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Bk: LR200812 Pg:23134
Jefferson County, Alabama
I certify this instrument filed on:
12/04/2008 02:09:25 PM NPINC
Judge of Probate- Alan L. King

ARTICLES OF INCORPORATION
OF
CHACE LAKE RESIDENTIAL ASSOCIATION, INC.

This instrument prepared by and
upon recording should be returned to:

Gail Livingston Mills, Esq.
Burr & Forman LLP
420 North 20th Street
Suite 3400
Birmingham, Alabama 35203
(205) 251-3000

ARTICLES OF INCORPORATION
OF
CHACE LAKE RESIDENTIAL ASSOCIATION, INC.

The undersigned, acting as the incorporator of a nonprofit corporation under the Alabama Nonprofit Corporation Act, Code of Alabama 1975 § § 10-3A-1 et seq., (the "Act"), adopt the following Articles of Incorporation for such corporation:

1. **NAME.** The name of the corporation shall be Chace Lake Residential Association, Inc. (hereinafter referred to as "Association").

2. **DURATION.** The period of duration of the Association is perpetual.

3. **PURPOSES AND POWERS.** The purpose for which the Association is organized and the powers of the Association are as follows:

(a) To enforce the provisions of and exercise the rights under that certain Chace Lake Residential Declaration of Protective Covenants, Conditions and Restrictions (the "Declaration") executed by Chace Lake Residential, LLC, a Delaware limited liability company, as the "Developer" thereunder, recorded or to be recorded in the Office of the Judge of Probate of Jefferson County, Alabama, and also in the Office of the Judge of Probate of Shelby County, Alabama, burdening certain real property located in Shelby County, Alabama more particularly described therein as the "Property," together with any "Additional Property" which is hereafter subjected to the Declaration as provided in the Declaration (such Property and Additional Property being collectively referred to herein as the "Property" and being more particularly described on Exhibit A attached hereto).

(b) To promote the common good, health, safety, and general welfare of the residents within the property covered by the Declaration;

(c) To provide for the efficient preservation of the appearance, value and amenities of the Property;

(d) To own and maintain, repair and replace the general and/or Common Areas (as such term is defined in the Declaration) of the Property including structures, landscaping and other improvements in and benefiting the Property for which the obligation to maintain has been delegated and accepted;

(e) To control the specifications, architecture, design, appearance, elevation and landscaping of all improvements and structures of any kind, including, without limitation, buildings, fences, walls, signs, lighting systems, site paving, grading, screen enclosures, sewers, drains, landscaping, landscape devices or objects and/or other structures constructed, placed or permitted to remain on the Property, as well as any alteration, improvement, addition and/or change therein, thereof or thereto, all in accordance with the Declaration;

(f) To provide, purchase, acquire, own, replace, improve, maintain and/or repair such real property, buildings, structures, street lights, landscaping, paving or other improvements in

and/or benefiting the Property for which the obligation to so maintain and repair has been, or may be, delegated to, and accepted by, the Association;

(g) To provide services, the responsibility for which has been, or may be, delegated to, and accepted by, the Association;

(h) To operate without profit for the sole and exclusive benefit of its members; and

(i) To perform any and all other functions contemplated of the Association or otherwise undertaken by its Board of Directors in accordance with the Declaration.

4. **Additional Powers.** The Association shall have all of the common law and statutory powers, authority and privileges generally granted to nonprofit corporations under the laws of the State of Alabama. The Association shall have such additional powers as are reasonably necessary or appropriate to implement and effectuate the purposes of the Association and as are not inconsistent with these Articles, the Bylaws of the Association ("Bylaws"), and the Declaration, as each of them may from time-to-time be amended, including, without limitation:

(a) To exercise, undertake and accomplish all of the rights, duties and obligations which may be granted to or imposed upon the Association pursuant to the Declaration, these Articles, the Bylaws, or any rules and regulations adopted pursuant thereto, and to enforce the provisions thereof;

(b) To maintain, repair, replace, operate and manage the Common Areas, and such other parts or parcels of the Property or other property adjacent thereto as may be delegated to, and accepted by, the Association, including the right to make further improvements to the Common Areas or such other property;

(c) To acquire (by purchase, grant or otherwise), annex and merge, own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) To promulgate, amend and enforce rules, regulations, the Bylaws, covenants, restrictions and agreements in connection with and to effectuate the affairs and purposes of the Association and to enforce by legal means the provisions of these Articles or the Declaration;

(e) To fix, levy, collect and enforce payment of all Assessments or charges to be levied against Lots (as defined in the Declaration) within the Property pursuant to the terms of the Declaration and Bylaws, and to defray all costs and expenses in connection therewith, as well as the costs and expenses of effectuating the objects and purposes of the Association, and to create reasonable reserves for such costs and expenses;

(f) Subject to the provisions of these Articles and the Bylaws, to borrow money, and, from time to time, to make, accept, endorse, execute and issue debentures, promissory notes or other obligations of the Association for monies borrowed, in payment of property acquired, or for any of the other purposes of the Association, and to secure the repayment of any such obligation by mortgage, pledge or other instrument of trust, or by lien upon, assignment of, or

agreement in regard to, all or any part of the property, rights or privileges of the Association, wherever situated;

(g) To pay taxes and other charges, if any, on or against any property, if any, owned by the Association;

(h) To employ such personnel or to enter into, make, perform or carry out contracts with others to effectuate the aforesaid purposes with any person, firm, corporation, association or other entity and so contract for the management of the Association and to delegate to such contractors all powers and duties of the Association;

(i) To delegate power or powers where such is deemed to be in the interest of the Association; and

(j) To purchase insurance for the protection of the Association, its officers, directors or members.

The objects and purposes set forth in Section 2 and 3 of these Articles shall be construed as powers as well as objects and purposes, and the Association shall have and may exercise such powers as if such powers were set forth in full herein. The Association shall have and may exercise all powers set forth in any other Article of these Articles of Incorporation. The foregoing statement of purposes shall be construed as a statement both of purposes and of powers, and the purposes and powers in each clause shall not be limited or restricted by reference to or inference from the terms or provisions of any other clause, but shall be broadly construed as independent purposes and powers. Notwithstanding any of the above statements of purposes and powers, neither the Board of Directions nor any officer of the Association shall have the authority to borrow funds in order to pay for any required expenditure or outlay or to mortgage, pledge, or hypothecate any or all of the real or personal property of the Association without the approval of the members of the Association in the manner provided under the Bylaws and the Declaration. All funds and title of properties acquired by the Association and the proceeds therefrom shall be held in trust for the members in accordance with the provisions of the Declaration and the Articles and Bylaws of the Association.

5. **MEMBERS AND VOTING RIGHTS.**

(a) **MEMBERS.** The Members of the Association shall consist of all Owners (as defined in the Declaration), and the membership shall be appurtenant to, and may not be separated from, ownership of any Lot (as defined in the Declaration). Membership shall attach automatically upon the acceptance of delivery of the instrument of transfer of such ownership interest, provided that such instrument is promptly recorded in the Office of the Judge of Probate of Shelby County or Jefferson County (as applicable), Alabama. Membership shall terminate automatically upon the tendering of delivery of an instrument of transfer of such ownership interest (provided such tender is accepted) or upon such ownership interest being divested in some other manner. Notwithstanding anything provided herein or in the Bylaws of the Association to the contrary, until the Turnover Date, (i) Developer shall have the exclusive right to exercise all voting rights in the Association otherwise reserved to the Members of the

Association and (ii) Developer shall have the sole and exclusive right to appoint and remove the members of the Board of Directors of the Association.

(b) **VOTING RIGHTS OF MEMBERS.** Subject to the rights reserved by Developer pursuant to Paragraphs 5(a) above, the voting rights of the Members are set forth in the Bylaws. The voting rights of any Member who has violated the Declaration or who is in default in the payment of Assessments may be limited and suspended in accordance with the provisions of the Declaration, the Bylaws, or any rules and regulations adopted by the Board of Directors of the Association. Developer shall be entitled to exercise all voting rights attributable to Lots owned by Developer.

6. **BOARD OF DIRECTORS:**

(a) **Number of Directors.** The affairs of the Association shall be managed by a Board of Directors consisting of the number of directors as shall be determined by the Bylaws; provided, however, that the Board of Directors shall consist of not less than three (3) directors, and in the absence of a provision in the Bylaws shall consist of three (3) Directors. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by the Bylaws. Vacancies on the Board of Directors shall be filled in the manner provided by the Bylaws. Notwithstanding the provisions set forth in this Section 6, until such time as Developer has sold and no longer retains ownership of any of the Lots within the Subdivision (such period of time being referred to herein as the "Control Period"), the Developer shall elect the members of the Board of Directors of the Association, and in the event of vacancies, the Developer shall fill vacancies, until such time as Control Period has expired. Within sixty (60) days after the date of termination of the Control Period, the Board of Directors shall call and give not less than ten (10) nor more than thirty (30) days notice of a special meeting of the membership for the purpose of electing the members of the Board of Directors.

The initial Board of Directors shall have three directors. The names and addresses of the members of the Board of Directors who shall hold office until their successors are elected and have qualified, or until such Directors are removed, are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Dwight A. Sandlin	3545 Market Street Hoover, Alabama 35226
Jonathan M. Belcher	3545 Market Street Hoover, Alabama 35226
Kris Keown	3545 Market Street Birmingham, Alabama 35226

(b) **ELECTION AND REMOVAL OF DIRECTORS.** Directors of the Association shall be elected and may be removed as follows:

(i) Until the occurrence of the Turnover Date, Developer shall have the sole and exclusive right to appoint and remove all members of the Board of Directors;

(ii) From and after the Turnover Date, the members of the Association shall be entitled to elect or remove all of the members of the Board in accordance with the terms and provisions of the Bylaws.

(c) **POWERS.** Except as may be otherwise provided to the contrary in the Declaration, these Articles of Incorporation or the Bylaws of the Association, all powers of the Association shall be exercised by or under the authority of, and the business and affairs of the Association shall be managed under the direction of, the Board of Directors.

(d) **CONFLICTS OF INTERESTS.** No contract or other transaction between the Association and one or more of its Directors or any other corporation, firm, association or entity in which one or more of its Directors are directors or officers or are financially interested, shall be either void or voidable because of such relationship or interest. Any Director of the Association or any corporation, firm, association or entity of which any Director of the Association is a director or officer or is financially interested or may be a party to, or may be pecuniarily or otherwise interested in, any contract or transaction of the Association, provided that such relationship or interest in such contract or transaction shall be disclosed or known to the Board of Directors at the meeting of the Board of Directors or a committee thereof which authorizes, approves, or ratifies such contract or transaction and, if such contract shall be disclosed or known, any Director so related or interested may be counted in determining a quorum at such meeting and may vote on such matter or action with the same force and effect as if he were not so related or interested. Any Director of the Association may vote on any contract or other transaction between the Association and any affiliated corporation without regard to the fact that he is also a director of such affiliated corporation..

7. **INITIAL REGISTERD OFFICE.** The address of the Association's initial registered office is 3545 Market Street, Birmingham, Alabama 35226, and the name of its initial registered agent is Chris K. Bakane, with the same address.

8. **INDEMNITY.** The Association shall have the right to indemnify each person who shall serve as a director, officer, employee, or agent of the Association, or shall serve at the request of the Association in a similar capacity with another corporation, joint venture, trust, or other enterprise, to the extent to which this Association is granted the power to so indemnify such persons by any and every statute of the State of Alabama or act of the Legislature of the State of Alabama.

9. **DISSOLUTION AND DISTRIBTUION OF ASSETS UPON DISSOLUTION.**

(a) The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3rd) of the entire Membership. Upon dissolution of the Association, all of its assets remaining after provision for creditors and payment of all costs and expenses of such dissolution shall be distributed in the following manner:

(b) Real property contributed to the Association without the receipt of other than nominal consideration by Developer (or its predecessor in interest) shall be returned to Developer, unless it refuses to accept the conveyance (in whole or in part).

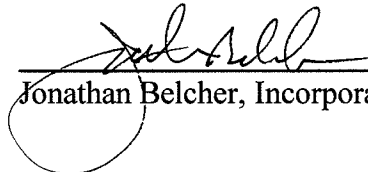
(c) Remaining assets shall be distributed among the members, subject to the limitations set forth below, as tenants in common, each members' share of the assets to be determined in accordance with its voting rights.

10. **AMENDMENT.** The Association reserves the right to amend, alter, change or repeal any provision contained in these Articles in the manner now or hereafter provided by law, and all rights conferred upon officers and directors herein are granted subject to this reservation, provided, however that such amendment, alteration, change, or repeal shall have received the assent of not less than two-thirds (2/3rd) of the entire Membership.

11. **INCORPORATOR.** The name and address of the sole incorporator of the Association is as follows:

Jonathan Belcher
3545 Market Street
Hoover, Alabama 35226

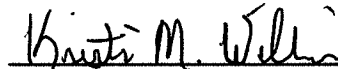
IN WITNESS WHEREOF, the undersigned incorporator has hereunto subscribed his signature to these Articles of Incorporation this 25th day of November, 2008.


Jonathan Belcher, Incorporator

STATE OF ALABAMA)
 :
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Jonathan Belcher, whose name is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that being informed of the contents of said instrument, he executed the same voluntarily on the date the same bears date.

Given under my hand and seal of office, this the 25th day of November, 2008.


Notary Public
My Commission Expires: _____

[NOTARIAL SEAL]

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: Nov 30, 2011
BONDED THRU NOTARY PUBLIC UNDERWRITERS

EXHIBIT A
LEGAL DESCRIPTION

Residential portion of Chace Lake development

STATE OF ALABAMA
JEFFERSON AND SHELBY COUNTY

Parts of the South 1/2 of the Northeast 1/4, East 1/2 of Northwest 1/4 and North 1/2 of South 1/2, all in Section 24, Township 19 South, Range 3 West, situated partly in Jefferson County, and partly in Shelby County, Alabama, said parts being more particularly described as follows:

From the Northeast corner of said East 1/2 of the Northwest 1/4, looking West along the North line of said East 1/2 of the Northwest 1/4, turn an angle to the left of 62°48' and run Southwesterly for a distance of 658.60 feet; thence turn an angle to the right of 29°03' and run Southwesterly for a distance of 165.97 feet to the POINT OF BEGINNING of the property herein described; thence turn an angle to the left of 7°48'00" and run Southwesterly for a distance of 195.36 feet; thence turn an angle to the left of 9°06'03" and run Southwesterly for a distance of 115.47 feet; thence turn an angle to the left of 7°38'59" and run Southwesterly for a distance of 203.29 feet; thence turn an angle to the left of 7°58'50" and run Southwesterly for a distance of 155.25 feet; thence turn an angle to the left of 17°13'09" and run Southwesterly for a distance of 159.69 feet; thence turn an angle to the left of 12°09'54" and run Southerly for a distance of 199.73 feet; thence turn an angle to the left of 11°28'23" and run Southeasterly for a distance of 166.36 feet; thence turn an angle to the left of 4°43'42" and run Southeasterly for a distance of 100.39 feet; thence turn an angle to the right of 14°22'39" and run Southerly for a distance of 138.65 feet; thence turn an angle to the left of 00°46'50" and run Southerly for a distance of 54.56 feet; thence turn an angle to the left of 45°12'46" and run Southeasterly for a distance of 194.70 feet; thence turn an angle to the right of 30°21'29" and run Southeasterly for a distance of 129.55 feet; thence turn an angle to the right of 15°41'08" and run Southeasterly for a distance of 98.27 feet; thence turn an angle to the right of 18°23'03" and run Southwesterly for a distance of 101.22 feet; thence turn an angle to the right of 30°05'14" and run Southwesterly for a distance of 144.74 feet; thence turn an angle to the right of 6°47'21" and run Southwesterly for a distance of 163.75 feet; thence turn an angle to the right of 14°12'32" and run Southwesterly for a distance of 319.21 feet; thence turn an angle to the right of 5°52'22" and run Southwesterly for a distance of 235.89 feet; thence turn an angle to the right of 24°27'50" and run Westerly for a distance of 85.01 feet; thence turn an angle to the left of 14°56'15" and run Southwesterly for a distance of 136.28 feet; thence turn an angle to the right of 3°52'58" and run Southwesterly for a distance of 156.64 feet; thence turn an angle to the left of 0°31'17" and run Southwesterly for a distance of 88.54 feet; thence turn an angle to the left of 24°20'13" and run Southwesterly for a distance of 179.50 feet; thence turn an angle to the left of 3°19'25" and run Southwesterly for a distance of 243.56 feet; thence turn an angle to the left of 3°04'44" and run Southwesterly for a distance of 226.57 feet; thence turn an angle to the right of 1°46'30" and run Southwesterly for a distance of 116.45 feet; thence turn an angle to the left of 48°52'30" and run Southerly for a distance of 82.22 feet; thence turn an angle to the left of 13°10'45" and run Southeasterly for a distance of 119.70 feet; thence turn an angle to the left of 47°13'33" and run Southeasterly for a distance of 100.31 feet; thence turn an angle to the left of 2°02'00" and run Southeasterly for a distance of 143.58 feet to a point on the North Ordinary High Water Line of the Cahaba River; thence in an Easterly direction along the North Ordinary High Water Line of the Cahaba River for a distance of 4,314 feet, more or less, to the intersection of said North Ordinary High Water Line of the

river with the West line of the right-of-way of U.S. Highway #31, said right-of-way being 300 feet wide, or 150 feet on each side of the centerline of said highway; thence turn an angle to the left of 117°48'44" and run Northwesterly along the West right-of-way line of said highway for a distance of 364.06 feet; thence leaving said right-of-way line of said highway turn an angle to the left of 62°16'20" and run Westerly for a distance of 501.83 feet; thence turn an angle to the right of 17°18'30" and run Northwesterly for a distance of 474.62 feet; thence turn an angle to the left of 11°19'06" and run Westerly for a distance of 196.03 feet; thence turn an angle to the right of 80°41'16" and run Northerly for a distance of 130.34 feet; thence turn an angle to the right of 58°03'48" and run Northeasterly for a distance of 107.32 feet; thence turn an angle to the left of 72°01'28" and run Northwesterly for a distance of 367.49 feet; thence turn an angle to the left of 94°26'43" and run Southwesterly for a distance of 138.76 feet; thence turn an angle to the left of 90°00'00" and run Southeasterly for a distance of 36.00 feet; thence turn an angle to the right of 90°00'00" and run Southwesterly for a distance of 30.00 feet; thence turn an angle to the right of 90°00'00" and run Northwesterly for a distance of 36 feet; thence turn an angle to the left of 89°02'28" and run Southwesterly for a distance of 115.11 feet; thence turn an angle to the right of 49°09'29" and run Northwesterly for a distance of 47.11 feet; thence turn an angle to the right of 8°28'48" and run Northwesterly for a distance of 171.52 feet; thence turn an angle to the right of 4°35'33" and run Northwesterly for a distance of 130.71 feet; thence turn an angle to the right of 61°23'00" and run Northeasterly for a distance of 59.18 feet; thence turn an angle to the left of 57°38'52" and run Northwesterly for a distance of 173.48 feet; thence turn an angle to the left of 8°52'46" and run Northwesterly for a distance of 167.66 feet; thence turn an angle to the right of 21°15'33" and run Northwesterly for a distance of 58.69 feet; thence turn an angle to the left of 4°26'21" and run Northwesterly for a distance of 202.31 feet; thence turn an angle to the right of 7°29'03" and run Northwesterly for a distance of 93.64 feet; thence turn an angle to the right of 20°20'37" and run Northwesterly for a distance of 120.43 feet; thence turn an angle to the left of 0°04'35" and run Northwesterly for a distance of 101.12 feet; thence turn an angle to the right of 45°43'07" and run Northeasterly for a distance of 55.48 feet; thence turn an angle to the left of 16°44'22" and run Northeasterly for a distance of 116.66 feet; thence turn an angle to the left of 18°20'55" and run Northerly for a distance of 147.17 feet; thence turn an angle to the left of 73°23'03" and run Northwesterly for a distance of 134.40 feet; thence turn an angle to the right of 0°11'07" and run Northwesterly for a distance of 81.77 feet to the POINT OF BEGINNING.

Said parcel containing 101.6 Acres, more or less.

LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL

STATE OF ALABAMA
JEFFERSON AND SHELBY COUNTY

Part of the South 1/2 of the Northeast 1/4 and the North 1/2 of the Southeast 1/4 of Section 24, Township 19 South, Range 3 West, situated partly in Jefferson County and partly in Shelby County, Alabama, said parts being more particularly described as follows:

Commence at the Northwest corner of the Northwest 1/4 of the Southwest 1/4 of said Section 24; thence South, along the West line of said Section 24, a distance of 525.57 feet; thence leaving said Section Line 90°00'00" left, in an Easterly direction, a distance of 4620.41 feet; thence 90°00'00" left, in a Northerly direction, a distance of 100.00 feet to a point on the Westerly right-

of-way line of U.S. Highway 31, said point being the POINT OF BEGINNING; thence 26°17'30" left, in a Northwesterly direction and along said Westerly right-of-way line, a distance of 580.60 feet; thence leaving said right-of-way line 67°33'06" left, in a Westerly direction, a distance of 459.32 feet; thence 12°27'29" right, in a Northwesterly direction, a distance of 318.44 feet; thence 38°27'49" right, in a Northwesterly direction, a distance of 257.25 feet; thence 33°47'18" right, in a Northwesterly direction, a distance of 481.47 feet; thence 158°22'52" left, in a Southwesterly direction, a distance of 140.47 feet; thence 57°13'21" right, in a Southwesterly direction, a distance of 80.05 feet; thence 80°39'31" left, in a Southeasterly direction, a distance of 290.38 feet; thence 54°51'45" right, in a Southwesterly direction, a distance of 87.85 feet; thence 39°50'36" left, in a Southerly direction, a distance of 65.71 feet; thence 24°03'50" left, in a Southeasterly direction, a distance of 104.62 feet; thence 10°03'37" right, in a Southeasterly direction, a distance of 641.55 feet to a point on the North Ordinary High Water Line of the Cahaba River; thence in an Easterly direction along the North Ordinary High Water Line of the Cahaba River for a distance of 1273 feet, more or less, to the POINT OF BEGINNING.

20081204001603310 11/11
Bk: LR200812 Pg:23134
Jefferson County, Alabama
12/04/2008 02:09:25 PM NPINC
Fee - \$26.00

Total of Fees and Taxes-\$26.00
HATCHERK