FIRST AMENDED DECLARATION OF CONDOMINIUM

OF

THE RIDGE, LLC, A CONDOMINIUM

THIS FIRST AMENDED DECLARATION is made on this the 16th day of October, 2002, by THE RIDGE, LLC, an Alabama Limited Liability Company, hereinafter called the "Developer", for itself, its successors, grantees and assigns.

RECITALS

WHEREAS, the Developer has established a condominium pursuant to the provisions of the Alabama Uniform Condominium Act of 1991, § 35-8A-101, et seq., Code of Alabama, 1975, as amended. The Condominium is known as The Ridge, a Condominium, and the Declaration of Condominium is recorded in the Office of the Judge of Probate of Baldwin County, Alabama as Instrument Number 648393, pages 1-127;

698889

AND WHEREAS, the Developer proposes to develop the Condominium in multiple phases;

AND WHEREAS, the Developer has previously reserved the right to amend the Declaration pursuant to the express reservations of certain declarant rights relative to the addition of additional units to the condominium, among others;

AND WHEREAS, the Declaration of Condominium shall be effectively amended

as of the date of the recording of this First Amended Declaration;

State of Alabama, Baldwin County I certify this instrument was filed and taxes collected on:

4: 2PM

Instrument Number 688co.

27.00 Mortgage
Min Tax 688263 Pages 3.00 rchive Adrian T. Johns, Judge of Probate WHEREFORE, the Developer, hereby make the following First Amended Declaration, to-wit:

- (1) By amending Section 5.12 of the Declaration to include the following paragraphs:
- "6. Unit 1201 is a one (1) story, two (2) bedroom, two (2) bath Unit, containing kitchen, dining and living areas totaling approximately one thousand ninety-eight (1098) square feet, a garage containing approximately two hundred sixty (260) square feet, and a porch, twenty-four (24) square feet, and patio, sixty-two (62) square feet, serving the Unit as Limited Common Elements.
- 7. Unit 1202 is a one (1) story, three (3) bedroom, two (2) bath Unit, containing kitchen, dining and living areas, totaling approximately one thousand three hundred eight-nine (1389) square feet, and a porch, fifteen (15) square feet, and patio, sixty-two (62) square feet, both serving the Unit as Limited Common Elements."
- 2. By amending and substituting Exhibit "F" of the Declaration with the attached Exhibit "F-1" entitled First Amended Ownership of Common Elements.
- 3. By amending Exhibit "B" by adding a revised plat of the Condominium and drawings depicting the vertical unit boundaries and horizontal unit boundaries for Units 1201 and 1202, attached as Exhibit "B-1".
- 4. By amending Exhibit "G" to include a Current Projected Operating Budget for 2002-2003 and establishing a monthly fee rate for Unit 1201 and Unit 1202, attached as Exhibit "G-1"

5. By amending Exhibit "H" to include a Certificate of Substantial Completion and a Certificate of Occupancy for Units 1201 and 1202, attached as Exhibit "H-1".

Other than as stated herein, the Declaration previously filed shall remain in full force and effect.

IN WITNESS WHEREOF, the Developer, THE RIDGE, LLC, by and through its duly authorized manager, has caused this instrument to be executed under seal on this the day of _________, 2002.

THE RIDGE, LLC An Alabama Limited Liability Company

BARTON E. KAISER Its Managing Member

STATE OF ALABAMA

COUNTY OF BALDWIN

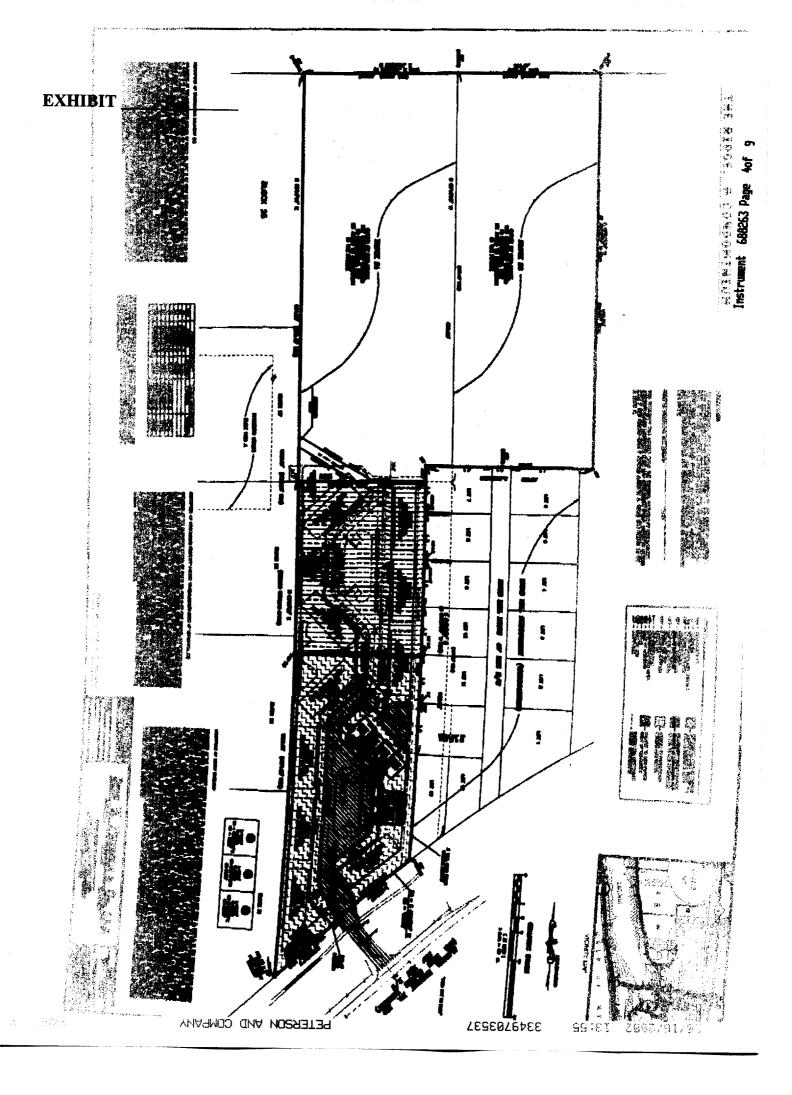
I, Mark Lival, a Notary Public in and for said County, in said State, hereby certify that BARTON E. KAISER, whose name as Managing Member of THE RIDGE, LLC, is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day, that, being informed of the contents of this Amended Declaration of Condominium, he, as such Managing Member and with full authority, executed the same voluntarily for and as the act of said limited liability company.

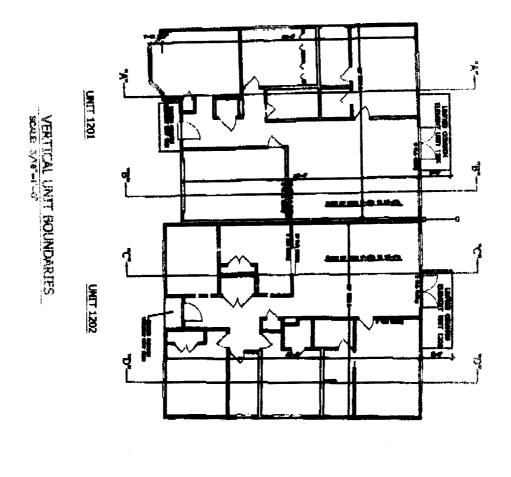
Given under my hand and official seal, this the 164 day of 2002.

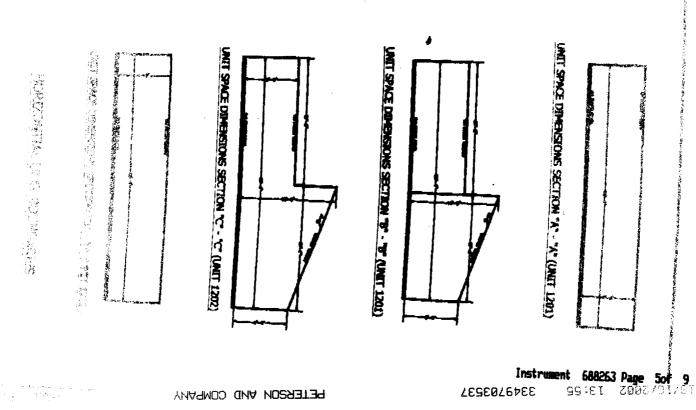
NOTARY PUBLIC

My Commission Expires

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OWNERSHIP OF COMMON ELEMENTS

Condominium Unit Number	Unit Square Footage	Ownership Factor For Each Unit
1101	1160	0.139423
1102	1711	0.205649
1103	1573	0.1890625
1104	1389	0.1669471
1201	1098	0.1319711
1202	1389	0.1669471
RESIDENTIAL TOTAL:	8,320	1.0000000

	~ 4
EXHIBIT	(- -1

THE RIDGE CONDO OWNER'S ASSOCIATION CURRENT PROJECTED OPERATING BUDGET FOR 2002-2003

ASSUMES 6 COMPLETED UNITS & PHASE I INFRASTRUTURE ONLY

INCOME:		
Assessments	\$	31,708
OPERATING EXPENSES:		
Accounting		1,800
Cable television		2,304
Electricity		1,000
Insurance		7,110
Landscape - maintenance		5,580
Landscape - repairs		250
Landscape - water		1,911
Pool maintenance		2,500
Street lights		396
Telephone - pool		480
Garbage		504
Pest Control		648
Miscellaneous & contingency		2,500
Total Operating Expenses		26,983
Reserve & replacement		4,725
NET	\$	•
THE CURRENT MONTHLY PER UNIT FEE IS: 1201 1202	\$ \$	176 211

PROJECTED BUDGET USING ESTIMATED AMOUNTS ONLY. ESTIMATES ARE BASED ON COMPLETION OF BUILDING 1100 & 1200 ONLY. ESTIMATES MAY VARY DEPENDING ON FUTURE DEVELOPMENT OF INFRASTRUCTURE, BUILDINGS, COMMON AREAS AND AMENITIES.

EXHIBIT	<u>H-1</u>
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Gatlin Hudson

ARCHITECT

2000 Edition - Electronic Format

September 5, 2002

DATE OF ISSUANCE

AIA Document G704 - 2000

Certificate of Substantial Completion

PROJECT:	PROJECT NUMBER: 2044.2	OW.12.1.
(Name and address)	CONTRACT FOR: Construction	ARCHITECT
The Ridge Phase II - Building 1200 Gulf Shores, AL	CONTRACT DATE:	CONTRACTOR
TO OWNER:	TO CONTRACTOR: Reed Construction Company, LLC	FIELD
(Name and address)	Bay Minette, AL 36507 (Name and address)	OTHER

PROJECT OR PORTION OF THE PROJECT DESIGNATED FOR PARTIAL OCCUPANCY OR USE SHALL INCLUDE:

The Work performed under this Contract has been reviewed and found, to the Architect's best knowledge, information and belief, to be substantially complete. Substantial Completion is the stage in the progress of the Work when the Work or designated portion is sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work for its intended use. The date of Substantial Completion of the Project or portion designated above is the date of issuance established by this Certificate, which is also the date of commencement of applicable warranties required by the Contract Documents, except as stated below:

A list of items to be completed or corrected is attached hereto such list does not alter the responsibility of the Contractor to complete the Contract Documents. Unless otherwise agreed to in write warranties for items on the attached list will be the date of	complete all Work in accordance with ting, the date of commencement of	
Payment or the date of final payment.		
Cost estimate of Work that is incomplete or defessive:		
The Contractor will complete or correct the/work on the list of items attached hereto within ()		
days from the above date of Substantial Completion.		
Reed Construction Co.	9-5-02	
CONTRACTOR BY	DATE	
The Owner accepts the Work or designated portion as substa	antially complete and will assume full	

possession at the time a Certificate of Occupancy is issued (time) on (date).

OWNER

BY March DATE

The responsibilities of the Owner and Contractor for security, maintenance, heat, utilities, damage

to the Work and insurance shall be as follows:

(Note: Owner's and Contractor's legal and insurance counsel should determine and review insurance requirements and

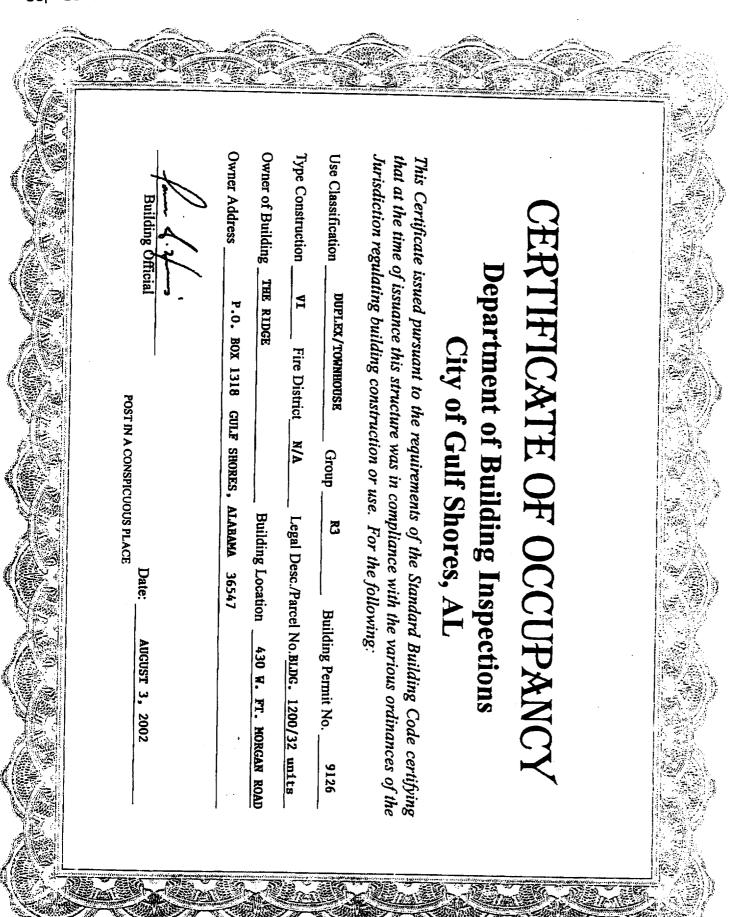
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