DECLARATION OF CONDOMINIUM

OF

ASBURY HILLS CONDOMINIUMS

This Declaration, made by C & S Development, L.L.C. a limited liability company under the laws of Alabama, with its principal office and place of business at 1637 Mayfair Court, Auburn, Lee County, Alabama.

WITNESSETH

Article I

Establishment of Condominium Ownership

- 1.1 The purpose of this Declaration is to establish, pursuant to the Alabama Uniform Condominium Act of 1991, codified at Section 35-8A-101 through 35-8A-417, Code of Alabama 1975, a condominium property to be known as Asbury Hills Condominiums. The land and improvements being submitted to the provisions of the Act and to the terms of this Declaration are described in their totality in Article II as the Condominium Property. The Declarant, by filing of record this Declaration, publishes and declares that the Condominium Property shall be owned, occupied, used, conveyed, encumbered, leased and improved in accordance with the provisions of the Act and in accordance with the covenants, restrictions, encumbrances and obligations set forth or incorporated by reference in this Declaration, all of which shall be deemed to be covenants and obligations running with the land.
- 1.2 The building and improvement constituting Asbury Hills Condominiums are to be constructed in two (II) to five (V) phases. The condominium will initially consist of sixteen (16) units (phase I), together with the access and parking facilities hereinafter described. The condominium may be enlarged by phases II through V.
- 1.3 Phase I of the condominium will be created by the recording of this Declaration which may be amended by the Developer, without requiring the approval or consent of any of the unit owners of Phase I or of any other phase subsequently included in the condominium, to include additional phases not theretofore included in the condominium. In no event will the owners of units in Phase I or in any other phase subsequently included in the condominium have a benefit of the common elements described or referred to herein or in exhibits hereto attached as incorporated in one or more phases until the phase incorporating such common elements shall have been included in the condominium by appropriate incremental certificate of amendment to this Declaration made and filed as hereinafter provided.

ARTICLE II

The Condominium Property

- 2.1 <u>Land</u>. Declarant owns in fee simple, subject to that certain mortgage to Colonial Bank, the tract of land which is described in <u>Exhibit "A"</u> of this Declaration. This land encompasses phase I of the condominium. The land also encompasses phases II through V of the condominium.
- 2.2 <u>Units</u>. Declarant will construct upon the Land described in <u>Exhibit "A"</u> of the Declaration 16 condominium units (hereinafter referred to as "Units") as phase I of the condominium. The site location of the Condominium Property is shown on the plat of the Condominium Property contained in <u>Exhibit "B"</u> of this Declaration. The units are graphically depicted in the plans which are compiled and recorded in the Office of the Judge of Probate of Lee County, Alabama, in Condo Book ___, at Pages ___, __& __ et. seq. The Units are also described verbally in Article VI of this Declaration. Each Unit is composed of the interior cubic spaces, fixtures, appliances, furnishings, walls, floors, ceilings and building materials enclosed within the following boundaries:
- A. 1.) <u>UPPER BOUNDARY:</u> The horizontal plane of the exterior surface of the ceiling covering (sheet rock) of the top floor of the Unit.
 - 2.) LOWER BOUNDARY: The horizontal plane of the exterior surface of the structural floor of the Unit.
 - 3.) <u>PERIMETRICAL BOUNDARY:</u> The intersecting vertical planes adjacent to and which include the exterior surface of the wall covering (sheet rock) of the perimeter walls bounding the Unit and fixtures thereon.
 - 4.) The Unit Owner is deemed to own the walls and partitions which are contained within the boundaries of said Owner's Unit.
- B. The boundaries of each Unit shall extend also to include the area closed or bounded by the screens, partitions, railings, balustrades or fences of any deck, terrace, balcony, stoop and steps, porch, courtyard, patio or service area which is an integral and exclusive part of that particular Unit. If any such area is not thus bounded or enclosed, the boundaries of the Unit shall be extended to include the area defined or actually covered by any such deck, terrace, balcony, stoop and steps, porch, courtyard, patio or service area.
- C. Each Unit shall also encompass and include and each Unit Owner shall be responsible for maintenance and repair of the following: (a) the doorways, windows, vents and other structural elements in walls, floors and ceilings of the Unit which are regarded as enclosures of space; (b) the doors opening into the Unit and into any mechanical area or courtyard integral to the Unit, including the frames, castings, hinges, handles and other

fixtures which are part of the doors; (c) the window glasses, screens, frames, wells and castings which are part of the window opening from the Unit; (d) the metal flue and the plumbing and mechanical vents which exclusively serve the Unit; (e) the appliances, air conditioning and heating units, hot water heaters, lavatories, bath trim, ceilings, walls, (f) the screens, partitions, railings, balustrades or fences bounding or enclosing any deck, terrace, balcony, courtyard or service area that is integral and exclusive to the Unit, and the treated wood decking or concrete surface within any such area.

- D. Each Unit Owner shall grant all utility easements which are deemed necessary by the State, County, City, or C & S Development, L.L.C.
- 2.3 <u>Common Elements</u>. The Common Elements of the entire Condominium Property, exclusive of the Units, as shown on the plat contained in <u>Exhibit "B"</u> of this Declaration.
 - 2.3.1 The Common Elements shall include without limitation the following:
 - A. The Land upon which the building enclosing the Units are situated, the paved parking area, the walkways and the remaining common areas surrounding the units; all easements, rights and hereditaments appurtenant to the land described in Exhibit "A" and as shown on the plat contained in Exhibit "B".
 - B. All improvements, exclusive of the Units erected upon the land described in Exhibit "A" including without limitations: (a) the pipes, wires, conduits and other equipment installed to provide utility service to the Units or to portions of the Common Elements; except that outside air conditioning units shall not be a Common Element; (b) the roads, streets, parking areas, street signs, storm drainage, guttering, retaining walls, walkways, paths, trees, gardens and landscaping located upon the Land; (c) all other elements of the Condominium Property rationally of common use or necessary to its existence, maintenance and safety.
 - C. All those certain areas shown on <u>Exhibit "B"</u> as driveways, parking areas, landscape and recreational areas shall be for the use and enjoyment of all the Units on the entire site.
- 2.4 <u>Plans for Additional Phases</u>. The Developers have made provision for additional Phases (II through V) of the condominium. The condominium will be fully developed when said phases are completed or sooner if Phase II through V are not built.

ARTICLE III

Definitions

Certain terms when used in this Declaration and its exhibits shall have the following

meanings unless the context clearly requires otherwise:

- 3.1 Asbury Hills Condominiums means the tract of land ("Land") described in Exhibit "A"; the buildings which have been constructed or will be constructed upon the Land and situated as shown on the plat of the Condominium Property contained in Exhibit "B", of this Declaration and which are portrayed graphically on the plans contained in Exhibit "B" as reflected on the plat recorded in Condo Book ___, at Page ___ et seq. in the Office of the Judge of Probate of Lee County, Alabama as aforementioned; and all fixtures situated upon or appurtenant to the Land, which are made part of Asbury Hills Condominiums by this Declaration.
- 3.2 <u>"Common Expenses"</u> means that portion of the common expenses which is to be paid by each Unit Owner in proportion to their percentage interest in the Common Elements.
- 3.3 <u>"Association of Unit Owners"</u> means the entity responsible for the operation and management of the Condominium Property and shall be an incorporated non-profit corporation whose members shall be composed of all Unit Owners constituting the entity referred to in the Act, (hereinafter referred to as the "Association").
- 3.4 "By-Laws" means the rules and procedures prescribed for government of the Association which are attached to this Declaration as Exhibit "D". All references to "By-Laws" shall be construed to include amendments to the By-Laws duly adopted from time to time.
- 3.5 "Board of Directors" means the body of persons selected, authorized and directed to manage and operate the Condominium Property and the affairs of the Association as provided by this Declaration and the By-Laws (hereinafter referred to as the "Board").
- 3.6 <u>"Common Elements"</u> means all those portions of the Condominium Property not included with the Units.
- 3.7 "Common Expenses" means the actual and estimated expenses of operating and managing the Condominium Property, including reasonable reserves as determined by the Board.
- 3.8 <u>"Common Surplus"</u> means the excess of all receipts of the Association, including, but not limited to, assessments, rents, profits and revenues from the Common Elements over the amount of Common Expense.
- 3.9 <u>"Condominium Property"</u> means the Land described in <u>Exhibit "A"</u>, the building, Units and other improvements constructed upon the Land, real, personal or mixed, intended for use in connection with Asbury Hills Condominiums.
- 3.10 The "Act" means the Alabama Uniform Condominium Act of 1991, codified at Sections 35-8A-101 through 35-8A-417, Code of Alabama, 1975, as amended. All references to the Act shall be construed to include any amendments to the Act adopted and enacted from

time to time.

- 3.11 "Land" means the tract of land designated as Asbury Hills Condominiums and described in the plat referenced in Exhibit "A" as recorded in the Office of the Judge of Probate of Lee County, Alabama.
- 3.12 "Plan" means the floor plans depicting the design, layout and dimensions of the Units which have been built and which are compiled and recorded in the Office of the Judge of Probate of Lee County, Alabama in Condo Book ____, at Pages ____ et seq.
- 3.13 "Plat" means the physical survey of the completed improvements of which Asbury Hills Condominiums is composed, showing the dimensions and site locations of the units, the parking areas, driveways, sidewalks and other improvements in Asbury Hills Condominiums. All references to the Plat shall be construed to mean the plat entitled "Asbury Hills Condominiums" recorded in Condo Book _____, at Page _____ et seq., in the Office of the Judge of Probate of Lee County, Alabama, which is contained in Exhibit "B" of this Declaration.
- 3.14 "Person" means any individual, corporation, partnership, limited liability company, association, trustee, fiduciary or other legal entity, including Asbury Hills Condominium Association, Inc.
- 3.15 "Unit" as used in this Declaration means the private elements enclosed within boundaries defined in Article II, 2.2, and intended for the exclusive ownership or possession by an owner unless the context herein requires otherwise.
 - 3.16 "Unit Owner" means the person or persons owning one or more of the Units.

ARTICLE IV

Asbury Hills Condominium Owners Association, Inc.

- 4.1 <u>Formation.</u> Every Unit Owner shall be a member of the Association of Asbury Hills Condominiums which shall be an incorporated non-profit corporation known as." Asbury Hills Condominiums Owners Association, Inc." The Association shall be managed by a Board of Directors elected by and from the Unit Owners.
- 4.2 <u>By-Laws</u>. The affairs of the Association and the administration of the Condominium Property shall be governed by the provisions of this Declaration and the By-Laws of the Association, a copy of which is attached hereto as <u>Exhibit "D"</u>. The By-Laws of the Association may be amended from time to time, but only in the manner expressly provided in the By-Laws and Article XII of this Declaration.
- 4.3 <u>Voting.</u> On all matters relating to the Association or to the Condominium Property upon which a vote of the Unit Owners is taken, the Unit Owners shall vote in proportion to their

respective interests in Common Elements as set forth in section 7.1 of the Declaration. Any Motion shall carry if it received the affirmative vote of a simple majority of Unit Owners, unless a different majority is specified in this Declaration or in the By-Laws. A simple majority of the Unit Owners shall consist of fifty-one percent (51%) or more of the total interest in the Common Elements.

- 4.4 <u>Binding Effect.</u> All agreements, decisions, and resolutions legally made by the Association in accordance with the provisions of this Declaration and the By-Laws shall be binding upon all Unit Owners.
- 4.5 <u>Management Agent.</u> The responsibility for administration of the Condominium Property may be delegated by the Association to a professional management agent. By proper resolution of the Association, such a management agent may be authorized to assume any of the functions, duties and powers assigned to the Board in the By-Laws or in this Declaration.

ARTICLE V

Ownership and Use

- Ownership of Units. Each Unit, together with its undivided interest in Common Elements, shall constitute a separate parcel of real property, and each Unit Owner shall be entitled to exclusive ownership and possession of the Unit subject to (a) the provisions of this Declaration and the easements, restrictions, covenants and encumbrances set forth herein: (b) the By-Laws of the Association as they may be amended from time to time, together with the regulations and resolutions that may be adopted by the Association or its Board pursuant to the By-Laws; and (c) the Condominium Ownership Act.
- 5.2 <u>Legal Description</u>. Every Unit shall be sufficiently described for purposes of deeds, mortgages, leases and other conveyance by referring to its designated unit number and by reciting that it is part of Asbury Hills Condominiums as established by this Declaration. The conveyance of an individual Unit shall be deemed to convey the undivided interest in Common Elements appurtenant to that Unit. The ownership of an undivided interest in Common Elements appurtenant to a Unit shall be inseparable from the Unit, and no such undivided interest may be conveyed or encumbered except as an appurtenance to the Unit.
- 5.3 Maintenance and Repair. Unit owners shall not have any right to paint or otherwise decorate or change the appearance of any portion of the exterior of the building in which a unit is located. Every Unit Owner shall be responsible at their own expense for maintaining, repairing and decorating all walls, ceilings, floors and other elements of his Unit as defined in Article II, Section 2.2. However, no Unit Owner shall make structural modifications or alterations to the Unit nor shall any Unit Owner alter any door, window, vent, terrace, deck, balcony or courtyard without obtaining the prior written approval of the Board. Written notice of any intended modification shall be given to the Board setting forth details and requesting approval. The Board shall consider the request and decide whether approval shall

be granted. The Board shall advise the Unit Owner of its decision in writing within one hundred twenty (120) days from its receipt of the request. Nothing in this section shall relieve any Unit Owner from obtaining approval for alterations required by other applicable covenants or restrictions. No Unit Owner shall undertake to modify any portion of the Common Elements, save and except that Declarant reserves the right to complete the construction of the Common Elements as located on the Plat, as presently filed or amended, and as otherwise herein set out.

ARTICLE VI

Location and Description

6.1 Unit Location. The Units are unenclosed on the following tract of land, to-wit:

The tract of land on the plat recorded in Condo Book _____, at Page ____ which is contained in Exhibit "A" hereto.

ARTICLE VII

Common Elements: Ownership and Use

- 7.1 Ownership of Common Elements. The percentage of undivided interest of each unit in the common areas shall be equal; that is to say, at any given time the undivided percentage of ownership of each unit then in the condominium shall be that percentage arrived at by using one hundred percent (100%) as the numerator and the number of units incorporated into the condominium as the denominator. For example, since the initial number of units in the condominium is sixteen (16), then the initial percentage of undivided interest of each unit in the common areas is 6.25%. For purposes of percentage of ownership in the common elements, percentage of common expenses, and percentage of common surplus, and voting on all matters requiring action by the owners, the percentages as determined by the method stated shall govern. The common expenses shall be charged to the unit owners according to the percentages of the undivided interests of the respective units in the common elements. The common surplus shall be a trust fund for the unit owners and shall be either distributed among the unit owners according to the respective percentages of the undivided interests of the respective units in the common elements or applied to the following years' assessment, unless otherwise determined by the Board of Directors of the Association which shall not in any event use such surplus or any part thereof in any way other than to furnish services, insurance, goods or other items of value to the unit owners.
- 7.2 <u>No Partition</u>. So long as this Declaration has not been terminated in accordance with the provisions of Article XIII and so long as two-thirds (2/3) of the Condominium Property has not been substantially destroyed within the meaning of Article XI, the Common Elements shall remain undivided; and no Unit Owner shall have the right to bring any action for partition or division.

- 7.3 <u>Use of Common Elements</u>. Each Unit shall have the right to use the Common Elements for their intended purposes in common with all other Unit Owners. Each Unit Owner shall have also a nonexclusive easement appurtenant to his Unit for ingress and egress over the Common Elements for access to and from his Unit, including access to a public street or highway, which shall extend to the family members, agents, servants, and guests of the Unit Owner. All rights to use and enjoy the Common Elements shall be subject to the provisions of the Condominium Ownership Act, this Declaration, the Covenants and Restrictions listed in Article IX, the By-Laws of the Association, and all rules and regulations adopted by the Association pursuant to the By-Laws.
- 7.4 Operation and Management. The maintenance, repairs, replacement, management, operation, and use of the Common Elements shall be the responsibility of the Board and the expenses incurred for such purposes shall be assessed as Common Expenses. The Board may, however, delegate these duties to a management agent.

ARTICLE VIII

Common Expenses

- 8.1 <u>Enumeration of Expenses</u>. Each Unit Owner shall bear in proportion to his respective interest in the Common Elements the following expenses:
 - (i) Expenses incurred in operating, maintaining, improvement, repairing and replacing the Common Elements.
 - (ii) Expenses incurred in administering the affairs of the Association including salaries, wages, and any compensation paid to a managing agent for such purpose.
 - (iii) Expenses incurred in providing public liability insurance and hazard insurance adequate to cover the Condominium Property, exclusive of Unit contents and furnishings, as provided in Article X of this Declaration.
 - (iv) Contributions to provide sufficient working capital and general reserve to operate the Condominium Property and to administer the affairs of the Association.
 - (v) Contributions to provide sufficient reserves to make such major repairs or replacements to the Common Elements as may be required from time to time.
 - (vi) Any other costs related to the operation of the Condominium Property or administration of the affairs of the Association which are declared by this Declaration to be Common Expenses, and any valid charge against the

Condominium Property as whole.

- 8.2 <u>Assessments</u>. All Assessments of Common Elements shall be fixed by the Board and made payable on the first day of each month. A late fee of \$25.00 shall be assessed after the tenth day of each month if payment has not been received. An additional late fee of \$25.00 shall be assessed after the twenty-fifth day of each month if payment has not been received.
- 8.3 <u>Liability of Unit Owner</u>. No Unit Owner may exempt himself from liability for Common Expenses by waiving the use or enjoyment of the Common Elements or by abandoning his Unit.
- Expenses chargeable to any Unit which are unpaid after becoming due shall thereupon constitute a lien against such Unit prior and superior to all other liens except (i) liens for property taxes upon the Unit in favor of any taxing authority, and (ii) mortgage liens duly recorded prior to the time of recording the Association's lien. The lien for such Association shall be recorded in the same manner as a mortgage upon real property. In the event of foreclosure, the Unit Owner shall be required to pay a reasonable rental for the Unit during pendency of the foreclosure action, and a receiver may be appointed to collect the rentals during such period. The Board on behalf of the Association may bring suit for judgment against the Unit Owner in the amount of delinquent Assessments. In the event of foreclosure or suit for money judgment, a reasonable amount may be added to the sum due for attorney's fees and other costs of collection. The lien created by this section shall cover rentals accruing during the pendency of the foreclosure action, any reasonable amount of attorney's fees and other costs of collection.
- 8.5 <u>Sale of Unit</u>. Upon the sale or conveyance of a Unit, all unpaid Assessments against a Unit Owner for his prorata share of Common Expenses shall first be paid out of the sales price or by the purchaser or grantee in preference over any other Assessments, charges, or liens, except the following:
 - (i) Liens for taxes and special assessments upon the Unit which are unpaid.
 - (ii) Payments due under mortgages upon the Unit which are duly recorded prior to such sale or conveyance.
- 8.6 Foreclosure Purchaser. If the holder of a first lien of record on a Unit acquires title by foreclosure of its mortgage, or by deed in lieu of foreclosure, or if a purchaser acquires title at a foreclosure sale, such purchaser shall not be liable for the share of Common Expenses assessed by the Association upon the Unit so acquired accruing after the date of recording of such mortgage but prior to the acquisition of title. The unpaid Assessments occurring during such period shall be deemed Common Expenses collectible from all Unit Owners, including such purchaser, his successors, heirs and assigns. The provisions of this section, however, shall not release any Unit Owner from personal liability for unpaid Assessments together with reasonable attorney's fees for the collection thereof.

8.7 Records. The Board, or a managing agent which it employs, shall keep accurate and detailed records, in chronological order, of receipts and disbursements connected with the operation, administration, maintenance, repair, and replacement of the Condominium Property. Such records, together with the vouchers authorizing payment, shall be available for examination by the Unit Owners at convenient hours on working days, with the appropriate hours being set and announced for general knowledge.

ARTICLE IX

Restrictions, Covenants, Easements

- 9.1 Covenant to Comply with Restrictions and Obligations. Each Unit Owner by acceptance of a deed to a Unit in Asbury Hills Condominiums ratifies and covenants to observe on behalf of himself, his heirs, successors, and assigns, this Declaration, the By-Laws, decisions and resolutions of the Association, Board, or their representatives, as lawfully amended from time to time, and failure to comply with any such provisions, decisions, or resolutions shall be grounds for an action to recover sums due for damages or for injunctive relief.
- 9.2 <u>Utility Easement</u>. Each Unit Owner shall have a nonexclusive easement appurtenant to his Unit for the use in common with other Unit Owners of all pipes, hot water heaters, wires, ducts, flues, cables, conduits, public utility lines, and other Common Elements serving his Unit. Each Unit shall be subject to an easement in favor of the Owners of all other Units to use the pipes, hot water heaters, wires, ducts, flues, cables, conduits, public utility lines, and other Common Elements serving other Units which are located in such Unit.

Each Unit Owner further shall have an easement of support in every other Unit which contributes to the support of his Unit.

- 9.3 Encroachments. There shall be an easement in favor of the Association to the extent any portion of the Common Elements encroaches upon any Unit, and there shall be an easement appurtenant to any Unit to the extent any portion of the Unit encroaches upon the Common Elements or upon another Unit, whether such encroachment presently exists or occurs hereafter as a result of (i) settling or shifting of any part of the Condominium Property, (ii) repair, alteration, or reconstruction of the Common Elements made by the Association or with its consent, (iii) repair or reconstruction necessitated by condemnation of any part of the Condominium Property. Any such easement shall be permitted and maintained so long as this Declaration remains in effect and the Condominium Property remains subject to the Condominiums Ownership Act.
- 9.4 Right of Access. The Association shall have the right of access to each Unit during reasonable hours and with reasonable notice for maintaining, repairing, or replacing any Common Elements located within or accessible through the Unit, or for making necessary emergency repairs within the Unit necessary to prevent damage to the Common Elements or to another Unit. This easement and right of access may be exercised by the Board, by its agents

and employees, or by a managing agent to whom the responsibility of maintenance has been delegated. Damages resulting to any Unit because of such maintenance or repairs shall be corrected promptly at the expense of the Association.

- 9.5 <u>Public Utility Easements</u>. The Condominium Property is subject to utility easements for installments, operation and maintenance of electric, cable vision and telephone distribution lines, and for installation, operation, and maintenance of water and sewer lines. The Board may grant easements and relocate existing easements for installation of utilities if such easements are beneficial to the operation of the Condominium Property. If the location or nature of any utility easement is adverse to the Condominium Property or of doubtful benefit, the Board may grant such easement only when authorized by a vote of the Association.
- 9.6 <u>The Condominium Property</u> is further subject to all restrictions, covenants and easements of record including the following:

Residential Use Restriction. Each Unit shall be occupied only as single family dwellings for the owner or owners, his or their tenants, and for no other reason. No more than two persons not related by blood or marriage may occupy any unit.

Signs. No sign of any kind shall be displayed to the public view, on or from any unit, or any common element without the approval of the Association.

<u>Nuisance</u>. No noxious or offensive activity shall be carried on in any unit or in any common element, nor shall anything be done therein which constitutes a nuisance to the other owners.

Integrity. Nothing shall be done in any unit, or in, on, or to any building in any common element which would structurally change any such building, except as otherwise provided herein.

Interference. Nothing shall be done, either willfully or negligently, which may be or become an annoyance or nuisance to the other unit owners or occupants. No unit owner shall make or permit any disturbing noises in the units by himself, visitors, and licensees, nor do or permit anything by such persons that will interfere with the rights, comforts, or conveniences of other unit owners. Each unit owner will keep his unit in a good state of preservation and cleanliness and shall not sweep or throw or permit to be swept or thrown therefrom or from the doors, windows, yards, porches, or patios thereof, any dirt or other substance.

<u>Vehicles</u>. No trailer or vehicle of any type shall be stored in any common element. No vehicle shall be repaired or rebuilt in any common element.

ARTICLE X

Insurance

- 10.1 <u>Hazard Insurance</u>. Each unit owner shall be responsible for insuring his/her unit against loss or damage due to fire and lightning, with extended coverage, in an amount equal to the maximum insurable replacement value of his/her unit as determined by its appraisal. Each unit owner shall also be responsible for obtaining at his sole expense insurance covering the personal property, decorations and furnishings within his own unit, and the additions and improvements made by him to the unit. Each unit owner shall also be responsible for obtaining at his own expense insurance covering his liability for the safety of the premises within his unit. All such insurance policies shall include, however, provisions waiving (1) any right of the insurer to subrogation claims against the Association, and (2) any right of the insured to contribution or proration because of any policy of insurance purchased by the board.
- 10.2 <u>Hazard Insurance purchased by the Board</u>. The Board shall have the authority to insure against other hazards and risks as it may deem desirable for protection of the Condominium Property.
 - (i) All hazard insurance policies obtained by the Board shall designate the Board as the named insured as Insurance Trustee. In the event of loss or damage, all insurance proceeds shall be paid to the Board as Insurance Trustee under the provisions of this Declaration.
 - (ii) If obtainable, all hazard insurance policies, obtained by the board, upon the Condominium Property shall include provisions waiving (1) all rights of the insurer to subrogation against the Association, its agents and employees and against the individual Unit Owners and their servants, agents and guests and (2) any of the rights of the insurer to contribution from hazard insurance purchased by the Unit Owners upon the contents and furnishings of their Units.
- 10.3 <u>Premiums</u>. All premiums upon insurance policies purchased by the Board shall be assessed as Common Expenses and paid by the Board.

ARTICLE XI

Reconstruction and Repair

Property, the Board shall be responsible for applying the proceeds of any casualty insurance to the repair or reconstruction of the Condominium Property in accordance with the provisions of this Article. Reconstruction or repair shall be mandatory unless two-thirds (2/3) or more of the Condominium Property is destroyed or substantially damaged. If two-thirds (2/3) or more of

the Condominium Property is destroyed or substantially damaged, unless the Unit Owners unanimously agree to reconstruction, the insurance indemnity received by the Board shall be distributed prorata to the Unit Owners and their mortgagees jointly in proportion to their respective interest in Common Elements. The remaining portion of the Condominium Property shall be subject to an action for partition at the suit of any Unit Owner or lienor as if owned in common. In the event of suit for partition, the net proceeds of sale, together with the net proceeds of insurance policies, shall be considered one fund and distributed prorata among all Unit Owners and their mortgagees jointly in proportion to their respective interest in Common Elements. If less than two-thirds (2/3) of the Condominium Property is destroyed or substantially damaged, the Condominium Property shall be reconstructed or repaired in the following manner:

- (i) Any reconstruction or repair must follow substantially the original plans and specifications of the Condominium Property unless the Unit Owners holding fifty-one percent (51%) or more of the total interest in Common Elements vote to adopt different plans and specifications and all Unit Owners, whose Units are affected by the alterations unanimously consent.
- (ii) The Board shall promptly obtain estimates of the cost required to restore the damaged property to its condition before the casualty occurred. Such costs may include professional fees and premiums for bonds as the Board deems necessary.
- (iii) If the insurance proceeds paid to the Board are insufficient to cover the cost of reconstruction, the deficiency shall be paid as a special assessment by the Unit Owners whose units are directly affected by the damage in proportion to the damage done to their respective Units.

ARTICLE XII

Amendments

12.1 By Unit Owners. The Declaration and the By-Laws of the Association may be amended from time to time at a duly held meeting of the association by the affirmative vote of the Unit Owners holding two-thirds (2/3) or more of the total interest in Common Elements; provided, however, that no amendment shall alter the dimensions of a Unit or its appurtenant interest in Common Elements without the written consent of the Unit Owner affected by the proposed alteration and the written consent of any lienors of record on the Unit. Duly adopted amendments shall become effective when an Instrument setting forth the amendments have been executed and filed by the officers of the Association.

ARTICLE XIII

Termination

- 13.1 <u>Casualty or Condemnation</u>. If two-thirds (2/3) or more of the Condominium Property is substantially destroyed or taken by condemnation, the Condominium Property may be removed from the provisions of this Declaration and the Act in accordance with Article XI or Article XII, as the case may be.
- 13.2 <u>Voluntary Termination</u>. Asbury Hills Condominiums as a condominium may also be terminated, removing the Condominium Property from the provisions of this Declaration and the Condominium Ownership Act, if the record owners of the title to the Units and the record owners of mortgages upon the Units agree in a written instrument to termination unanimously or in such percentage as may then be required for termination by the Act. Termination shall become effective upon recordation of such written instrument, duly executed by the prerequisite number of Unit Owners and mortgagees.
- 13.3 Ownership After Termination. After termination of Asbury Hills Condominiums as a condominium, the Unit Owners shall own the Condominium Property as tenants in common in undivided shares, and the holders of mortgages and liens upon the Units shall have mortgages and liens upon respective undivided common interest of the Unit Owners. The undivided share of each tenant in common shall be the same as his undivided interest in Common Elements prior to termination. Any asset of the Association, any fund held by the Board, and any insurance proceeds shall also be the property of the former Unit Owners and tenants in common in the same undivided shares as their interest in Common Elements prior to termination. The costs incurred by the Board in connection with termination shall be considered a Common Expense.
- 13.4 <u>Partition</u>. After termination, the Condominium Property shall be subject to an action for partition by a Unit Owner or any lienor in which event the net proceeds from the judicial sale shall be divided among all Unit Owners in proportion to their respective interest in Common Elements and paid to each Unit Owner and mortgagee.

ARTICLE XIV

Miscellaneous Provisions

- 14.1 <u>Conflicts</u>. This Declaration is made and declared in compliance with the Act. In the event of any omission or of any conflict between this Declaration and the provisions of the Act, the provisions of the statute shall control.
- 14.2 Applicable Law. The provisions of this Declaration shall be construed under the laws of the State of Alabama.

- 14.3 <u>Invalidity</u>. The invalidity of any provision of this Declaration shall not impair the validity, enforceability or effect the remaining provisions; and, in such event, all other provisions shall continue in full force as if the invalid provisions had not been included.
- 14.4 Gender and Number. The use of the masculine gender in this Declaration shall be deemed to refer to the feminine and neuter gender, and the use of the singular shall be deemed to refer to the plural, and vice versa, whichever the context so requires.
- 14.5 Exhibits. All exhibits to this Declaration shall be an integral part of this instrument.
- 14.6 <u>Captions</u>. Captions are inserted in this Declaration for convenience only, and are not to be used to interpret the provisions of this instrument.

IN WITNESS WHEREOF, the Declarant, C & S Development, L.L.C., acting through its duly authorized Managing Member, has caused this Declaration of Condominium to be executed as of the date first written above, and Colonial Bank, as the holder of a mortgage on the Condominium Property has given its assent to the execution of the Declaration.

C & S Development, L.L.C.

y: 12000

Robert Seth Selby, Jr,

As its Managing Member

Colonial BANK

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As its // Ce These

STATE OF ALABAMA

LEE COUNTY

I, the undersigned authority, a Notary Public for the State at Large, hereby certify that Robert Seth Selby, Jr., whose name as Managing Member of C & S Development, L.L.C., a Limited Liability Company, is signed to the foregoing Declaration and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, in his capacity as such Managing Member, executed the same for and as act of said Limited Liability Company.

Witness my hand and seal this the 189 day of May, 1999.

Notary Public

(Seal)

My Commission Expires: 5-2-2000

STATE OF ALABAMA

LEE COUNTY

I, the undersigned authority, a Notary Public for the State at Large, hereby certify that Large A. Now, whose name as a duly authorized representative of Colonial Bank, a State Banking Corporation, is signed to the foregoing Declaration and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, in his capacity as such Officer, executed the same for and as act of said corporation for the sole purpose of giving its assent to the Declaration as set forth in the Act.

Witness my hand and seal this the $23^{\frac{1}{2}}$ day of May, 1999.

Notary Public

(Seal)

My Commission Expires: 5-2-2000

EXHIBIT "A"

TO

DECLARATION OF CONDOMINIUM

OF

ASBURY HILLS CONDOMINIUMS

LEGAL DESCRIPTION

Lot 1, Asbury Hills Subdivision, as shown by plat or survey thereof recorded in Plat Book 18, at Page 187, in the Office of the Judge of Probate of Lee County, Alabama.

EXHIBIT "B"

TO

DECLARATION OF CONDOMINIUM

OF

ASBURY HILLS CONDOMINIUMS

Plat Attached

(Common Elements, Land, Building, Walks, Driveways, Etc.)

EXHIBIT "C"

TO

DECLARATION OF CONDOMINIUM

OF

ASBURY HILLS CONDOMINIUMS

BY-LAWS
OF
ASBURY HILLS CONDOMINIUM OWNERS ASSOCIATION, INC.

ARTICLE I

Plan of Unit Ownership

Section 1. CONDOMINIUM PROPERTY. The property (the term "Property" as used herein means and includes the land, the building, all improvements and structures thereof) located in Auburn, Lee County, Alabama, known as Asbury Hills Condominiums that has been, by Declaration, submitted pursuant to the provisions of the Alabama Uniform Condominium Act of 1991, which said property shall henceforth be known as Asbury Hills Condominiums.

Section 2. BY-LAWS APPLICABILITY. The provisions of these By-Laws are applicable to the Property and Asbury Hills Condominiums.

Section 3. PERSONAL APPLICATION. All present or future owners, tenants, future tenants, or their employees, or any other person who might use the facilities of the property in any manner are subject to the regulations set forth in these By-Laws, in the rules and regulations for Asbury Hills Condominiums L.L.C., being Schedule A of these By-Laws, and in the Declaration establishing Asbury Hills Condominiums as they may be amended from time to time. The mere acquisition or rental of any of the suites (hereinafter usually referred to as "Units") as defined in the Declaration of the property or the mere act of occupancy of any of said Units will signify that these By-Laws, the provisions of the Declaration, and any authorized amendments to the foregoing Declaration are accepted and ratified, and will be complied with.

ARTICLE II

Voting Majority of Owners, Quorum Proxies

Section 1. VOTING. Voting shall be on a percentage basis and the percentages of the vote to which the owner is entitled is the percentage of the Common Elements assigned to his Unit or Units in the Declaration.

- Section 2. MAJORITY OF OWNERS. As used in these By-Laws, the term "majority of owners" shall mean those owners holding fifty-one (51%) percent, in accordance with the percentages assigned in the Declaration and any authorized amendments thereto.
- Section 3. QUORUM. Except as otherwise provided elsewhere in these By-Laws, the presence in person or by proxy of a majority of owners or representatives as defined in Section 2 of this Article shall constitute a quorum.
- Section 4. PROXIES. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.
- Section 5. MAJORITY VOTE. The vote of a majority of the Unit Owners present at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except wherein the Declaration or in these By-Laws, or by law, a higher percentage vote is required.

ARTICLE III

Association of Unit Owners

- Section 1. ASSOCIATION RESPONSIBILITIES. The owners of the Units will constitute the Association of Unit Owners, (hereinafter usually referred to as "Association") which will have the responsibility of administering the Property, approving the annual budget, establishing, and collecting periodic assessments and arranging for provisions relating to the duties, obligations, removal and compensation of the management agent. Except as otherwise provided, decisions and resolutions of the Association shall require approval by a majority of the owners. The Association shall immediately incorporate itself as a non-profit corporation, adopt these By-Laws, apply for a tax number, if needed, and file appropriate tax returns.
- Section 2. PLACE OF MEETING. Meetings of the Association shall be at such place, convenient to the owners, as may be designated by the Association.
- Section 3. ANNUAL MEETINGS. The annual meeting of the Association shall be held at the call of the President once a year during the month of May or at such time as a majority of the owners may agree upon. At such meetings there shall be elected by ballot of the owners a Board of Directors in accordance with the requirements of Section 5 of Article IV of these By-Laws. The owners may also transact such other business of the Association as may properly come before them.
- Section 4. SPECIAL MEETINGS. It shall be the duty of the Secretary to call a special meeting of the owners as directed by resolution of the Board of Directors or upon a petition signed by a majority of the owners and having been presented to the Secretary. A notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting of the Association except as stated in the

notice, and except by consent of four-fifths (4/5) of the vote present, either in person or by proxy.

- Section 5. NOTICE OF MEETING. It shall be the duty of the Secretary to mail a notice of each annual or special meeting of the owners, stating the purpose thereof as well as the time and place where it is to be held, to each owner of record, at least fifteen (15) days, but not more than (45) days prior to such meeting. The mailing of a notice in the manner provided in this Section shall be considered notice served.
- Section 6. ADJOURNED MEETING. If any meeting of the association cannot be organized because a quorum has not attended, the owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the original meeting time. Upon the reconvening of said meeting, a quorum shall be constituted if the owners holding at least twenty-five (25%) percent of the voting interest of the Property, in accordance with the percentages assigned in the Declaration, are present at said reconvened meeting.
- Section 7. ORDER OF BUSINESS. The order of business at all Annual Meetings of the Association shall be as follows:
 - (a) Roll Call
 - (b) Proof of Notice of Meeting or Waiver of Notice
 - (c) Reading of Minutes of Preceding Meeting
 - (d) Reports of Officers
 - (e) Reports of Committees
 - (f) Election of Inspectors of Election
 - (g) Election of Directors
 - (h) Unfinished Business
 - (i) New Business

The order of business at a Special Meeting of the Association shall include items (a) through (d) above, and, thereafter, the agenda shall consist of the items specified in the notice of meeting.

ARTICLE IV

Board of Administrators

Section 1. NUMBER AND QUALIFICATION. The affairs of the Association shall be governed by a Board of Directors (hereinafter referred to as the "Board") composed of three (3) persons. Until succeeded by the Board Members elected by the Unit Owners, Board of Director Members need not be Unit Owners. Thereafter, all Board Members shall be Unit Owners. To change the number of Board members shall require a four-fifths (4/5) vote of the

Unit Owners, with a quorum present. The Board shall have the authority to change its number of members at any time by a majority vote of the Board.

- Section 2. GENERAL POWERS AND DUTIES. The Board shall have the power and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law, or by these By-Laws, directed to be executed and done by the Association or individual owners.
- Section 3. OTHER DUTIES. In addition to duties imposed by these By-Laws, or by resolutions of the Association, the Board shall be responsible for the following:
- (a) Compliance with all the terms and conditions of the Declaration and any amendments thereto and enforcement of same.
 - (b) Care, upkeep and surveillance of the Property and the Common Elements.
- (c) Employment, dismissal and control of the Personnel necessary for the maintenance and operation of the Common Elements.
 - (d) Collection of Common Expenses from the owners.
- (e) Performing repairs caused by any natural disaster or man-made damage from the reserve account and any special assessment, or causing the same to be done.
- (f) Granting or relocating easements which are not inconsistent with the Owner's full use and enjoyment of the Common Elements.
- (g) Making of repairs, additions, and improvements to or alterations of, the Property and repairs to and restoration of the Property in accordance with the other provisions of these By-Laws; provided, however, that the Board of Administrators shall not undertake any repair covered by warranty without the consent of a majority of the Unit Owners.
- Section 4. MANAGEMENT AGENT. The Board may employee a management agent at the compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Section 3 of this Article.
- Section 5. FIRST BOARD OF DIRECTORS. The first Board of Directors consisting of three (3) members shall be designated by the Declarant. The appointments will be temporary and will continue only until the first annual meeting of the Unit Owners held pursuant to the provisions of these By-Laws. The member of the Board shall hold office until their successors have been elected and hold their first meeting. Any and all of said Board Members shall be subject to replacement, in the event of resignation or death, in the manner set forth in Section 6 of this Article.

- Section 6. VACANCIES. Vacancies in the Board of Directors caused by reason other than removal of a member of the Board by a vote of the Board shall be filled by vote of the majority of the remaining members, even though they constitute less than a quorum: and each person so elected shall be a member of the Board until a successor is elected at the next meeting of the Unit Owners.
- Section 7. REMOVAL OF MEMBER OF THE BOARD. At any regular or special meeting of the Association duly called, any one or more of the member of the Board may be removed with or without cause by a majority of the owners, and a successor may then and there be elected to fill the vacancy thus created. Any member of the Board whose removal has been proposed to the Association shall be given an opportunity to be heard at the meeting. No Board Member shall continue to serve on the Board, if, during the term of office, he shall cease to be a Unit Owner.
- Section 8. ORGANIZATIONAL MEETING. The first meeting of a newly elected Board shall be held within ten (10) days of election at such place as shall be fixed by the Board at the meeting at which such Board Members were elected by the Association, and no notice shall be necessary to the newly elected Board Member in order to legally constitute such a meeting, provided a majority of the Board shall be present.
- Section 9. REGULAR MEETINGS. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Board, but at least one (1) such meeting shall be held each fiscal year. Notice of regular meetings shall be held each fiscal year. Notice of regular meetings of the Board shall be given by the Secretary-Treasurer, or other designated person, to each Board Member, personally or by mail, telephone, or telegraph, at least ten (10) days prior to the day set for such meeting.
- Section 10. SPECIAL MEETINGS. Special meetings of the Board may be called by the President on three (3) days notice to each Board Member, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided), and the purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary-Treasurer in like manner and on like notice on the written requirements of at least two (2) Board Members.
- Section 11. WAIVER OF NOTICE. Before or at any meeting of the Board, any member of the Board may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the meeting of the Board. If all members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.
- Section 12. BOARD QUORUM. At all meetings of the Board, a majority of the Board Members shall constitute a quorum for the transaction of business, and acts of the majority of the members present at a meeting at which a quorum is present shall be the acts of the Board. If at any meeting of the Board, there is less than a quorum present, the majority of the Board

Members present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 13. COMPENSATION. No member of the Board of Directors shall receive any compensation from the Association for acting as such.

LIABILITY OF THE BOARD OF DIRECTORS. The members of the Board of Directors shall not be liable to the Unit Owners for any mistake or judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the members of the Board of Directors against all contractual liability to others arising out of contracts made by the Board of Directors on behalf of the Association unless any such contract shall have been in bad faith or contrary to the provisions of the Declaration or of these By-Laws. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Directors or out of the aforesaid indemnity in favor of the member of the Board of Directors shall be limited to such proportions of the total liability thereunder as his interest in the Common Elements. Every agreement made by the Board of Directors or by the managing agent or by the manager on behalf of the Association shall provide that the member of the Board of Directors or the managing agent, or the manager, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion as the total liability thereunder as his interest in the Common Elements bears to the Common Elements.

ARTICLE V

Officers

- Section 1. DESIGNATION. The principal officers of the Association shall be a President, a Vice President, and a Secretary-Treasurer, all of whom shall be elected by and from the Board.
- Section 2. ELECTION OF OFFICERS. The officers of the Association shall be elected annually by the Board at the organization meeting of each new Board and shall hold the office at the pleasure of the Board.
- Section 3. REMOVAL OF OFFICERS. Upon an affirmative vote of a majority of the members of the Board, any officer may be removed with or without cause, and his successors elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose. No officer shall continue to serve as such, if during his term of office, he shall cease to be Unit Owner.

- Section 4. PRESIDENT. The President shall be the chief executive officer of the Association. He shall preside at the call of Association meetings and of the Board. He shall have all of the general 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 owners from time to time as he may, in his discretion, feel appropriate to assist in the conduct of the affairs of the Association.
- Section 5. VICE PRESIDENT. The Vice President shall take the place of the President and perform his duties when the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to do so on an Interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board.
- Section 6. SECRETARY-TREASURER. The Secretary-Treasurer shall keep the minutes of all meetings of the Board and the minutes of all meetings of the Association; he shall have charge of such books and papers as the Board may direct; and he shall have responsibility for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board. He shall, in general, perform all the duties incident to the office of the Secretary-Treasurer.

ARTICLE VI

Notices

- Section 1. **DEFINITION.** Whenever under the provisions of the Declaration or of these By-Laws notice is required to be given to the Board of Directors, any manager or Unit Owner, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box, in a postpaid sealed wrapper, addressed to the Board of Directors, such manager, or such Unit Owner at such address as appears on the books of the Association. Notice shall be deemed given as of the date of mailing.
- Section 2. SERVICE OF NOTICE OF WAIVER. Whenever any notice is required to be given under the provisions of the Declaration or law, or of the By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

SCHEDULE "A" TO BYLAWS

RULES AND REGULATIONS OF ASBURY HILLS CONDOMINIUMS, L.L.C.

- 1. <u>USE AND OCCUPANCY RESTRICTIONS</u>. No part of the property shall be used for any purpose other than residential use and the related foregoing restrictions as to use shall not, however, be construed in such a manner as to prohibit a Unit Owner or Occupant from; (a) maintaining his personal or professional library therein, (b) keeping his personal business or professional records or accounts therein, (c) handling his personal business or professional telephone calls or correspondence therefrom. Such uses are expressly declared customarily incident to the principal residential use and not in violation of said restriction.
- 2. <u>USE OF COMMON ELEMENTS</u>. There shall be no obstruction of the Common Elements or anything stored in the Common Elements without the prior consent of the Board of Directors except as expressly provided therein or in the Declaration or Bylaws. Each Unit Owner shall be obligated to maintain and keep in good order and repair his own Unit in accordance with the provisions of the Bylaws.
- 3. <u>INSURABILITY</u>. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance of any of the buildings, or contents thereof, without the prior written consent of the Board of Directors. No Unit Owner shall permit anything to be done, or kept in his Unit, or in the Common Elements which will result in the cancellation of insurance on any of the Buildings, or contents thereof, or which would be in violation of any law.
- 4. OUTSIDE OF BUILDINGS. Unit Owners shall not cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls or doors of a building and no sign, awning, canopy, shutter or antenna of any kind shall be affixed to or placed upon the exterior walls or doors, roof or any part thereof or exposed on or at any window, without the prior consent of the Board of Directors.
- 5. <u>ELECTRIC WIRING</u>. No Unit Owner or Occupant shall overload the electric wiring in the building, or operate any machines, appliances, accessories or equipment to the heating or air conditioning system or plumbing system, other than those systems originally installed, without the prior written consent of the Board of Directors.
- 6. <u>PLUMBING FIXTURES</u>. The water closets, lavatories, sinks, and other apparatus shall not be used for any other purpose than those for which they were constructed, and no sweeping, rubbish, or other substance shall be thrown therein.
- 7. <u>NUISANCES</u>. No immoral, noxious or offensive activity shall be carried on in any Unit, or in the Common Elements, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Unit Owners or

- occupants. No Unit Owner shall make or permit any disturbing noises in the Building by himself, his servants, employees, agents, or visitors, nor do or permit anything by such persons that will interfere with the rights, comforts or convenience of other Unit Owners. No Unit Owner shall play upon, or suffer to be played upon, any musical instrument or operate or suffer to be operated a phonograph, television set, radio or other sound system in the premises if the same shall disturb or annoy occupants of the Buildings.
- 8. ALTERATIONS AND STRUCTURES. Nothing shall be done in any Unit or in, on or to the Common Elements, which will impair the structural integrity of any Building or which would structurally change any of the Buildings. Safes, furniture, boxes or other bulky articles shall be carried up into the Unit only with the consent of the Board of Directors first obtained, and then only by the stairways or through windows of the Building as the Board may direct, and at such times and in such manner and by such persons as the Board of Directors may direct. No water beds will be allowed without the express approval of the Board of Directors. Safes and other heavy articles shall be placed by the Unit Owner in such places only as may be first specified in writing by the Board of Directors, and any damage done to the Building or to occupants or to other persons taking a safe or other heavy objects in or out of the Unit, from overloading a floor, or in any other manner shall be paid for by the Unit Owner or his lessee causing such damage.
- 9. LAUNDRY. No clothes, sheets, blankets, laundry or any kind of other articles shall be hung out of a Unit or exposed on any part of the Common Elements. The Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials.
- 10. TRASH. Trash, garbage, and other waste shall be kept only in black sanitary two mil poly bags, and shall be disposed of in a clean and sanitary manner as prescribed from time to time within the Administrative Rules and Regulations of the Board of Directors. Nothing shall be hung from the windows, porches, or balconies or placed upon the window sills. Nor shall any rugs or mops be shaken or hung from or on any of the windows, doors, decks, porches or patios.
- 11. <u>WINDOW COVERINGS</u>. Draperies, blinds or curtains may be installed by each Unit Owner on the windows of his or her Unit, provided that the color of the portion of said draperies, blinds or curtains visible from the exterior shall be off-white or conform to those other standards specified by the Board of Directors.
- 12. <u>SIGNS</u>. No "For Sale", "For Rent", "Garage sale" or "For Lease" signs or other window displays or advertising shall be maintained or permitted on any part of the Property or in any Unit without the approval of the Board of Directors. The right is reserved by the Developer and/or the Board of Directors, or its agent, to place "For Sale", "For Rent" or "For Lease" signs on any unsold or unoccupied Units and "Sold" signs on sold Units.
- 13. PORCHES, PATIOS AND DECKS. No porches, patios or decks shall be decorated, enclosed or covered by any awning or otherwise, without the consent in writing of the Board

of Directors.

- 14. <u>SOLICITING</u>. Canvassing, soliciting and peddling on the Property is prohibited and each Unit Owner shall cooperate to prevent the same.
- 15. <u>OUTSIDE LIGHTING</u>. Only clear or white light bulbs shall be used in outdoor lighting fixtures.
- 16. **PETS.** No pets will be allowed other than those approved by the Board of Directors, and which comply with any requirements for safety and health as specified within the Condominium documents.
- 17. BOATS, TRAILERS, AND OFF-THE-ROAD VEHICLES. All vehicles, other than passenger cars, pickups, and vans, are required to obtain the written permission of the Board of Directors prior to being parked within the Condominium. the Board of Directors shall, at their discretion, have the right to designate parking areas for boats, trailers, etc., and furthermore, have the right to change that location from time to time. No vehicle shall be allowed within the Condominium property if, within the judgment of the Board of Directors, said vehicle constitutes a hazard, is a nuisance, is objectable, or is left in an inoperable condition.

SCHEDULE "A" TO BYLAWS

RULES AND REGULATIONS OF ASBURY HILLS CONDOMINIUMS, L.L.C.

- 1. <u>USE AND OCCUPANCY RESTRICTIONS</u>. No part of the property shall be used for any purpose other than residential use and the related foregoing restrictions as to use shall not, however, be construed in such a manner as to prohibit a Unit Owner or Occupant from; (a) maintaining his personal or professional library therein, (b) keeping his personal business or professional records or accounts therein, (c) handling his personal business or professional telephone calls or correspondence therefrom. Such uses are expressly declared customarily incident to the principal residential use and not in violation of said restriction.
- 2. <u>USE OF COMMON ELEMENTS</u>. There shall be no obstruction of the Common Elements or anything stored in the Common Elements without the prior consent of the Board of Directors except as expressly provided therein or in the Declaration or Bylaws. Each Unit Owner shall be obligated to maintain and keep in good order and repair his own Unit in accordance with the provisions of the Bylaws.
- 3. <u>INSURABILITY</u>. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance of any of the buildings, or contents thereof, without the prior written consent of the Board of Directors. No Unit Owner shall permit anything to be done, or kept in his Unit, or in the Common Elements which will result in the cancellation of insurance on any of the Buildings, or contents thereof, or which would be in violation of any law.
- 4. OUTSIDE OF BUILDINGS. Unit Owners shall not cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls or doors of a building and no sign, awning, canopy, shutter or antenna of any kind shall be affixed to or placed upon the exterior walls or doors, roof or any part thereof or exposed on or at any window, without the prior consent of the Board of Directors.
- 5. <u>ELECTRIC WIRING</u>. No Unit Owner or Occupant shall overload the electric wiring in the building, or operate any machines, appliances, accessories or equipment to the heating or air conditioning system or plumbing system, other than those systems originally installed, without the prior written consent of the Board of Directors.
- 6. <u>PLUMBING FIXTURES</u>. The water closets, lavatories, sinks, and other apparatus shall not be used for any other purpose than those for which they were constructed, and no sweeping, rubbish, or other substance shall be thrown therein.
- 7. <u>NUISANCES</u>. No immoral, noxious or offensive activity shall be carried on in any Unit, or in the Common Elements, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Unit Owners or

occupants. No Unit Owner shall make or permit any disturbing noises in the Building by himself, his servants, employees, agents, or visitors, nor do or permit anything by such persons that will interfere with the rights, comforts or convenience of other Unit Owners. No Unit Owner shall play upon, or suffer to be played upon, any musical instrument or operate or suffer to be operated a phonograph, television set, radio or other sound system in the premises if the same shall disturb or annoy occupants of the Buildings.

- 8. ALTERATIONS AND STRUCTURES. Nothing shall be done in any Unit or in, on or to the Common Elements, which will impair the structural integrity of any Building or which would structurally change any of the Buildings. Safes, furniture, boxes or other bulky articles shall be carried up into the Unit only with the consent of the Board of Directors first obtained, and then only by the stairways or through windows of the Building as the Board may direct, and at such times and in such manner and by such persons as the Board of Directors may direct. No water beds will be allowed without the express approval of the Board of Directors. Safes and other heavy articles shall be placed by the Unit Owner in such places only as may be first specified in writing by the Board of Directors, and any damage done to the Building or to occupants or to other persons taking a safe or other heavy objects in or out of the Unit, from overloading a floor, or in any other manner shall be paid for by the Unit Owner or his lessee causing such damage.
- 9. <u>LAUNDRY</u>. No clothes, sheets, blankets, laundry or any kind of other articles shall be hung out of a Unit or exposed on any part of the Common Elements. The Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials.
- 10. TRASH. Trash, garbage, and other waste shall be kept only in black sanitary two mil poly bags, and shall be disposed of in a clean and sanitary manner as prescribed from time to time within the Administrative Rules and Regulations of the Board of Directors. Nothing shall be hung from the windows, porches, or balconies or placed upon the window sills. Nor shall any rugs or mops be shaken or hung from or on any of the windows, doors, decks, porches or patios.
- Owner on the windows of his or her Unit, provided that the color of the portion of said draperies, blinds or curtains visible from the exterior shall be off-white or conform to those other standards specified by the Board of Directors.
- 12. <u>SIGNS</u>. No "For Sale", "For Rent", "Garage sale" or "For Lease" signs or other window displays or advertising shall be maintained or permitted on any part of the Property or in any Unit without the approval of the Board of Directors. The right is reserved by the Developer and/or the Board of Directors, or its agent, to place "For Sale", "For Rent" or "For Lease" signs on any unsold or unoccupied Units and "Sold" signs on sold Units.
- 13. PORCHES, PATIOS AND DECKS. No porches, patios or decks shall be decorated, enclosed or covered by any awning or otherwise, without the consent in writing of the Board

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of Directors.

- 14. <u>SOLICITING</u>. Canvassing, soliciting and peddling on the Property is prohibited and each Unit Owner shall cooperate to prevent the same.
- 15. <u>OUTSIDE LIGHTING</u>. Only clear or white light bulbs shall be used in outdoor lighting fixtures.
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- 17. BOATS, TRAILERS, AND OFF-THE-ROAD VEHICLES. All vehicles, other than passenger cars, pickups, and vans, are required to obtain the written permission of the Board of Directors prior to being parked within the Condominium. the Board of Directors shall, at their discretion, have the right to designate parking areas for boats, trailers, etc., and furthermore, have the right to change that location from time to time. No vehicle shall be allowed within the Condominium property if, within the judgment of the Board of Directors, said vehicle constitutes a hazard, is a nuisance, is objectable, or is left in an inoperable condition.