ELEMENTS.

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

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

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

13.1 Share of Common Expenses. Each unit owner shall be liable for a proportionate share of the common expenses, and shall share in the common surplus,

such share being the same as his percentage of ownership in the common elements.

13.2 Interest, Application of Payments. Assessments and installments thereon paid on or before thirty (30) days after the date when due shall not bear interest, but all sums not paid on or before thirty (30) days after the date when due shall bear interest at the maximum legal contract rate from the date when due until paid. Further, a late charge, equal to ten (10%) percent of such delinquent assessment shall be levied and collected upon all sums not paid on or before thirty (30) days after the date when due. All payments upon account shall be first applied to late charges and interest and then to the assessment payment first due.

13.3 Liens for Assessments. The Association is hereby granted a lien upon each unit, together with the garage unit, storage unit, and its appurtenant undivided interest in common elements, which lien shall secure and does secure the monies due for all assessments now or hereafter levied or subject to being levied against the owner of each unit, which lien shall also secure late charges and interest, if any, which may be due on the amount of any delinquent assessment owing the Association, and which lien shall also secure all costs and expenses, including a reasonable attorney's fee, which may be incurred by the Association in enforcing this lien upon said unit and its appurtenant undivided interest in the common elements. The said lien for nonpayment of common expenses shall have priority over all other liens and encumbrances, recorded or unrecorded, except only (1) tax lien on the unit in favor of the State, the County, any municipality and any special district, and (2) all sums unpaid on a first mortgage of record, including any sum which the mortgagor is obligated to pay under the terms of the promissory note or mortgage, including but not limited to attorney's fees. In any suit for the foreclosure of said lien, the Association

shall be entitled to rental from the owner of any unit from the date on which the payment of any assessment or installment thereof becomes delinquent and shall be entitled to the appointment of a receiver for said unit, without notice to the owner of such unit. The rental required to be paid shall be determined by the Board of Directors of the Association. The lien granted to the Association shall further secure such advances for taxes and other payments which may be required to be advanced or paid by the Association in order to preserve and protect its lien, and the Association shall further be entitled to interest at the maximum legal contract rate on any such advances made for such purposes. All persons, firms or corporations who shall acquire, by whatever means, any interest in the ownership of any unit, or who may be given or acquire a mortgage, lien or other encumbrance thereon, are hereby placed on notice of the lien granted to the Association.

13.4 Rental Pending Foreclosure. In any foreclosure of a lien for assessments, the owner of the unit subject to the lien shall be required to pay a reasonable rental for the unit. Nothing contained in this paragraph no. 13 shall impair a first mortgagee's right to intercept rents as provided in its mortgage.

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

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

Association.

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

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

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

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

15.2 Coverage.

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

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

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

(b) Public Liability. Such coverage in such amounts as shall be required by the Board of Directors of the Association.

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

(d) Fidelity bond insurance shall be required in an amount equal to at least 150% of the estimated annual operating expenses of the Condominium, including reserves, and shall be carried to cover any person(s) or entity or

entities handling funds of the Association.

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

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

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

(a) To provide that the liability of the insurer thereunder shall not be affected by and that the insurer shall not claim any right of setoff, counterclaims, apportionment, proration or contribution by reason of any other insurance obtained by or for any apartment owner.

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

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

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

(e) Contain a standard mortgagee clause which shall:

(1) Provide that any reference to a mortgagee in such policy shall

mean and include all holders of mortgages on any unit, whether or not named therein; and,

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

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

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

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

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

purposes elsewhere stated herein and for the benefit of the unit owners and their mortgagees, as follows:

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

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

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

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

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

16. RECONSTRUCTION OR REPAIR AFTER CASUALTY. In the event of the damage or destruction of all or part of the property, then, unless it is determined by a vote of one hundred (100%) percent of the Association not to repair or

reconstruct such damaged or destroyed property, the following provisions shall apply:

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

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

(b) Building.

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

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

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

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

repair after casualty shall be that of the Association.

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

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

16.5 Construction funds. The funds for payment of costs of reconstruction and repair after casualty for which the Association is responsible which shall consist of proceeds of insurance held by the Insurance Trustee and funds collected by the Association from assessment against unit owners, shall be dis-

bursed in payment of such costs in the following manner:

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

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

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

(3) Association -- Major Damage. If the amount of estimated costs of reconstruction and repair which is the responsibility of the Association is more than the total of the annual assessments for recurring expense to be made during the year in which the casualty occurs, then the construction fund shall be dis-

bursed in payment of such costs in the manner required by the Board of Directors of the Association.

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

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

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

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

17.3 Business Activities. No business of any type or office relating to a

business shall be permitted to exist on the Condominium property.

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

17.5 Leasing. Entire units may be leased for a period of six months or longer and not less, provided the occupancy is only by the lessee and his family. No individual rooms may be rented and no transient tenants may be accommodated. All leases must be in written form.

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

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

17.8 Proviso. Provided, however, with respect to Phase I, that until Developer of the Condominium has completed and sold all of the units of Phase I of the Condominium, or until Developer elects to terminate its control of Phase I the Condominium whichever shall first occur; and provided, further, in the event of the incremental increase of the project by the filing of a certificate or certificates by the Developer of its election to incorporate subsequent phases into the Condominium, as elsewhere provided herein, then with respect to Phase I and subsequent phases and sold all of the units thereof, or until Developer elects to terminate its control of the condominium, whichever shall first occur, neither the unit owners nor the Association nor the use of the Condominium property by unit occupants shall interfere with the completion of the contemplated improvements and the sale of the units. Developer may make such use of the unsold units and of the common areas and facilities as may facilitate such completion and sale, including but not limited to the showing of the property and the display of signs.

18. NOTICE OF LIEN OR SUIT.

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

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

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

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

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

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

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

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

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

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

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

21.2 Resolution. A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by ten (10%) percent of the members of the Association. During the first twenty (20) years after the recordation of this Declaration, it may only be amended by instrument executed by not less than 90% of the unit owners, and thereafter by an instrument executed by not less than 75% of the unit owners. Provided, further, that any such amendment shall have been approved in writing by all mortgagees who are the holders of mortgages comprising first liens on units comprising 90% of the votes of the Association, if amended within the first twenty (20) years after recordation of this Declaration, and by all mortgagees who are the holders of mortgages comprising first liens on units comprising 75% of the votes of the Association if amended thereafter.

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

Alabama.

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

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

21.6 Provisions pertaining to the Developer.

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

(b) Developer shall relinquish all special rights, expressed or implied through which the Developer may directly or indirectly control, direct, modify or veto any action of the Association, its Board of Directors or a majority of unit owners, and control of the Association shall pass to the owners of units within the project not later than the earlier of the following:

(1) 120 days after date by which 75% of the units have been conveyed to unit purchasers; or,

(2) five years from the date on which the Declaration was recorded.

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

(1) The Developer reserves the right to amend the By-Laws of the Association.

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

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

22. AMENDMENT OF BY-LAWS. The By-Laws of ONE PIEDMONT HOMEOWNER'S ASSOCIATION, INC. may be amended in the following manner:

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

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

22.3 Resolution. A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by ten (10%) percent of the members of the Association and after being so proposed and thereafter approved by one of such bodies, it must then be approved by the other to become

effective. Directors and members not present at the meeting considering the amendment may express their approval or disapproval in writing, providing such approval or disapproval is delivered to the Secretary at or prior to such meeting. Such approvals must be by not less than a majority of the Directors and by not less than a majority of the votes of the Association; and provided, further, that any such amendment shall have been approved in writing by all mortgagees who are the holders of mortgages comprising first liens on units comprising a majority of the votes of the Association.

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

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

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

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

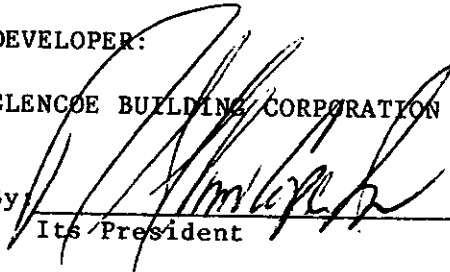
expenses as heretofore defined.

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

IN WITNESS WHEREOF, the said GLENCOE BUILDING CORPORATION, an Alabama corporation, and FIRST ALABAMA BANK, an Alabama banking corporation have caused these presents to be executed by their duly authorized officers on the day and year first above written.

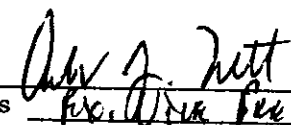
DEVELOPER:

GLENCOE BUILDING CORPORATION

By: 
Its President

MORTGAGEE:

FIRST ALABAMA BANK

By: 
Its President

STATE OF ALABAMA)
 :
MADISON COUNTY)

I, the undersigned, a Notary Public in and for said county in said state, hereby certify that R. GLENN COPE, JR., whose name as President of GLENCOE BUILDING CORPORATION, a 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 instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and seal this the 6th day of October, 1987.

Arthur M. Stephens

Notary Public

My Commission Expires: 9-7-88

STATE OF ALABAMA)
:
MADISON COUNTY)

I, the undersigned, a Notary Public in and for said county in said state, hereby certify that Andrew J. Tutt, whose name as Executive Vice President of FIRST ALABAMA BANK, an Alabama banking 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 instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and seal this the 6th day of October, 1987.

Arthur M. Stephens

Notary Public

My Commission Expires: 9-7-88

THIS INSTRUMENT PREPARED BY:
ARTHUR M. STEPHENS
STEPHENS, MILLIRONS, HARRISON & WILLIAMS, P.C.
333 FRANKLIN STREET
HUNTSVILLE, ALABAMA 35801

BY-LAWS

ONE PIEDMONT HOMEOWNER'S ASSOCIATION, INC.

ARTICLE I

NAME

The name of the corporation shall be ONE PIEDMONT HOMEOWNER'S ASSOCIATION, INC.

ARTICLE II

PURPOSE

The Association has been formed for the purpose of performing the powers and duties of the Association set forth in these By-Laws, Articles of Incorporation of the Association, and that certain Declaration of Condominium recorded, or to be recorded in the Office of the Judge of Probate of Madison County, Alabama.

ARTICLE III

MEMBERS

SECTION 1. CLASS A MEMBERS. Glencoe Building Corporation, the Developer of "One Piedmont, a Condominium", shall be the sole Class A member and as such shall be entitled to three votes in the Association for each unit owned by it in such Condominium. In the event subsequent Phases are included in the Condominium by the recording of an incremental certificate or certificates of amendment to the Declaration, as therein provided, the Developer shall be entitled to three votes in the Association for each unit owned by it in such subsequent Phase and/or Phases.

SECTION 2. CLASS B MEMBERS.

(a) Class B members shall be all other owners of units in One Piedmont, A Condominium. Each Class B member shall be entitled to one vote. If a unit is owned by more than one person, all such persons shall collectively be entitled to one vote. In the event joint owners of a unit are unable to agree among

themselves as to how their vote shall be cast, they shall lose their right to vote on the matter in question.

(b) The Class A membership of Glencoe Building Corporation shall automatically revert to Class B membership and Glencoe Building Corporation shall relinquish all special rights, express or implied, through which Developer may directly or indirectly control, direct, modify or veto any action of the owner's Association, its executive board, or a majority of unit owners, and control of the owner's Association shall pass to the owners of units within the project, not later than the earlier of the following:

(1) 120 days after the date by which 75% of the units have been conveyed to unit purchasers;

(2) 5 years from the date on which the Declaration was recorded; or,

(c) In the event subsequent Phases are included in the Condominium by the recording of an incremental certificate or certificates of amendment to the Declaration, such Class A membership shall revert to Class B membership at the same time and in the same manner as set out in Section 2(b)(i) and (ii) above.

SECTION 3. There shall be no distinction between the rights, privileges, duties and obligations of Class A and Class B members except as to the number of votes entitled to be cast and except as otherwise provided in the Declaration of Condominium and these By-Laws.

SECTION 4. Admission of New Members. Purchasers of units in One Piedmont, A Condominium shall automatically become members of the Association and shall remain members thereof so long as they own such unit. The Association membership of each Owner shall be appurtenant to the Condominium unit giving rise to such membership, and shall not be assigned, transferred, pledged, conveyed or

alienated in any way except upon the transfer of title to said Condominium and then only to the transferee of title to said Condominium unit. Any transfer of title to a Condominium shall operate automatically to transfer the membership of the Association appurtenant thereto to the new Owner thereof. Any first mortgagee who obtains title to a unit by foreclosure or deed in lieu of foreclosure shall be deemed to be the transferee of title for the purposes of this Section.

SECTION 5. MEETING OF MEMBERS.

(a) The annual meeting of Members of the Association shall be held on the first Saturday in February at 10:30 a.m. Notice of the place where each meeting shall be held shall be furnished by the Directors at least ten days prior to the meeting. At the annual meeting, the members shall elect the Board of Directors for the ensuing fiscal year and conduct such other business as may properly come before such meeting.

(b) Special meetings of the members may be held upon call of the Directors or upon petition to the Secretary of the Association signed by persons owning not less than 10% of the units in the Condominium. The Secretary shall give not less than ten days' written notice of the date, time, place and purpose of such called meeting.

(c) Quorum. At any annual or called meeting of the Members, a majority of the votes entitled to be cast must be represented at such meeting, in person or by proxy, to constitute a quorum. Any meeting may be continued until a later date and time to permit obtaining a sufficient number to conduct the Association's business, provided that notice of such continuance is furnished all members.

ARTICLE IV

BOARD OF DIRECTORS

SECTION 1. The affairs of the Association shall be conducted by a Board of Directors which shall consist of such number not less than three (3) nor more than five (5) as shall from time to time be determined and fixed by vote of a majority of the voting rights present at any annual meeting of the members.

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

(a) Directors shall be elected at the annual meeting of the members of the Association.

(b) Except as to vacancies created by removal of Directors by members, vacancies in the Board of Directors occurring between annual meeting of members shall be filled by the remaining Directors.

(c) Any Director may be removed by the concurrence of two-thirds (2/3) of the votes entitled to be cast by the members of the Association at a special meeting of the members called for that purpose. No Director may be removed, however, unless he shall be given not less than five days' prior written notice of such special meeting and an opportunity to be heard. The vacancy thus created shall be filled at the same meeting by the members of the Association in the same manner as was provided for the election of the removed Director.

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

SECTION 4. The organization meeting of a newly elected Board of Directors shall be held within ten (10) days of their election at such place and time as

shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organization meeting shall be necessary providing a quorum shall be present.

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

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

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

SECTION 8. A quorum of Directors' meetings shall consist of the Directors entitled to cast a majority of the votes of the entire Board of Directors. The acts of the Board approved by a majority of votes present at the meeting at which a quorum is present shall constitute the acts of the Board of Directors except where approval by a greater number of Directors is required by the Declaration of Condominium, Articles of Incorporation, or by these By-Laws. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business which might have been

transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for the purpose of determining a quorum.

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

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

SECTION 11. All of the powers and duties of the Association existing under the Condominium Ownership Act, Declaration of Condominium, Articles of Incorporation and these By-Laws, shall be exercised exclusively by the Board of Directors subject only to the approval by unit owners when such is specifically required. The Board of Directors may delegate any such powers and duties as deemed appropriate to committees, or a manager, or employees.

SECTION 12. In addition to duties imposed by these By-Laws or by resolutions of the Association, the Board of Directors shall be responsible for the following:

(a) Care, upkeep and surveillance of the Condominium and its common area and facilities.

(b) Collection of monthly assessments from the owners.

(c) Designation and dismissal of the personnel necessary for the maintenance and operation of the Condominium and its common elements and facilities.

SECTION 13. The Board of Directors may employ for the Association a management agent or manager to provide services as the Board shall authorize including

but not limited to the duties listed in Section 12 above. The duties conferred upon the managing agent or manager by the Board of Directors may be revoked, modified or amplified by the majority of owners in a duly constituted meeting. The Board of Directors may employ any other employee or agent to perform such duties and at such salaries as the Board of Directors may establish.

The Board of Directors may terminate any management agreement for cause upon thirty (30) days' notice. Any management agreement approved by the Board of Directors shall be for a period of not less than one year nor more than three years, except, however, any management agreement negotiated by the Developer may not exceed one year. Any such agreement may be renewed by consent of the Board of Directors.

SECTION 14. The Board of Directors may establish standing and/or special committees and may delegate to such committees such powers, duties and responsibilities as the Directors may from time to time deem appropriate. Members of such committees shall be appointed by the President of the Association and such appointments must be confirmed by a majority of the Directors at any regular or special meeting.

ARTICLE V

OFFICERS

SECTION 1. The executive officers of the Association shall be a President, who shall be a Director; a Vice President, who shall be a director; a Secretary; and a Treasurer; all of whom shall be elected annually by the Board of Directors and who may be peremptorially removed by vote of the Directors at any meeting. No officer may be removed, however, unless he shall be given not less than five days' prior written notice of such meeting, and an opportunity to be heard. Any

person may hold two (2) or more offices except that the President shall not also be the Secretary. The Board of Directors shall from time to time elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

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

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

SECTION 4. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all notices to the members and Directors and other notices required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, in a bound book with consecutively numbered pages. Such books shall contain minutes of all meetings of the members and Directors, signed and attested by the Chairman and Secretary of such meeting, respectively. Such book shall be maintained at the office of the Association. The Secretary also shall perform all other duties incident to the office of the Secretary of an association as may be required by the Directors or

the President.

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

ARTICLE VI

FISCAL MANAGEMENT

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

SECTION 2. Assessments for recurring common expenses shall be made by the Board of Directors for the calendar year annually in advance, on or before December 20th preceding the year for which the assessments are made. The Board may include a Maintenance Fund Reserve for contingencies in such assessments,

and such assessment may from time to time be increased or reduced at the discretion of the Board. The proportionate interest of each unit owner in said Fund cannot be withdrawn or separately assigned but shall be deemed to be transferred with such unit even though not expressly mentioned or described in the conveyance thereof. In case the Condominium regime hereby created shall be terminated and the property removed from the Condominium Ownership Act, any part of the said Fund remaining after full payment of all common expenses of the Association shall be distributed to all condominium owners in their respective proportionate shares. Such assessments shall be due in monthly installments on the 1st day of each month of the year for which the assessments are made. If such annual assessment is not made as required, an installment in the amount required by the last prior assessment shall be due upon each installment payment date until changed by a new assessment. The total of the assessments for recurring common expenses shall be not more than one hundred ten (110%) percent of the assessments for this purpose for the prior year unless approved in writing by unit owners entitled to cast a majority of the votes in the Association. ~~In the event such an annual assessment proves to be insufficient,~~ ~~It may be amended by the Board of Directors for the remaining portion of the~~ calendar year and shall be due at the time the next monthly installment is due. The first assessment shall be determined by the Board of Directors of the Association.

SECTION 3. If a unit owner shall be in default in the payment of an installment upon any assessment, the Board of Directors may accelerate the remaining installments of such assessment upon notice thereof to the unit owner, and thereupon the unpaid balance of the assessment shall come due upon the date

stated in the notice, but not less than ten (10) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur.

SECTION 4. Default.

(a) In the event an owner of a unit does not pay any sums, charges or assessments required to be paid to the Association within thirty (30) days from the due date, the Association may foreclose the lien encumbering the unit created by non-payment of the required monies in the same fashion as mortgage liens are foreclosed; provided that thirty (30) days' prior notice of intention to foreclose shall be mailed, postage prepaid, to the unit owner and to all persons having a mortgage lien or other interest of record in such unit as shown in the Association's record of ownership. The Association shall be entitled to the appointment of a Receiver, if it so requests. The Association shall have the right to bid-in the unit at a foreclosure sale and to acquire, hold, mortgage and convey the same. In any such foreclosure action, the lien of the Association shall be subordinate and inferior to any first mortgage lien of record encumbering such unit at the time of the commencement of the foreclosure action by the Association. In lieu of foreclosing its lien, the Association may bring suit to recover a money judgment for any sums, charges or assessments required to be paid to the Association without waiving its lien securing same. In any action either to foreclose its lien or to recover a money judgment, brought by or on behalf of the Association against a unit owner, the losing party shall pay the cost thereof together with a reasonable attorney's fee.

(b) If the Association becomes the owner of a unit by reason of foreclosure, it shall offer said unit for sale and at such time as a sale is consummated it shall deduct from such proceeds all sums of money due it for monthly

assessments and charges, all costs incurred in the bringing of the foreclosure suit, including reasonable attorney's fees, and any and all expenses incurred in the resale of the unit, which shall include but not be limited to advertising expenses, real estate brokerage fees and expenses necessary for the repairing and refurbishing of the unit in question. All monies remaining after deducting the foregoing items of expense shall be returned to the former owner of the unit in question.

SECTION 5. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Directors and which monies of the Association shall be deposited. Withdrawal of monies from such account shall be only by checks signed by such persons as are authorized by the Directors.

SECTION 6. An audit of the accounts of the Association shall be made annually by a certified public accountant, not a member of the Association, and a copy of the report shall be furnished to each member not later than April 1st of the year following the year for which the report is made.

SECTION 7. Fidelity bonds shall be required by the Board of Directors from the Treasurer of the Association and from any manager handling or responsible for Association funds. The amount of such bonds shall be determined by the Directors, but shall be at least the amount of the total annual assessments against members for recurring expenses. The premiums on such bonds shall be paid by the Association.

ARTICLE VII

OWNER'S OBLIGATIONS

SECTION 1. Assessments. Every owner of any unit in the Condominium shall contribute pro rata toward the expenses of administration of the Condominium, as

provided in the Declaration and in these By-Laws.

SECTION 2. Maintenance and Repair.

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

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

(c) An owner shall reimburse the Association for any expenditures incurred in repairing or replacing any common areas and facilities damaged through his fault, or the fault of his tenants or guests.

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

SECTION 4. House Rules. In order to assure the peaceful and orderly use and enjoyment of the building and common elements of said Condominium, the Board of Directors may from time to time adopt such reasonable rules and regulations, to be called House Rules, governing the conduct of persons on the Condominium property as a majority of the Directors may deem necessary. Such House Rules upon adoption and every amendment thereto shall be maintained in a book by the Secretary at the Association's office and a copy thereof shall be delivered promptly to each owner and shall be binding upon all members of the Association and occupants of the property. The Board of Directors shall enforce the House Rules by injunctive proceedings if necessary.

SECTION 5. Right of entry. The manager and any person authorized by the Board of Directors shall have the right to enter each unit in case of any emergency originating in or threatening such unit whether or not the owner or occupant is present at the time. Every unit owner and occupant, when so required, shall permit other unit owners or their representative to enter his unit at reasonable times for the purpose of performing authorized installation, alterations, or repairs to the common elements therein for central services provided that requests for entry are made in advance.

SECTION 6. Title. Every unit owner shall promptly cause to be duly recorded in the Office of the Judge of Probate of Madison County, Alabama, the deed or other conveyance to him of his unit or other evidence of his title thereto and file such evidence of his title with the Association, and the Secretary shall maintain such information in the record of ownership of the Association.

SECTION 7. Every unit owner shall promptly notify the Association in writing of his mailing address, if different from the mailing address of the unit owned by him. In the event such notice is not furnished, any notice required to be delivered to a unit owner pursuant to the Declaration of Condominium or these By-Laws shall be deemed insufficient if mailed to the address of such Unit.

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

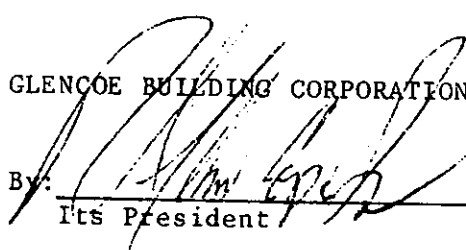
the administration of the Condominium or assessments and the mortgagee or mortgage holder at its option may pay the delinquent expenses.

SECTION 9. Parliamentary Rules. Robert Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Condominium Ownership Act, Declaration of Condominium or these By-Laws.

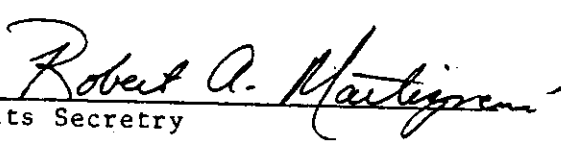
SECTION 10. Amendments. These By-Laws may be amended by the following provisions of paragraph no. 21 of the Declaration of Condominium.

The foregoing were adopted as the By-Laws of ONE PIEDMONT HOMEOWNER'S ASSOCIATION, INC., at the first meeting of the Board of Directors on the 6th day of October, 1987.

GLENCOE BUILDING CORPORATION

By: 
Its President

APPROVED:

By: 
Its Secretary

House Rules

One Piedmont Homeowners Association, Inc.

February 6, 2010

The following Rules and Regulations, effective this date, are established to provide for the continuing pleasure, comfort, and security of all members (the "Members") of One Piedmont Homeowners Association, Inc. (the "Association"), all lessees, and all guests. No effort is made to list them in order of priority. Compliance is the responsibility of all. The Rules may be changed or modified by the Board of Directors (the "Board") as provided in Article VII, Section 4, of the By-Laws of the Association.

1. COMPLAINTS/NOTICES

All complaints and requests shall be made to the President of the Association. Immediate notice shall be given to the officers of any accident or personal injury to anyone on the premises. Any damage to the exterior or roof of the buildings, or to the other common areas shall also be reported.

2. ALCOHOLIC BEVERAGES AND DRUGS

Under no circumstances shall alcoholic beverages be offered for sale within the premises. No unlawful drugs shall be brought onto the premises.

3. TRASH PICKUP

The Association will provide for pickup of trash if placed outside unit doors before seven o'clock (7:00 a.m.) on Monday and Thursday mornings. These dates are subject to change. Trash must not be put out earlier than ten o'clock (10:00 p.m.), the night before the pickup mornings. All trash must be in waterproof bags securely tied. No loose papers should be put out. Trash not put out by seven o'clock (7:00 a.m.) and that accumulated on other days must remain in the units or be taken to the container located at the northwest end of the detached garage. This is the responsibility of the tenant.

4. DOOR SECURITY

Exterior doors to the basement and all overhead doors must remain closed except when persons are entering or leaving the building. Occupants should verify that doors

lock behind then when they leave or enter the building. Garage doors must not be left open for extended periods of time. High security keys which cannot be duplicated are provided to all owners. The Association and the owners have responsibilities for keys as follows:

ASSOCIATION RESPONSIBILITIES:

- (1) Procure and issue all keys. All keys will be numbered.
- (2) Make initial issue of three no cost keys per unit directly to owners. Obtain receipts for keys.
- (3) Provide, only to the owner on request, extra keys and replacements for lost keys at a cost of twenty-five dollars per key.
- (4) Maintain a directory of numbered keys.
- (5) Provide for entry of others as appropriate.

OWNER RESPONSIBILITIES:

- (1) Maintain control of their unit keys at all times.
- (2) Notify the President of the Association of any loss of keys.
- (3) Provide keys to lessees and realtors as deemed necessary; however, the responsibility for key control remains with the owner.
- (4) Make requests for additional or replacement keys to the President of the Association. Make payment at time of obtaining keys. Ten (10) days may be required for replacement of keys.

5. PETS

- (1) **DEFINITION** - For the purpose of these pet rules, "pet" is defined as domesticated animals traditionally kept in the home for pleasure.
- (2) **SIZE** - One Piedmont limits the size of dogs to under thirty-five pounds. Dogs acquired as puppies shall be understood not to exceed the weight restriction at maturity.
- (3) **PET BEHAVIOR** - No pet may make habitual noise which continually disrupts other residents. No pet that bites, attacks or demonstrates other aggressive behavior towards humans will be allowed.
- (4) **PET CONTROL** - Any pet entering or exiting a common area or outside the confines of the pet owner's unit must be leashed or confined.
- (5) **SANITATION** - Management has designated as the appropriate space for the purpose of exercising dogs, that area along the northern boundary of the One Piedmont property, where the tree stumps are located. It is the pet

owner's responsibility to insure that all solid pet waste is scooped, bagged, and properly disposed of at each walk.

- (6) **LIABILITY** – One Piedmont pet owners will be responsible for any damages to the grounds and/or common areas of One Piedmont caused by their pet, and all cleaning, pest control and deodorizing required because of such pet.
- (7) **COURTESY** – One Piedmont recognizes that pets can be therapeutic for those who enjoy, own, and care for them. It is expected that One Piedmont pet owners will demonstrate courtesy and respect when exposing their pets to other residents.
- (8) **RULE ENFORCEMENT** – Any tenant of One Piedmont who receives two letters of violation of these pet rules and a letter of intent describing these violations from One Piedmont management may be required, after private conference, to remove the pet from the premises, and provide management with a signed affidavit stating that the pet is no longer on the premises and will not return in the future. Fines can be assessed and liens applied by the Directors.
- (9) **VISITING ANIMALS (GUESTS ANIMALS)** – One Piedmont residents are responsible for their individual pets as well as for the pets of their guests visiting the premises. Visiting pets are subject to the same rules as resident pets.

6. **NOISES** – Owners and occupants shall exercise reasonable care to avoid making or allowing to be made, loud, disturbing, or objectionable noises. No occupant shall use, play, or permit the use of playing musical instruments, radios, phonographs, television sets, amplifiers, or any other instruments or devices, in such a manner as may disturb occupants of other units.

7. **COMMON AREA** – Common Areas are those areas not owned by individuals. Individual ownership, described by deed, is limited to the units, garages, and store rooms. All other areas are owned by the members jointly. Maintenance and cleanliness of the common areas is the responsibility of the Association. Common walkways in the basement and covered walkways to the units shall not be obstructed or used for any purpose other than ingress and egress to the units or storage rooms. The use of chairs, charcoal and gas grills and other items that might hinder free passage, is strictly forbidden on the walkways. Approval by the Board must be obtained before any plants, etc., are placed in the common areas. Unit owners, members of their families, their guests, residents, tenants, or lessees shall not use the covered walkways, lobbies, garages or parking lots as play areas. Exercise walking in the garage is encouraged. The courtyard is available for all to enjoy.

8. BALCONIES AND WINDOWS – Nothing shall be hung on or over the metal railings of private balconies or common areas. No plants, vines, etc. will be allowed to climb or wind around the railings of the balconies. Nothing shall be hung from any window or balcony, or be placed on any exterior windowsill of any unit. No tablecloths, clothing, curtains, rugs or any other articles shall be shaken neither from any window or balcony of any unit nor from the covered walkways. There shall be no carpeting, tile, etc., installed on private balconies. Balconies may not be used as storerooms. They must present a neat appearance from the street. Balconies cannot be altered or partitioned in any manner. No occupant shall sweep, throw, or permit to be swept or thrown from any unit, including balconies, windows and doorways, any dirt, cigarette butts, dead flowers, or any other substance, into any part of the common areas, or driveways or upon the unit of any other occupant. Cleaning and maintenance of windows and glass doors in each unit are responsibilities of the owners or lessee. The outside of all windows can be cleaned from the inside by tilting them inwardly.

9. ALTERATIONS – No owner, resident, or lessee shall install any television or radio antenna, fan, air conditioner, screen, awning, or door on or through the exterior of the building except as approved by the Board. The intent of this rule and others is to maintain a uniformity of appearance of the outside of the building. The following policy is established regarding storm doors and screens that may be installed by owners.

- (1) **DOORS** – Storm doors must essentially be doors that either have solid glass or split type with screens. The color must be dark bronze.
- (2) **SCREENS** – The screen frames must be of a color which is as near as practical the color of the woodwork against which the screens fit. This policy does not relieve any owner from the responsibility of obtaining Board approval before the installation of any doors or screens or other modification to the outside of the building is made.

10. SIGNS – Owners and occupants shall not display any advertisement or sign on the grounds of the condominium or in any unit so that the sign is visible from the exterior of the building.

11. SALES – No auction sales, garage sales, patio sales, etc., are permitted on the grounds or within the building of One Piedmont.

12. SOLICITATION – There shall be no solicitation on the grounds or within the building.

13. BUSINESS ACTIVITIES – No business or any type of office relating to a business shall be permitted to exist on condominium property.

14. DAMAGE – Any damage to the exterior of the building, the common areas, or to common personal property, by any unit owner, tenant, lessee, their guests, or their children, shall be repaired at the expense of the unit owner.

15. REPAIRS – Normal repairs to units, garages, including overhead doors, and storerooms are the responsibility of the individual owners.

16. STORAGE – Garages may not be used as storerooms. However, small non-flammable items such as bicycles, etc., may be stored. Items within the storerooms must not be placed closer than one foot from the sprinkler heads. This is a requirement of the Fire Marshall.

17. LIABILITY – The Association has no responsibility nor shall it be liable for any loss or damage to articles stored in any common area, garage, storeroom or unit.

18. PARKING – No vehicle belonging to or under the control of a unit owner or a member of his family or a tenant, lessee or any employee of an occupant, shall be parked in such a manner as to impede or prevent ready access to any exit from the building. No boats or trailers may be kept in the parking lot. No owner, tenant, or lessee shall be allowed to park more than two vehicles in the parking lot at one time. No automotive repairs are permitted within private or common areas. When parking, drivers should not allow their vehicles to overhang the grass area. Radiator overflow kills the grass. Overhang interferes with mowing.

19. GROUNDS – Tenants will help maintain the beauty of the grounds and building by picking up papers, cans, cigarettes, and other debris dropped by thoughtless people. No plants, flowers, or trees may be planted or removed without the consent of the Board.

20. LATE CHARGES – Association fees are due on the first (1st) of each month. A penalty of 10% of the fee will be added for each thirty (30) days the payment is late. (Received thirty (30) days after the first (1st) – not the date on the check!)

5. 75

HOUSE RULES

The following Rules and Regulations are established in order to provide for the continuing pleasure, comfort and security of all members (the "Members") of One Piedmont Homeowner's Association, Inc. (the "Association") and their guests.

1. NOTICES:

All complaints and requests shall be made only to the officers of the Association who will in turn notify the appropriate parties. Members shall also give immediate notice to the officers of any damage, accident or injury to the exterior or roof of the buildings.

2. ALCOHOLIC BEVERAGES:

Under no circumstances shall alcoholic beverages or drugs be dispensed for sale anywhere within the project.

3. ALTERATIONS:

There shall be no alterations to the exterior of any unit. Members shall not make any alterations to or change in the external structure of any unit without first obtaining written permission from the Association; this shall include the erection of any T.V. antennas or installation of awnings.

4. NOISES:

No Member shall make or permit to be made any disturbing noises in his or her unit or the recreation area by himself, his family or his guests, nor do or permit anything to be done by any such person that will interfere with the rights, comforts and conveniences of other Members.

5. SIGNS:

Members are expressly forbidden to put any signs in, upon or about the project.

6. RUGS, ETC.:

Nothing shall be hung from the window, porches or balconies, or placed upon the windowsill of any unit; nor shall any tablecloth, clothing, curtains, or rugs be shaken or hung from any of the windows, doors, balconies, or porches of any unit. There shall be no carpeting or other floor coverings installed on the private balconies. Such private balconies shall maintain a uniform and neat appearance and cannot be altered or partitioned.

7. COMMON AREAS:

The common area shall not be obstructed or used for any purpose other than ingress and egress from the units, or for the appropriate recreational use designated. The use of chairs, charcoal fires, gas grills and other items are strictly prohibited from the covered walkways.

8. SWEEPINGS:

No Member shall sweep or throw or permit to be swept or thrown from any unit, including any balconies, windows and doorways, any dirt or other substances into any part of the common areas, or on or upon the unit of any other Member.

9. PETS:

All dogs shall be leashed. All pets should be controlled so that they will not interfere with the Members' use and enjoyment of the common areas.

10. WINDOWS:

Cleaning and maintenance of windows and glass doors in each unit is the Member's obligations.

11. AUCTION:

No auction sales of any nature are permitted anywhere in the project.

12. TREES, ETC.:

No plants, flowers or trees may be planted without first obtaining approval in writing from the Association. Trees and bushes in Common Areas may be cut only by the Association.

13. PARKING:

No boats or boat-trailers may be kept in the parking lots. Motor vehicles may be parked only in paved parking lots. No family shall be permitted to park more than two vehicles in the parking lots at any one time. No automotive repairs shall be permitted on the Condominium property. Storage of cars in the parking lot other than from day to day is prohibited.

14. SOLICITATION:

There shall be no soliciting without prior written approval from the Association.

15. BUSINESS ACTIVITIES:

No business of any type or office relating to a business shall be permitted to exist on the Condominium property.

16. AMENDMENTS:

These Rules and Regulations may be changed or modified by the Board of Directors of the Association as provided in Article VII, Section 4, of the By-Laws of One Piedmont Homeowner's Association, Inc.

STATE OF ALABAMA
MADISON COUNTY

OFFICE OF THE JUDGE OF PROBATE

CERTIFICATE OF INCORPORATION

OF

ONE PIEDMONT HOMEOWNER'S ASSOCIATION, INC.

I, the undersigned, Judge of Probate, Madison County, Alabama here certify that Articles of Incorporation for the incorporation of ONE PIEDMONT HOMEOWNER'S ASSOCIATION, INC.

duly signed pursuant to the provisions of the Code of Alabama, have been received in this office and found to conform to law and that the name of the corporation is now reserved with the Secretary of State of Alabama under reservation No. _____ dated _____.

ACCORDINGLY, the undersigned, as such Judge of Probate, and by virtue of the authority vested in me by law, hereby issue this Certificate of Incorporation of ONE PIEDMONT HOMEOWNER'S ASSOCIATION, INC.

_____ and attach hereto a certified copy of the Articles of Incorporation.

Dated October 6, 19 87.

Frank H. Riddick
Judge of Probate

STATE OF ALABAMA
MADISON COUNTY

I, Frank H. Riddick, Judge of Probate in and for the County and State aforesaid, hereby certify that the within and foregoing is a true, correct and complete copy of Articles of Incorporation

ONE PIEDMONT HOMEOWNER'S ASSOCIATION, INC.
as same appears of record in my office.

Given under my hand and seal of office this the 6th day of
October, 1987.

Frank H. Riddick
JUDGE OF PROBATE

ARTICLES OF INCORPORATION

STATE OF ALABAMA)

MADISON COUNTY)

STATE OF ALABAMA
CENTRAL RECORDS DEPARTMENT
MADISON COUNTY
OCT 6 2 25 PM '87
FILED

KNOW ALL MEN BY THESE PRESENTS: That the undersigned, desiring to form a non-profit corporation pursuant to the provisions of the "Alabama Non-Profit Corporation Act", as contained in Title 10, Section 10-3-1, et seq., Code of Alabama, 1975, for the purposes hereinafter set out, do hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE I

NAME OF CORPORATION

The name of the corporation shall be ONE PIEDMONT HOMEOWNER'S ASSOCIATION, INC.

ARTICLE II

TIME LIMIT

The period of the duration of the corporation shall be perpetual.

ARTICLE III

PURPOSES

The purpose or purposes for which the corporation is organized are:

1. The specific and primary purposes for which the Association is formed are to provide for maintenance, preservation and architectural control of the condominium project known as "ONE PIEDMONT, A CONDOMINIUM, located in the City of Huntsville, Madison County, Alabama, and all structures and improvements thereon, including such additional property as may hereafter be brought within the jurisdiction of this Association.

2. The general purposes and powers are:

a. To promote the health, safety and welfare of the residents within the property.

b. To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association arising from any Declaration of Covenants, Conditions or Restrictions applicable to the property.

c. To fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes, or government charges levied or imposed against the property of the Association.

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

e. To borrow money, mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

f. To have and to exercise any and all powers, rights and privileges which a corporation organized under the Alabama Non-Profit Corporation Act by law may now or hereafter have or exercise.

g. To act in the capacity of principal, agent, joint venturer, partner, or otherwise.

The foregoing statements of purposes shall be construed as a statement both of purposes and powers, and purposes and powers in each clause shall be in no wise limited or restricted by reference to or inference from the terms or provisions of any other clause, but shall be broadly construed as independent purposes and powers. Notwithstanding any of the above statements of purposes and powers, the Association shall not, except to an insubstantial degree, engage in

any activities or exercise any powers that are not in furtherance of the primary purposes of the Association.

ARTICLE IV

That this Association is organized pursuant to the Alabama Non-Profit Corporation Act and does not contemplate pecuniary gain or profit to the members thereof and is organized for nonprofit purposes.

ARTICLE V

MEMBERSHIP

Members of this Association shall be divided into such classes as provided for in the By-Laws, a copy of which are attached hereto. The qualifications, rights, duties, responsibilities and obligations of each class of membership shall be governed by the By-Laws of the Association.

ARTICLE VI

BOARD OF DIRECTORS

The management of the Association shall vest in a Board of Directors consisting of not less than three members. The Board of Directors shall be elected by the members of the Association. Tenure, removal, powers, duties, meetings, and filling of vacancies of the Board of Directors shall be governed by the By-Laws of the Association.

ARTICLE VII

INITIAL REGISTERED OFFICE

The initial registered office shall be: 3000 Bob Wallace Avenue, Huntsville, Alabama, 35805.

ARTICLE VIII

INITIAL REGISTERED AGENT

The name and address of the initial registered agent is:

R. Glenn Cope, Jr.
3000 Bob Wallace Avenue
Huntsville, Alabama 35805

ARTICLE IX

INITIAL BOARD OF DIRECTORS

The initial Board of Directors shall consist of three members, whose names and addresses are:

<u>NAME</u>	<u>ADDRESS</u>
R. Glenn Cope, Jr.	3000 Bob Wallace Avenue, Huntsville, AL 35805
Robert A. Martignoni	3000 Bob Wallace Avenue, Huntsville, AL 35805
Ann B. Leary	3000 Bob Wallace Avenue, Huntsville, AL 35805

ARTICLE X

INCORPORATORS

The name and address of the incorporator is:

<u>NAME</u>	<u>ADDRESS</u>
R. Glenn Cope, Jr.	3000 Bob Wallace Avenue, Huntsville, AL 35805

ARTICLE XI

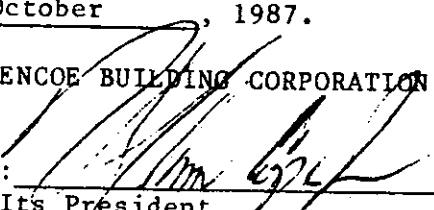
OFFICERS

The initial Officers shall consist of a President, Vice President, Secretary and Treasurer whose names and address are as follows:

<u>NAME</u>	<u>ADDRESS</u>	<u>OFFICE</u>
R. Glenn Cope, Jr.	3000 Bob Wallace Avenue Huntsville, AL 35805	President/Treasurer
Robert A. Martignoni	3000 Bob Wallace Avenue Huntsville, AL 35805	Vice President/Secretary

IN WITNESS WHEREOF, the Incorporator has hereunto executed these Articles of Incorporation on this the 6th day of October, 1987.

GLENCOE BUILDING CORPORATION

By: 
Its President