

STATE OF ALABAMA
COUNTY OF BALDWIN

DECLARATION OF CONDOMINIUM OF THE WHALER CONDOMINIUM

This declaration, made this June 1, 1984, by The Whaler, Inc., an Alabama corporation, hereinafter referred to as the developer, for itself and for its successors and assigns.

WHEREAS, the developer is the fee simple owner of certain real property which is located in Baldwin County, Alabama, described as follows:

Lots 3, 4, 5 and 6, Block 1, Romeo & Skipper Subdivision, according to the map or plat thereof recorded in the office of the Judge of Probate of Baldwin County, Alabama, in Map Book 4, page 67.

WHEREAS, the developer intends to improve the property by constructing thereon 27 units contained in one building and a parking area, said building to be constructed substantially in accordance with a site plan and survey attached hereto as Exhibit "A" and made a part hereof by reference. Said improvements are to be constructed within one year and are to be located substantially as indicated by Exhibit "A" hereto, and

WHEREAS, the developer wishes to submit the lands and the improvements to be built thereon to the condominium form of ownership by this enabling declaration and under the authority of the Alabama Condominium Ownership Act, Sections 35-8-1, et seq, Code of Alabama, 1975, and

WHEREAS, the developer proposes to establish by this declaration a plan for individual ownership of certain areas and spaces, hereinafter known as the private elements, and for co-ownership by the owners of the private elements, as owners in common of all the remaining real and personal property which is hereinafter defined and referred to as the common elements.

NOW, THEREFORE, be it resolved that the developer hereby makes the following declaration as to the division and uses of the property described above and the improvements to be constructed thereon, hereby specifying that this declaration will constitute a covenant running with the land and shall be binding upon developer and upon its successors and assigns, and upon all subsequent owners of all or any part of said real property and improvements, together with their grantees, lessees, successors, heirs, executors, administrators, devisees or assigns:

1. Purpose. The purpose of this Declaration of Condominium of the Whaler Condominium is to submit the following described property and the improvements constructed or to be constructed thereon to the condominium form of ownership and use in the manner provided for by the Alabama Condominium Ownership Act, Sections 35-8-1, et seq., Code of Alabama, 1975, and to make provision for the future submission by amendment or amendments to this declaration, of the property described on Exhibit "A," and any improvements thereon constructed, to the condominium form of ownership and use in the manner provided for by said act in the event that developer determines to so submit said property.

2. Name. The name by which this condominium is to be known, is The Whaler Condominium.

3. The Real Property. The developer hereby submits to the condominium form of ownership the parcel of real property lying and being in Baldwin County, Alabama described as follows:

Lots 3, 4, 5 and 6, Block 1, Romeo & Skipper Subdivision, according to the map or plat thereof recorded in the office of the Judge of Probate of Baldwin County, Alabama, in Map Book 4, page 67.

STATE OF ALABAMA,
BALDWIN COUNTY

I certify that this instrument was (filed on)

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and that no tax was collected. Recordation
Book *52*
Page *592-609* Judge of Probate
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4. Name and Address of Person to Receive Service. The name and address of the person to receive service of process for the condominium shall be Forrest E. Waters, Jr., P.O. Box 1584, Gulf Shores, Alabama 36542.

5. Definitions. The terms used in this declaration and in the Articles of Incorporation of The Whaler Condominium Homeowners' Association, Inc. and the bylaws of The Whaler Condominium Homeowners' Association, Inc. shall have the meanings stated in the Alabama Condominium Ownership Act, as said act is written as of the date hereof, and as follows:

A. Association. An Alabama nonprofit corporation or any successor entity, composed of all the unit owners and the entity which shall be responsible for the administration and management of the condominium property. The Articles of Incorporation of The Whaler Condominium are attached hereto and made a part hereof as Exhibit "C."

B. Board. The Board of Directors of the association.

C. Building. The building located or to be located on the property herein submitted to the condominium form of ownership and containing 27 units, and any future building submitted to the jurisdiction of this condominium.

D. Bylaws. The bylaws of the association, attached hereto as Exhibit "D," and by this reference made a part hereof, as amended from time to time.

E. Common Elements. A part(s) of the condominium property as herein set forth in which all of the unit owners have an undivided interest. A schedule which sets forth the method for determining the percentage of undivided ownership interest of each unit in the common elements is attached hereto as Exhibit "B" and is, by reference thereto, made a part hereof. The common elements shall consist of all of the condominium property which is not within or a part of the individual units and the private elements which comprise the units as such units are shown on the attached Exhibit "A" or described herein and, without limitation of the foregoing, shall include the following:

(1) All foundations, load bearing walls, columns, roofs, exterior corridors, stairways and entrances and exits, walkways, ramps, elevators, fire alarm systems, floors (excluding finishing materials) and exterior walls (excluding interior finishing materials) and ceilings (excluding interior finishing materials).

(2) Except as herein specifically stated, all yards, gardens, lawn areas and landscaping.

(3) All compartments or installations of central services including, but not limited to, power, light, gas, water, television cables and communication lines.

(4) All recreational areas and the like existing for the common use.

(5) The driveways, paved areas and all parking areas.

(6) All other elements of the building or of the condominium property desirably or rationally of common use or otherwise not specifically enumerated under limited common elements or private elements.

F. Common Expenses. The expenses for which the unit owners will be assessed by the board, which expenses shall include, but are not limited to, the actual or estimated costs of:

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(1) Taxes of all kinds which may be levied against the condominium property and which are not levied against an individual unit or unit owner.

(2) Maintenance, management, operation, repair and replacement of and additions to the common elements and those parts of the units as to which, pursuant to other provisions hereof, it is the responsibility of the association to maintain, repair and replace.

(3) Utilities incurred in the operation of the common elements not otherwise paid by any individual unit owner(s).

(4) Management and administration of the association including, without limiting the same, compensation paid by the association to a managing agent, accountant(s), attorney(s) and other employees.

(5) Liability and casualty insurance carried by the association with respect to designated parts of the condominium property.

(6) Any other item held by or in accordance with this condominium declaration or recorded amendment thereto, the Articles of Incorporation of the association or the bylaws, to be a common expense.

(7) Expenses agreed upon as common expenses by the unit owners or as determined by the board to be a common expense.

(8) The expense of purchase and/or maintaining the unit occupied by management and owned by the association as determined by the board.

G. Condominium Act. Code of Alabama, 1975, Sections 35-8-1, hereinafter referred to as the act.

H. Condominium Documents. This declaration and the exhibits annexed thereto as the same may from time to time be amended. Said exhibits are as follows:

Exhibit "A" - Plat of survey of land and building.

Exhibit "B" - Ownership of common elements.

Exhibit "C" - Articles of Incorporation of The Whaler Condominium Homeowners' Association.

Exhibit "D" - Bylaws of The Whaler Condominium Homeowners' Association.

Exhibit "E" - Rules and regulations of the association.

Exhibit "F" - Proposed budget.

I. Developer. The Whaler, Inc., an Alabama corporation, its successors and assigns.

J. Declaration. This instrument, by which the property is submitted to the provisions of the Alabama Condominium Ownership Act, as hereinafter provided, and as such declaration may be amended from time to time.

K. Limited Common Elements. All common elements serving exclusively a single unit or one or more adjoining units as an inseparable appurtenance thereto, the enjoyment, benefit or use of which is reserved to the lawful occupants of such unit(s) either in this declaration, on the plat or by the board. Limited common elements shall include, but shall not be limited to, balcony areas only for a specific unit, storage areas appurtenant to a specific unit, as well as "air handlers," chimneys, pipes, ducts, electrical wiring and conduits located entirely within a

unit, or adjoining a unit(s), and serving only such unit(s), and such portions of the perimeter walls, floors and ceilings, doors, vestibules, windows and entryways, and all associated fixtures and structures therein, as may lie outside the unit boundaries.

L. Majority of Unit Owners. The owners of more than 50% of the undivided ownership of the common elements. Any specific percentage of the unit owners means that percentage of the unit owners who, in the aggregate, own such specified percentage of the entire undivided ownership of the common elements.

M. Mortgage. A mortgage covering a unit and the undivided interest in the common elements appurtenant thereto.

N. Mortgagee. A beneficiary under a mortgage.

O. Occupant. A person or persons in possession of a unit, regardless of whether said person is a unit owner.

P. Parcel. That certain tract of real estate which is the subject of this declaration and which is identified on Exhibit "A" attached hereto and by this reference made a part hereof.

Q. Person. Any natural person, corporation, partnership, association, trustee, fiduciary or other legal entity capable of holding title to real property.

R. Plat. The plat of survey of land and buildings and the floor and the elevation plans and drawings of units, attached hereto as Exhibit "A" and by this reference made a part hereof. The plat contains a description of the property, the location of the buildings on the property, with the buildings denoted by number and a description and location for each unit.

S. Private Elements. That part of the property set forth herein and intended for exclusive ownership or possession of a unit owner. The private elements of each unit shall consist of the following:

(1) The air space and the area of the building lying within the unit boundaries.

(2) The surfacing or finishing materials on the interior of exterior walls and on interior walls separating one unit from another unit and on the floors and ceiling.

(3) The structural components and surfacing materials of all the interior walls located within the boundaries of the unit.

(4) All bathtubs, toilets and sinks, the range, garbage disposal, dishwasher, water heater, air conditioning and heating unit and like fixtures and all hardware and interior lighting fixtures.

T. Property. All the land, property and space comprising the parcel, and all improvements and structures erected, constructed or contained thereon, including the buildings and all easements, rights and appurtenances belonging thereto, and all furniture, furnishings, fixtures and equipment intended for the mutual use, benefit or enjoyment of the unit owners.

U. Unit. Each unit shall include that part of the area and air space of a building which lies within the following described boundaries:

(1) Vertical boundaries. The vertical boundaries of each unit shall be the plane of the interior surfaces of the unit's perimeter walls, but does not include the sheetrock. At window and exterior door openings, the vertical boundary extends to the interior surface of the door or window.

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(2) Horizontal boundaries. The lower boundary of all units is the upper surface of the concrete slab floor. The upper boundary of all units is the interior surface of the ceiling material.

In addition, each unit shall include the respective undivided interest in the common elements assigned thereto as reflected on Exhibit "B" attached hereto and incorporated herein by reference. Each unit is numbered as shown on the plat attached hereto as Exhibit "A." Included with each unit, without limitation, shall be any finishing materials applied or affixed to the interior surfaces of the common, exterior or interior walls, floors or ceilings (such as, but without limitation, paint, wallpaper, vinyl wall or floor coverings and carpets), interior walls and all utility pipes, lines, systems, fixtures or appliances servicing only that unit (whether or not within the boundaries of that unit), provided, however, that no pipes, drains, wires, conduits, ducts, flues and shafts contained within a unit and forming a part of any system serving more than one unit or the common elements shall be deemed to be part of said unit.

V. Unit Owner. The person(s) whose interests, individually or collectively, aggregate ownership of a unit and of the undivided interest in the common elements appurtenant thereto. Unless specifically provided otherwise herein, developer shall be deemed a unit owner so long as it is the legal title holder of any unit.

6. The Whaler Condominium Development Plan.

A. The building and units will be constructed by the developer substantially in accordance with the plans and specifications attached hereto as Exhibit "A," which plans include a representative floor plan of the units and show the respective floor plan of the units and show the respective unit numbers, the location of the units within the building and the dimensions of the private and common elements comprising the units, and the location of said improvements on the property. A complete set of plans and specifications is available for inspection at attorney John D. Whetstone's office in Gulf Shores, Alabama.

B. This declaration may be amended by the filing of such additional plans as may be required to sufficiently identify and describe the improvements on the property and in order to show completion of improvements. Such identification, description and completion may be shown by a verified statement of a registered architect or licensed professional engineer certifying that the completed improvements have been constructed substantially as herein represented or, if not so constructed, then designating the changes made and certifying that the plans filed simultaneously with such verified statement depict the location and unit numbers of the units and the dimensions of the private and common elements comprising the units as built. Such plans or verified statement, or both, when signed and acknowledged by such registered architect or licensed professional engineer, shall constitute an amendment to this declaration without approval of the association, unit owners, lessees or mortgagees of units of the condominium, whether or not elsewhere required for an amendment; provided, however, that no such amendment shall increase or decrease the number of units without the prior written consent of all unit owners and holders of record of any liens thereon, nor alter the percentage of undivided interest of any unit owner or change any unit without the prior written consent of the owner and holders of record of any liens of any such unit.

C. The buildings will be constructed of concrete, concrete block, steel and stucco exterior with an asphalt roof. The interior walls will be sheetrock or gypsum wallboard. A parking area containing approximately 42 spaces will be provided substantially as shown on Exhibit "A." Each unit shall have a designated parking space with the remaining parking spaces used on a "first come" basis subject to such rules and regulations for the use thereof as may be promulgated by the board from time to time.

D. Each unit will be equipped with a range and oven unit, microwave, refrigerator, dishwasher, trash compactor and an in sink garbage disposal. Each unit is supplied with water, sewer, electricity and with separate heating, air conditioning and water heater.

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E. The developer reserves the right to change the interior design of all units. The developer further reserves the right to alter the boundaries between units and any such alteration shall be reflected by an amendment to this declaration which may be executed by the developer alone. However, no such alteration of boundaries shall increase or decrease the number of units nor alter the percentage(s) of undivided interests of any such unit(s) so altered without compliance with paragraph 21 of this declaration.

7. Easements. Easements are reserved throughout the condominium property as may be required for ingress and egress to public right-of-ways and for utility services in order to adequately serve the units and the common elements; provided, however, such easements to a unit shall be only in accordance with the plans and the specifications for the building as shown on the exhibits hereto attached or as constructed, unless approved in writing by the unit owner. Each owner shall have an easement in common with the owners of all other units to use all pipes, wires, ducts, cables, conduits, public utility lines and other common elements located in any of the other units and serving his unit. Each unit shall be subject to an easement in favor of the owners of all other units to use the pipes, ducts, cables, wires, conduits, public utility lines and other common elements serving such other units and located in such unit. The association shall have a right of access to each unit to inspect the same, to revoke violations therefrom and to maintain, repair and replace the common elements contained therein or elsewhere in the building.

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

9. Covenant Against Subdividing. No unit owner shall by a deed, plat, court decree or otherwise, subdivide or in any other manner cause his unit to be separated into any tracts or parcels different from the whole unit as shown on the plat.

10. Covenant Against Partition. In order to effectuate the intent hereof and preserve the condominium and the condominium method of ownership, the common elements shall remain undivided and no person, irrespective of the nature of his interest in the common elements, shall bring any action or proceeding for partition or division of the common elements or any part thereof until the termination of the condominium regime established by this condominium declaration in accordance with provisions herein contained or until the condominium property is no longer tenantable, whichever first occurs, and in any event, all mortgages must be paid in full or all mortgagees must consent in writing, prior to bringing an action for partition.

11. Association of Unit Owners and Administration and Operation of the Property. There has been, or will be, formed an association having the name The Whaler Condominium Homeowners' Association, Inc., an Alabama nonprofit corporation, which association shall be the governing body of the unit owners and shall be responsible for the maintenance, repair, replacement, administration and operation of the property. The Board of Directors of the association shall be elected and shall serve in accordance with the provisions of the bylaws. The fiscal year of the association shall be determined by the board and may be changed from time to time as the board deems advisable. The association shall not be deemed to be conducting a business of

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any kind. All activities and all funds received by the association shall be held and applied by it for the use and benefit of unit owners in accordance with the provisions of this declaration and the bylaws. Each unit owner shall be a member of the association so long as he is a unit owner. A unit owner's membership shall automatically terminate when he ceases to be a unit owner. Upon the conveyance of transfer of a unit owner's ownership interest to a new unit owner, the new unit owner shall simultaneously succeed to the former unit owner's membership in the association. The maximum number of votes for all members of the association shall be equal to the total number of square feet in the private elements within the condominium and shall be divided among the respective unit owners on the basis of one vote per square foot of private elements within the individual unit.

A. Developer's Right to Appoint Directors. Until such time as the developer has completed and conveyed 70% of the units located on the property, or until developer elects to terminate its control of the condominium, whichever event shall first occur, the directors of the association shall be designated by the developer and such directors need not be unit owners.

In the event the developer files an amendment(s) to this declaration submitting to the provisions hereof the property described on Exhibit "A," then, for each such amendment, from the time of the filing of such amendment until developer has completed and conveyed 70% of the units located upon such additional property, or until developer elects to terminate its control of the condominium, whichever event shall first occur, the directors of the association shall be designated by the developer and such directors need not be unit owners. However, and notwithstanding the foregoing, developer's right to appoint directors for the association shall terminate five years from the date of recording this declaration if not sooner terminated as herein provided.

B. Management of Property. The board shall have the authority to engage the services of an agent (herein sometimes referred to as the managing agent) to maintain, repair, replace, administer and operate the property, or any part herein, to the extent deemed advisable by the board, subject to the provisions of subparagraph 11.C. below. The board shall also have the authority (but not the obligation) to engage, supervise and control such employees as the board deems advisable to clean and maintain all or any part of the units to the extent the board deems it advisable to provide such services for all or any portion of the unit owners. The cost of such services shall be a common expense.

C. Initial Management Contract. The first board, appointed as provided herein, may approve an initial management agreement. Until such time as the relinquishment of rights and control by developer takes place in accordance with the provisions of paragraph 11.A., management contracts shall not exceed one year and any such contract shall be terminable for cause upon 30 days notice.

D. Use by Developer. During the period of sale by the developer of any units, the developer and its agents, employees, contractors and subcontractors, and their respective agents and employees, shall be entitled access, ingress to and egress from, the building and property as may be required for the purposes of sale of units. While the developer owns any of the units and until each unit sold by it is occupied by purchasers, the developer and its employees may use and show one or more of such unsold or unoccupied units as a sales office and may maintain customary signs in connection therewith.

E. Nonliability of the Directors, Board and Officers. Neither the directors, Board of Directors of the association nor officers of the association shall be personally liable to the unit owners for any mistake in judgment or for any acts or omissions of any nature whatsoever as such directors, board or officers, except for any acts or omissions found by a court to constitute gross negligence or fraud. The unit owners shall indemnify and hold harmless each of the directors, the board and/or officers and their respective heirs, executors, administrators, successors and assigns in accordance with the provisions of the bylaws and of the

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Articles of Incorporation of the association, and the association shall carry such insurance as the board may prescribe to protect the directors, the board and/or the officers under said indemnity.

F. Board's Determination Binding. In the event of any dispute or any disagreement between any unit owners relating to the property, or any questions of interpretation of and/or application of the provisions of the declaration, bylaws or Articles of Incorporation of the association, such dispute or disagreement shall be submitted to the board. The determination of such dispute or disagreement by the board shall be binding on each and all such unit owners, subject to the right of the unit owners to seek other remedies provided by law after such determination by the board.

G. Ownership of the Common Elements. Each unit owner shall be entitled to the percentage of ownership in the common elements allocated to the respective unit owned by such unit owner, as set forth in Exhibit "B." Said ownership interest in the common elements shall be an undivided interest and the common elements shall be owned by the unit owners jointly in accordance with their respective percentages of ownership. The ownership of each unit shall not be conveyed separate from the percentage of ownership in the common elements corresponding to said unit. The undivided percentage of ownership in the common elements corresponding to any unit shall be deemed conveyed or encumbered with that unit, even though the legal description in the instrument conveying or encumbering said unit may refer only to the title of that unit.

H. Use of the Common Elements. Each unit owner shall have the right to use the common elements (except the limited common elements) in common with all other unit owners, as may be required for the purposes of access, ingress to, egress from, use, occupancy and enjoyment of the respective unit owned by such unit owner. Such right to use the common elements shall extend not only to such unit owner, but also to his agents, servants, tenants, family members, customers, invitees and licensees. However, each unit owner shall have the right to the exclusive use and possession of the limited common elements serving such unit alone or with adjoining units. Such rights to use the common elements, including the limited common elements, shall be subject to and governed by the provisions of the act, declaration, bylaws and rules and regulations, which are attached hereto as Exhibit "E" and made a part hereof by reference, of the association and the unit owners shall use the common elements in such manner as will not restrict, interfere with or impede the use thereof by other unit owners.

12. Parking Areas. Each unit shall have a designated parking space with the remaining parking spaces used on a "first come" basis subject to such rules and regulations for the use thereof as may be promulgated by the board from time to time.

13. Common Expenses. Each unit owner, including the developer, shall pay his proportionate share of the common expenses, subject, however, to the terms and the provisions of subparagraph 15.A. below. The proportionate share of the common expenses due by a unit owner shall be in accordance with that unit's percentage sharing of the common expenses for the common elements as set forth in Exhibit "B." Payment of common expenses, including any prepayment thereof required by contract for sale of a unit, shall be in such amounts and at such times as determined in the manner provided in the Articles of Incorporation of the association. No unit owner shall be exempt from payment of his proportionate share of the common expenses by nonuse or waiver of enjoyment of the common elements or limited common elements or by abandonment of his unit. If any unit owner shall fail or refuse to make any such payment of the common expenses when due, the amount thereof, together with interest thereon at the rate of 12% per annum, shall constitute a lien on the interest of such unit owner in the property and his unit, all as provided in the act.

A. Annual Budgets. Annual budgets for each fiscal year of the association shall be prepared and adopted by the board pursuant to the bylaws; provided, however, the board shall not adopt a budget requiring assessments for common expenses in an amount exceeding 115% of the common expenses for the preceding year unless the same is approved by a majority of the unit owners.

B. Enforcement of Lien. The board may bring an action at law against the unit owner personally obligated to pay the same, for collection of his unpaid proportionate share of the common expenses, or foreclose the lien against the unit(s) owned by such unit owner, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment, all as provided by the act. Each unit owner, by his acceptance of a deed to a unit, hereby expressly vests in the board or its agents the right and power to bring all actions against such unit owner personally for the collection of such charges as debt and to enforce the aforesaid lien by all methods available to the act for the enforcement of such liens and each such unit owner hereby expressly grants to the board a power of sale in connection with said lien. The lien provided for in this section shall be in favor of the board and shall be for the common benefit of all unit owners. The board, acting on behalf of the unit owners, shall have the power to bid upon an interest foreclosed at foreclosure sale and to acquire and hold, lease, mortgage and convey same.

C. Mortgage Protection. The lien for common expenses payable by a unit owner shall be subordinate to the lien for a recorded first mortgage on the interest of such unit owner, except for the amount of the proportionate share of common expenses which become due and payable from and after the date on which the mortgagee thereunder either takes possession of the unit encumbered thereby, accepts a conveyance of any interest therein (other than as security) or forecloses its mortgage. Where the holder of a first lien of record or a purchaser of a unit obtains title to the unit as a result of a foreclosure of a first lien, such acquirer of title, its or his heirs, successors and assigns, shall not be fully liable for payment of the share of common expenses or other assessments by the association pertaining to such unit or chargeable to the former unit owner which became due prior to the acquisition of title to such unit as a result of foreclosure. Such unpaid share of common expenses or other assessments shall be deemed to be a common expense collectible from all of the remaining unit owners including such acquirer, its or his heirs, successors and assigns. This subparagraph shall not be amended, changed, modified or rescinded without the prior written consent of all mortgagees of record.

14. Mortgages. Each unit owner shall have the right, subject to the provisions herein, to make separate mortgages on his respective unit, together with his respective ownership interest in the common elements. No unit owner shall have the right or authority to make or create or cause to be made or created from the date hereof any mortgage or other lien on or affecting the property, or any part thereof, except of his own unit and the respective percentage interest in the common elements appurtenant thereto.

15. Separate Real Estate Taxes. Taxes, assessments and other charges of any taxing or assessing authority shall be separately assessed to each unit owner for his unit and his corresponding percentage of ownership in the common elements, as provided in the act.

16. Insurance. The board shall have the authority to and shall obtain insurance for the property, exclusive of decoration of the units or decoration of the limited common elements by the unit owners, against loss or damage by fire, vandalism, malicious mischief and such other hazards as are covered under standard extended coverage provisions for the full insurable replacement cost of the common elements and the units, and against such other hazards and for such amounts as the board may deem advisable. Insurable replacement costs shall be deemed the cost of restoring the common elements, units or any part thereof to substantially the same condition in which they existed prior to damage or destruction. Such insurance coverage shall be written in the name of and the proceeds thereof shall be payable to the board as the trustee for each of the unit owners in direct ratio to said unit owner's respective percentage of ownership in the common elements, as set forth in the declaration, and for the holders of mortgages on his unit, if any.

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If the property described herein is ever designated as a part of a flood plain area or any other designation which would make such property subject to the Federal Flood Insurance Act of 1968, as amended heretofore or hereafter, or any similar law, then the board shall do everything within its power to comply with the requirements of said law (including all regulations and other requirements applicable thereto) and to obtain such flood insurance on behalf of the unit owners and their respective mortgagees. Such policies shall provide that same cannot be cancelled or substantially modified without at least ten days prior written notice to the association and to each holder of a first mortgage which is listed as such holder in the insurance policy. Such policies of insurance must also contain a waiver of subrogation rights by the insurer against individual unit owners and members of their household. The premium for such insurance shall be a common expense.

The following provisions shall apply with respect to damage by any cause:

A. If any one of the buildings is damaged by fire or other casualty and said damage is limited to a single unit, all insurance proceeds shall be paid to the unit owner or one or more mortgagees of such unit, as their respective interests may appear, and such unit owner or mortgagee shall use the same to rebuild or repair such unit substantially in accordance with the original plans and specifications therefor. If such damage extends to two or more units, or extends to any part of the common elements, such insurance proceeds shall be paid to the board, as trustee, or to such bank or trust company as may be designated by amendment hereto, to be held in trust for the benefit of the unit owners and their mortgagees as their respective interests may appear. The board shall thereupon contract to repair or rebuild the damaged portions of all units, the buildings and the common elements substantially in accordance with the original plans and specifications therefor and the funds held in the insurance trust fund shall be used for this purpose. If the insurance proceeds are insufficient to pay all of the costs of repairing or rebuilding, the board shall levy a special assessment on all unit owners, in proportion to the percentage of interest of each unit owner in the common elements, to make up any deficiency. If any unit owner shall fail to pay the special assessment within 30 days after the levy thereof, the board shall make up the deficiency by payment from the common expense fund; provided, however, that such unit owner shall remain liable for such special assessment.

B. Notwithstanding the provisions of subparagraph 16.A. above, reconstruction shall not be compulsory where the whole or more than 67% of all units and of the common elements is destroyed or damaged by fire or other casualty, as determined by the board.

In such case and unless otherwise unanimously agreed upon by the unit owners, the insurance proceeds shall be delivered to the unit owners or their mortgagees, as their interests may appear, in proportion to the percentage interest of each unit owner in the common elements; and the board, as soon as reasonably possible and as agent for the unit owners, shall sell the property, in its then condition, free from the effect of this declaration, which shall terminate upon such sale, and all funds held by said insurance trustee shall thereupon be distributed to the unit owners or their mortgagees, as their interests may appear, in proportion to the percentage interest of each unit owner in the common elements.

C. Within 60 days after any such damage occurs, the managing agent or the board shall, or if they do not any unit owner, the insurer, the insurance trustee or any mortgagee, record a sworn declaration stating that such damage has occurred, describing it, identifying the building suffering such damage, the name of any insurer against whom claim is made and the name of any insurance trustee, reciting that the sworn declaration is recorded pursuant to this paragraph of this declaration, and that a copy of such sworn declaration has been served on the unit owners pursuant to the provisions of paragraph 31.

D. If the unit owners shall not rebuild pursuant to subparagraph 16.B. above, and the board fails to consummate a sale pursuant to said subparagraph within 24 months after the destruction or damage occurs, then the managing agent or the board shall, or if they do not any unit owner or mortgagee may, record a sworn declaration setting forth such decision and reciting that under the provisions of this declaration the prohibition against judicial partition provided for in this declaration has terminated and that judicial partition of the property may be obtained pursuant to the laws of the State of Alabama. Upon the final judgment of a court of competent jurisdiction decreeing such partition, this declaration shall terminate.

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The board shall also have the authority to and shall obtain comprehensive public liability insurance in such amounts as it deems desirable, and workmen's compensation insurance and other liability insurance as it deems desirable, insuring each unit owner, mortgagee of record, if any, the association, its officers, board, directors and employees, and the managing agent, if any, from liability in connection with the common elements. However, such coverage shall be for at least One Million Dollars for bodily injury, including deaths of persons and property damage arising out of a single occurrence. Coverage under such policy or policies shall include, without limitation, legal liability of the insureds for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the common areas, and legal liability arising out of lawsuits relating to employment contracts of the association. In addition, such policies shall provide that they may not be cancelled or substantially modified, by any party, without at least ten days prior written notice to the association and to each holder of a first mortgage in the insurance policy. The premiums for such insurance shall be a common expense.

The board shall also have the authority to and may obtain such insurance as it deems desirable, in such amounts, from such sources and in such forms as it deems desirable, insuring the property and each member of the board and officer of the association and member of any committee appointed pursuant to the bylaws of the association from liability arising from the fact that said person is or was a director or officer of the association, or a member of such a committee. The premiums for such insurance shall be a common expense.

Each unit owner shall be responsible for obtaining his own insurance on the contents of his own unit and the contents of the limited common elements serving his unit, as well as his decorations, furnishings, interior and nonsupporting walls, and personal property stored elsewhere on the property. In addition, in the event a unit owner desires to insure above and beyond the extent that his liability, loss or damage is covered by the liability insurance and insurance against loss or damage by fire and such other hazards obtained by the board for all of the unit owners as part of the common expenses, as above provided, said unit owner may, at his option and expense, obtain additional insurance.

17. Maintenance, Repairs and Replacements. Except to the extent the board provides for (at its option and discretion) maintenance of the units for the unit owners, each unit owner, at his own expense, shall furnish and be responsible for all maintenance of, repairs to and replacements within his own unit. Maintenance of, repairs to and replacements within the common elements shall be the responsibility of and shall be furnished by the association. The cost of maintenance of, repairs to and replacements within the units to the extent the board elects to provide such services and within the common elements shall be part of the common expenses, subject to the bylaws and rules and regulations of the association. At the discretion of the board, maintenance of, repairs to and replacements within the limited common elements may be assessed in whole or in part to unit owners who benefit thereby and, further, at the discretion of the board, the board may direct unit owners who stand to benefit by such maintenance of, repairs to and replacements within the limited common elements to arrange for such maintenance of, repairs to and replacements in the name and for the account of such benefited unit owners, pay the cost thereof with their own funds, and procure and deliver to the board such lien waivers and contractor's and subcontractor's sworn statements as may be required to protect the property from all mechanic's or materialmen's lien claims that may arise therefrom. However, maintenance of windows (excluding frames) and doors will be the sole responsibility of the respective unit owners whose unit enjoys the use of the said windows and doors.

In addition to the discretionary authority provided herein for maintenance of all or any portion of the units, the board shall have the authority to maintain and repair any unit, if such maintenance or repair is reasonably necessary in the discretion of the board to protect the common elements or preserve the appearance and the value of the property, and the unit owner of said unit has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the

necessity of said maintenance or repair delivered by the board, and the board shall levy a special assessment against the unit of such unit owner for the cost of said necessary maintenance or repair.

If damage shall be caused to the common elements or to a unit(s) owned by others, due to the act or neglect of a unit owner, or maintenance, repair or replacement are required which would otherwise be a common expense, then such unit owner shall pay for such damage or such maintenance, repair or replacements, as may be determined by the association. However, the provisions of this paragraph are subject to the provisions of paragraph 16 hereof providing for waiver of subrogation rights with respect to casualty damage insured against under the policies of insurance maintained by the board.

Each unit owner (except the developer), upon acquisition of a unit, shall be required to pay in advance a sum equivalent to one month's assessment for common expenses which includes the reserve for replacement of the common elements. In addition, a working capital fund must be established for the initial months of the condominium operations equal to at least two months estimated administrative costs to be incurred by the board in the operation of the condominium for each unit. This contribution shall be transferred to the association at the time of closing and shall be maintained in a segregated account in the name of and for the use and benefit of the association. The purpose of the fund is to insure that the association will have cash available to meet unforeseen expenditures, or to acquire additional equipment or services deemed necessary or desirable by the board for the association.

The authorized representatives of the association or board, or the managing agent, with approval of the board and the Department of Housing and Urban Development, Federal National Mortgage Association and Veterans Administration, shall be entitled to reasonable access to the individual units and limited common elements as may be required in connection with the preservation of any individual unit or limited common elements in the event of an emergency, or in connection with the maintenance of, the repairs or replacements within the common elements or limited common elements of any equipment, facilities or fixtures affecting or serving other units, common elements and limited common elements or to make any alteration required by a governmental authority and in order to carry out the intent and purpose of this paragraph, there is specifically granted to the board and its authorized representatives, servitudes through the units and common elements for maintenance, repair and/or replacement of portions of the units and common elements. Use of these servitudes, however, for access to the individual units, shall be limited to reasonable hours, except that access may be had at any time in case of emergency.

18. Alterations, Additions or Improvements. No alteration of any common elements or any additions or improvements thereto, shall be made by any unit owner without the prior written approval of the board. The board may authorize and charge as common expenses any alterations, additions and improvements to the common elements as provided in the bylaws. Any unit owner may make alterations, additions or improvements within the unit of the unit owner without the prior written approval of the board, but such unit owner shall be responsible for any damage to other units, the common elements, the property or any part thereof, resulting from such alterations, additions or improvements.

19. Remedies. In the event of any violations of the provisions of the act, declaration, Articles of Incorporation, bylaws or rules and regulations of the association by any unit owner (either by his own conduct or by the conduct of any other occupant of his unit), the association or its successors or assigns, or the board or its agent, shall have each and all of the rights and remedies which may be provided for in the act, declaration, Articles of Incorporation, bylaws or rules and regulations of the association, or which may be available at law or in equity, and may prosecute an action or other proceedings against such defaulting unit owner and/or others for enforcement of any lien and the appointment of a receiver for the unit and ownership interest of such unit owner, or for damages or injunction or specific performance, or for judgment for payment of money and collection thereof, or for any

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combination of remedies, or for any other relief as may be permitted by law. All expenses of the board in connection with any such actions or proceedings, including court costs and attorney's fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the rate of 12% per annum until paid, shall be charged to and assessed against such defaulting unit owner and shall be added to and deemed part of his respective share of the common expenses, and the board shall have a lien for all of the same, as well as for nonpayment of his respective share of the common expenses, upon the unit and ownership interest in the common elements of such defaulting unit owner and upon all of his additions and improvements thereto and upon all of his personal property in his unit or located elsewhere on the property. Provided, however, that such lien shall be subordinate to the lien of a prior recorded first mortgage on the interest of such unit owner, except for the amount of the proportionate share of said common expenses which becomes due and payable from and after the date on which the said mortgage owner or holder either takes possession of the unit, accepts a conveyance of any interest therein other than through a deed in lieu of foreclosure or forecloses its mortgage. This paragraph shall not be amended, changed, modified or rescinded without the prior consent of all holders of record of mortgages against units.

In the event of any such default by any owner, the board or the managing agent, if so authorized by the board, shall have the authority to correct any such default and to do whatever may be necessary for such purpose and all expenses in connection therewith shall be charged to and assessed against such defaulting unit owner. Any and all such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise by the board.

The violation of any restriction or condition or regulation adopted by the board or the breach of any covenant or provisions herein contained, shall give the board the right, in addition to any other rights provided for in this declaration: (a) to enter upon the unit or any portion of the property upon which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting unit owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, and the board or its employees or agents shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach; or (c) to take possession of such unit owner's interest in the property and to maintain an action for possession of such unit in the manner provided by law.

20. Sales and Other Transfers.

A. No unit owner shall sell, assign, convey or otherwise transfer his unit or any interest therein unless, at least ten days prior to any such sale, assignment, conveyance or transfer, he gives written notice to the board of the name and address of each proposed purchaser, assignee or transferee. The purpose of this paragraph 20 is to make certain that any proposed purchaser, assignee or transferee is made aware of the provisions of this declaration, as well as any delinquent assessments, if any are attributable to the applicable unit, prior to the consummation of any such purchase, assignment or transfer.

B. In the event of a resale of a unit by a unit owner other than declarant, the unit owner shall furnish to a purchaser, before execution of any contract to purchase a unit, or otherwise before conveyance, a copy of the declaration, other than plats and plans, a copy of the Articles of Incorporation creating the association, the bylaws and a certificate containing:

(1) A statement setting forth the amount of any current common expense assessments.

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

(3) A statement of the amount of any reserves for capital expenditures and of any portions of those reserves designated by the association for any specific projects.

(4) The most recent balance sheet and income and expense statement of the association, if any.

(5) The current operating budget of the association, if any.

(6) A statement of any unsatisfied judgments against the association and the status of any pending suits to which the association is a party.

(7) A statement describing any insurance coverage provided by the association.

C. Within ten days after a request by a unit owner, the association shall furnish a certificate containing the information necessary to enable a unit owner to comply with this section. The unit owner providing a certificate pursuant to this section shall not be liable to the purchaser for any erroneous information provided by the association and included in the certificate. Further, a unit owner is not liable to a purchaser for the failure or delay of the association to provide the certificate in a timely manner. However, the contract of purchase shall be voidable by the purchaser until a certificate has been provided and for five days thereafter, or until conveyance, whichever first occurs.

21. Amendment. The provisions of this declaration may be changed, modified or rescinded by an instrument in writing setting forth such change, modification or rescission and signed and acknowledged by unit owners owning not less than 67% of the total ownership of common elements. Provided, however, that all lien holders of record have been notified by certified mail of such change, modification or rescission and an affidavit by the secretary of the association certifying to such mailing is made part of such instrument. The percentage ownership of the common elements provided for in this declaration shall not be amended or modified without the consent of all unit owners and of all mortgagees.

However, if the act, the declaration or the bylaws require the consent or agreement of all unit owners or of all mortgagees for any action specified or rescinding any provision of this declaration with respect to such action, then in that event such consent or agreement shall be in writing and shall be signed by all the unit owners or all mortgagees or both as required by the act or this declaration or the bylaws.

Developer shall have the authority without the joinder or consent of any other party, including specifically but not by way of limitation, a unit owner or mortgagee of a unit, to make any amendment of this declaration necessary to clarify any apparently conflicting provisions hereof and/or correct any mistakes or errors of a clerical nature resulting from typographical or similar errors.

Any change, modification or rescission, whether accomplished under any one or more of the provisions of the preceding paragraphs, shall be effective upon the recording of such instrument in the Probate Court of Baldwin County, Alabama. Provided, however, that no provisions in this declaration may be changed, modified or rescinded so as to conflict with the provisions of the act.

22. Rights and Obligations. Each grantee of the developer, by the acceptance of the deed of conveyance from the developer, accepts the same subject to all the restrictions, conditions, covenants, reservations, liens and charges and the jurisdiction, rights and powers created or reserved by this declaration, the Articles of Incorporation and bylaws of the association, and shall be subject to the terms of the regulatory agreement executed by the association and the Secretary of Housing and Urban Development. All rights, benefits and privileges of every character hereby imposed shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in said land and shall inure to the benefit of such grantee in like manner as though the provisions of this declaration were recited and stipulated at length in each and every deed of conveyance or contract for conveyance.

23. Prior Mortgage Approval. The prior written approval of each institutional holder of a first mortgage, deed of trust or equivalent security interest on the units in the project will be required for at least the following:

A. The abandonment or termination of the project, except for abandonment or termination provided by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain.

B. Any material amendment to the declaration or to the bylaws or Articles of Incorporation of the association, including but not limited to any amendment which would change the percentage interests of the unit owners in the project.

C. The effectuation of any decision by the owners' association to terminate professional management and assume self management of the project.

24. Leases. With the exception of a lender in possession of a condominium unit following a default in a first mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure, no unit owner shall be permitted to lease his unit for transient or hotel purposes. No owner may lease less than the entire unit. No unit may be leased or rented for a period of less than 30 days. Any lease agreement shall be required to provide that the terms of the lease shall be subject in all respects to the provisions of the declaration and the bylaws and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease.

25. Mortgagee Rights. Any institutional holder of a first mortgage on a unit in the project will, upon request, be entitled to:

A. Inspect the books and records of the project during normal business hours.

B. Receive an annual audited financial statement of the project within 90 days following the end of any fiscal year of the project.

C. Receive written notice of all meetings of the owners association and be permitted to designate a representative to attend all such meetings.

26. Damage or Destruction. In the event of a substantial damage to or destruction of any unit or any part of the common elements, the institutional holder of any first mortgage on a unit will be entitled to timely written notice of any such damage or destruction.

27. Eminent Domain. If all or any part of the property is taken or threatened to be taken by eminent domain or by power in the nature of eminent domain (whether permanent or temporary), the association and each owner shall be entitled to participate in proceedings incident thereto at their respective expense. The association shall give timely written notice of the existence of such proceedings to all owners and to all first mortgagees known to the association to have an interest in a condominium unit. The expense of participation in such proceedings by the association shall be borne by the common fund. The association is specifically authorized to obtain and pay for such assistance from attorneys, appraiser, architects, engineers, expert witnesses and other persons as the association, in its discretion, deems necessary or advisable to aid or advise it in matters relating to such proceedings. All damages or awards for such taking shall be deposited with the association and such damages or awards shall be applied as provided to defend or resist any such proceedings. With respect to any such taking, all damages and awards shall be determined for such taking as a whole and not for each owner's interest therein. After the damages or awards for such taking are determined, such damages or awards shall be paid to the account of each owner and first mortgagee, if any, as their interests may appear in proportion to their percentage ownership interest in the common elements to be applied or paid as set forth in attached Exhibit "B," unless restoration takes place as herein provided. The association, if it deems advisable, may call a

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meeting of the owners at which the owners, by a majority vote, shall decide whether to replace or restore, as far as possible, the general common elements so taken or damaged. In the event it is determined that the general common elements should be replaced or restored by obtaining other land or building additional structures, this declaration and the plat attached hereto shall be duly amended by an instrument executed by the association on behalf of the owners. In the event such eminent domain proceeding results in the taking or damage to one or more, but less than 67% of the total number of condominium units, then the damage and awards for such taking shall be determined for each condominium unit and the following shall apply:

A. The association shall determine which of the condominium units damaged by such taking may be made tenantable for the purposes set forth in the declaration, taking into account the nature of this condominium project and the reduced size of each condominium unit so damaged.

B. The association shall determine whether it is reasonably practical to operate the remaining condominium units of the project, including those damaged units which may be tenantable, as a condominium in the manner provided in this declaration.

C. In the event the association determines it is not reasonably practical to operate the undamaged condominium units and the damaged units which can be made tenantable as a condominium unit, then the damages and awards made with respect to each unit which has been determined to be capable of being made tenantable shall be applied to repair and to reconstruct such condominium unit so that it is made tenantable. If the cost of such work exceeds the amount of the award, the additional funds required shall be assessed against those condominium units which are tenantable. With respect to those units which may not be tenantable, the award made shall be paid as set forth in Exhibit "B" of the declaration hereof, and the remaining portion of such units, if any, shall become a part of the general common elements. Upon payment of such award for the account of such owner as provided herein, such condominium unit shall no longer be a part of the condominium project and the percentage ownership interest in the general common elements appurtenant to each remaining condominium unit which shall continue as a part of the condominium project shall be equitably adjusted to distribute the ownership of the undivided interest in the general common elements among the reduced number of owners and the association shall promptly prepare, execute and record an amendment to the declaration reflecting the reallocation. If the entire condominium project is taken, or 67% or more of the condominium units are taken or damaged by such taking, all damages and awards shall be paid to the accounts of the owners of units, as provided herein, in proportion to their percentage ownership interests in the general common elements and this corporation regime shall terminate upon such payment. Upon such termination, the condominium units and general common elements shall be deemed to be regrouped and merged into a single estate owned in undivided interests by all owners as tenants in common, in the percentage ownership interest previously owned by each owner in the general common elements. Any damages or awards provided in this paragraph shall be paid to or for the account of any owner and first mortgagee, if any, as their interest may appear.

28. Management Agreement. Any management agreement for the project will be terminated by the owners' association for cause upon 30 days written notice thereof, by a vote of not less than a majority of the individual unit owners other than the developer within a one year period immediately following the date on which individual unit owners, other than the developer, assume or acquire control of the association and shall further be terminable without cause by a vote of not less than the majority of the individual unit owners, other than the developer, within a 30 day period immediately following the date on which the individual unit owners, other than the developer, assume or acquire control of the association upon not less than 90 days written notice to the management agent, and the term of any such agreement may not exceed one year; however, such agreement may be renewable by the parties for successive one year periods.

29. Unit Owner Default. The owners' association shall, upon written notice, give the holders of first mortgages prompt notice in the event of a default in the unit mortgagor's obligations under the condominium documents which is not cured within 30 days of default.

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30. Fidelity Coverage. The association shall maintain adequate fidelity coverage to protect against dishonest acts by its officers, directors and employees who are responsible for handling association funds. Said coverage shall name the association as obligee, be written in an amount of at least 150% of the estimated annual operating budget, contain waivers of any defense based on exclusion of employees who serve without compensation and shall not be cancelled or substantially modified without at least ten days notice to all first mortgagees of record. The premium for such insurance shall be a common expense.

31. Notices. Notices provided for in the act, declaration or bylaws shall be in writing and shall be addressed to the association (at P.O. Box 1584, Gulf Shores, Alabama 36542), board or to any unit owner, as the case may be, and as such addresses may be from time to time provided. Notices addressed to any such entity shall be deemed delivered when mailed by United States mail with postage prepaid, or when hand delivered.

Upon written request to the board, the holder of any recorded mortgage encumbering any unit shall be given a copy of all notices permitted or required by this declaration to be given to the owner(s) whose unit is subject to such mortgage.

32. Severability. If any provision of the declaration or bylaws, or any word, phrase, clause, sentence, paragraph or section, or the application thereof, in any circumstance is held invalid, the validity of the remainder of this declaration and the bylaws and of the application of any such provision, word, phrase clause, sentence, paragraph or section in any other circumstance shall not be affected thereby and the remainder of this declaration or the bylaws shall be construed as if such invalid part was never included therein.

33. Special Amendments. Developer hereby reserves and is granted the right and power to record a special amendment to this declaration at any time and from time to time, which amends this declaration (a) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Association, the Veterans Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those which are currently performed by such entities and/or (b) to induce any of such agencies or entities to make, purchase, sell, insure or guarantee first mortgages governing units. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the developer to make or consent to a special amendment on behalf of each unit owner. Each title, mortgage, other evidence of obligation or other instrument affecting a unit and the acceptance thereof shall be deemed to be a grant and acknowledgement of and a consent to the reservation of the power of the developer to make, execute and record special amendments. No special amendment made by developer shall affect or impair the lien of any first mortgage upon a unit or any warranties made by an owner in order to induce any of the above agencies or entities to make, purchase, insure or guarantee the first mortgage on such owner's unit.

IN WITNESS WHEREOF, the developer has hereunto caused its hand and seal to be affixed on this October 9, 1984.

THE WHALER, INC

BY:

FORREST E. WATERS, JR., president

ATTEST:

RONALD L. OWEN, secretary

AFFIX CORPORATE SEAL

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STATE OF ALABAMA
COUNTY OF BALDWIN

I, F. Ann Kreinbrink, a notary public in and for said county and state, hereby certify that Forrest E. Waters, Jr. and Ronald L. Owen, whose names are signed to the foregoing instrument as president and secretary, respectively, of The Whaler, Inc., an Alabama corporation, and who are known to me, acknowledged before me on this day that, being informed of the contents of the instrument they, as such officers and with full authority executed the same voluntarily for and as the act of the corporation.

Given under my hand and official seal on this October 9, 1984.


NOTARY PUBLIC

My commission expires: 9/18/86



This instrument prepared by:
JOHN D. WHETSTONE
Attorney at Law
P.O. Box 415
Gulf Shores, AL 36542

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