

BY-LAWS  
OF  
EDEN VILLAS GARDEN COURT TOWNHOUSES ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION. The name of the corporation is EDEN VILLAS GARDEN COURT TOWNHOUSES ASSOCIATION, INC., hereinafter referred to as the "Association". Its principal office shall be located at 1899 Woodvine Lane, Birmingham, Jefferson County, Alabama.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to EDEN VILLAS GARDEN COURT TOWNHOUSES ASSOCIATION, INC., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real estate described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Lot Owners.

Section 4. "Lot Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the

Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to VEBCO, INC., its successors and assigns if such successors and assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 8. "Townhouse" shall mean and refer to the single family residence duly erected and situated upon a Lot.

### ARTICLE III

#### PURPOSE

The purpose of the Association is to act on behalf of its members as their governing body with respect to the administration, maintenance, repair and replacement of certain property as set forth in the Declaration, and as such to own and acquire any real estate or interest or rights therein or appurtenant thereto and any and all personal property in connection therewith as may be incidental or necessary to such purpose, all on a non-profit basis consistent with provisions of its Articles of Incorporation and Declaration.

ARTICLE IV

MEETING OF MEMBERS

Section 1. Annual Meetings. The annual meeting of the members of this Association shall be held at its principal office in Jefferson County, Alabama, or elsewhere, on the 10th day of September at the hour of 8:00 P. M. in each year. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meeting. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A membership, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the Class B membership.

Section 3. Notice of Meetings. Notice of meetings, both annual and special, shall be prepared in writing and mailed to each member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice not less than ten (10) days before any such meeting and, if for a special meeting

such notice shall state the purpose or objects of such meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-half (1/2) of the votes of each class of membership, shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

#### ARTICLE V

##### ORDER OF BUSINESS

The order of business at the annual meeting and so far as possible at any other meeting shall be:

- Calling the roll;
- Ascertainment of members represented;
- Reading of minutes;
- Reports of officers and committees;
- Election of directors;
- Unfinished business;
- New business;
- Adjournment.

ARTICLE VI

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of not less than three (3) nor more than nine (9) Directors who need not be members of the Association.

Section 2. Term of Office. At the first annual meeting the members of the Association shall elect Directors with staggered terms of office such that at least one-third (1/3) of the Directors term of office shall expire one year from date of election, one-third (1/3) of the Directors term of office shall expire two years from the date of election, and the remaining Directors term of office shall expire three years from the date of election. At each annual meeting thereafter, Directors shall be elected to replace the Directors whose term of office has expired.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting.

The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE VII

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nominees for election

to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such elections

the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

#### ARTICLE VIII

##### MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 4. Order of Business. The order of business at any regular meeting of the Board of Directors, or any special meeting, shall be:

Calling the roll;  
Reading the minutes;  
Reports of officers and committees;  
Unfinished business;  
New business;  
Adjournment.

ARTICLE IX

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provision of these By-Laws, the Articles of Incorporation, or the Declaration;



(d) declare the office of a member of the Board of directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) to authorize the officers to enter into one or more management agreements with third parties in order to facilitate efficient operation of the Properties. It shall be the primary purpose of such management agreements to provide for the administration, management, repair and maintenance of the Properties, all improvements included therein and designated as common areas, the roof and exterior portion of the townhouses as provided in the Declaration, and the receipt and disbursement of funds as may be authorized by the Board of Directors. The terms of said management agreements shall be as determined by the Board of Directors to be in the best interests of the Association, and shall be subject in all respects to the Articles of Incorporation, these By-Laws and the Declaration. It shall be the duty of the Association or its Board of Directors to effect a new management agreement prior to the expiration of any prior management contract. Any and all management agreements shall be made with

a responsible party or parties having experience adequate for the management of a project of this type.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any Lot for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same.

(d) With respect to each fiscal year, the Board of Directors shall estimate the amount required by the Association to meet its expenses for such year, including but not limited to the following items:

- (a) Management and administration expenses;
- (b) The estimated cost of repairs, maintenance and replacement on the Common Areas, and exterior of the Lots and townhouses;
- (c) The cost of such utilities as may be furnished by the Association;
- (d) The amount of reserve as may be reasonably established by the Board, including general operating reserves, reserves for replacement, and reserves for contingencies;
- (e) Such other expenses of the Association as may be approved by the Board of Directors, including operating deficiencies, if any, for prior periods.

(e) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(f) To procure adequate fire and other hazard and liability insurance on property owned by the Association, and upon the townhouses, in accordance with the Declaration of Covenants, Conditions and Restrictions;

(g) cause all officers or employees having financial responsibilities to be bonded, as it may deem appropriate;

(h) cause the Common Area to be maintained;

(i) cause the exterior of the dwellings to be maintained.

#### ARTICLE X

##### OFFICERS AND THEIR DUTIES

Section 1. Officers. The officers of this Association shall be a President and Vice President, a Secretary and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or

at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The President shall preside at all meetings, shall have general supervision of the affairs of the company, shall sign or countersign all instruments authorized to be so executed by him by the Board of Directors.

Vice President

(b) The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

(c) The Secretary shall issue all notices of meetings, shall keep the minutes thereof, have charge of the seal and books of the Association, shall sign with the President such instruments as require his signature, and shall make such reports and perform such other duties as are incident to his office or properly required of him by the Board of Directors.

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE XI

COMMITTEES

Section 1. The Association shall appoint an Architectural Control Committee as provided in the Declaration and a Nominating Committee as provided in these By-

Laws. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out its purposes, such as:

(1) A Recreation Committee which shall advise the Board of Directors on all matters pertaining to the recreational program and activities of the Association and shall perform such other functions as the Board, in its discretion, determines;

(2) A Maintenance Committee which shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Properties, and shall perform such other functions as the Board in its discretion, determine;

(3) A Publicity Committee which shall inform the members of all activities and functions of the Association and shall, after consulting with the Board of Directors, make such public releases and announcements as are in the best interests of the Association; and

(4) An Audit Committee which shall supervise the annual audit of the Association's books and approve the annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting.

Section 2. It shall be the duty of each committee to receive complaints from members on any matter involving

Association functions, duties and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, director or officer of the Association as is further concerned with the matter presented.

#### ARTICLE XII

##### BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association as well as the Management Agreements shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

#### ARTICLE XIII

##### ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and specific assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of seven (7) per cent per



annum, and the Association may bring an action at law against the Owner personally obligated to pay the same and foreclose the lien against the property, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

ARTICLE XIV

CORPORATE SEAL

The seal of the Association shall be circular in form, and have inscribed thereon the name of the Association and the words "Alabama Corporate Seal".

The seal may be altered or amended from time to time by resolution of the Board of Directors.

ARTICLE XV

AMENDMENTS

Section 1. These By-Laws may be repealed or amended in whole or in part, by a majority vote of the entire membership of the Association represented at any regular meeting of the members, or at any special meeting where the proposed action has been announced in the call and notice of such meeting.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the

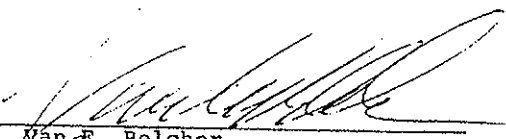
Declaration and these By-Laws, the Declaration shall control.

ARTICLE XVI

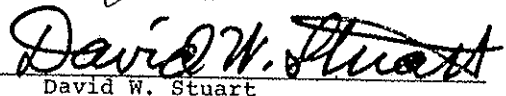
FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January each year and shall end on December 31 of each year except that the first fiscal year of the Association shall begin at the date of incorporation. The fiscal year as herein established shall be subject to change by the Board of Directors.

IN WITNESS WHEREOF, we, being all of the Directors of Eden Villas Garden Court Townhouses Association, Inc. hereby adopt the foregoing By-Laws to be the By-Laws of Eden Villas Garden Court Townhouses Association, Inc. and hereunto set our hands this 18th day of July, 1973.

  
Van E. Belcher

  
B. J. Weldon

  
David W. Stuart

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CERTIFICATE

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting Secretary  
of the Eden Villas Garden Court Townhouses Association,  
Inc., an Alabama corporation, and

THAT the foregoing By-Laws constitute the ori-  
ginal By-Laws of said Association, as duly adopted at a  
meeting of the Board of Directors thereof, held on the  
18th day of July, 1973.

IN WITNESS WHEREOF, I have hereunto subscribed  
my name and affixed the seal of said Association this  
18th day of July, 1973.

David W. Stuart  
David W. Stuart, Secretary

THIS INSTRUMENT WAS PREPARED BY:

JOHN P. MCKENROY, JR.  
NAME (PLEASE PRINT)

800 JOHN HAND BLVD  
ADDRESS (PLEASE PRINT)

BIRMINGHAM, ALA.

STATE OF ALABAMA  
CERTIFY THIS INSTRUMENT  
HAS FILED

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JUL 23 1 49 PM '73

MTG. TAX  
DEED TAX HAS BEEN  
PAID ON THIS INSTRUMENT.

James M. Meeks  
JUDGE OF PROBATE