SECOND AMENDED DECLARATION OF CONDOMIN

OF

THE RIDGE, LLC, A CONDOMINIUM

THIS SECOND AMENDED DECLARATION is made on this the 27th day of January, 2003, 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; and the First Amended Declaration of Condominium is recorded in the Office of the Judge of Probate of Baldwin County, Alabama as Instrument Number 688263, pages 1-9;

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 Second Amended Declaration;

WHEREFORE, the Developer, hereby make the following Second Amended Declaration, to-wit:

- (1) By amending Section 5.12 of the Declaration to include the following paragraphs:
- "8. Unit 1301 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, ninety-six (96) square feet, serving the Unit as Limited Common Elements.
- 9. Unit 1302 is a two (2) story, three (3) bedroom, two and one-half (2.5) bath Unit, containing kitchen, dining and living areas, totaling approximately one thousand two hundred twenty-seven (1227) square feet, and a porch, twenty-four (24) square feet, and patio, ninety-six (96) square feet, both serving the Unit as Limited Common Elements.
- 10. Unit 1303 is a two (2) story, three (3) bedroom, two and one-half (2.5) bath Unit, containing kitchen, dining and living areas, totaling approximately one thousand four hundred seventy-five (1475) square feet, a garage containing approximately two hundred forty-three (243) square feet, a front porch containing approximately twenty-four (24) square feet, a rear porch containing approximately one hundred twenty-eight (128) square feet, and a patio containing approximately ninety-six (96) square feet, the porches and patio serving the Unit as limited common elements.

- 11. Unit 1304, is a one (1) story, three (3) bedroom, two (2) bath Unit, containing kitchen, dining and living areas, totaling approximately one thousand three hundred eighty-nine square feet, a front porch containing approximately fifteen (15) square feet, and a patio containing approximately ninety-six (96) square feet, the porches and patio serving the Unit as limited common elements."
- 2. 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 1301, 1302, 1303 and 1304, attached as Exhibit "B-2".
- 3. By amending and substituting Exhibit "F" of the Declaration with the attached Exhibit "F-2" entitled Second Amended Ownership of Common Elements.
- 4. By amending Exhibit "G" to include a Current Projected Operating Budget for 2003 and establishing a monthly fee rate for Unit 1301, 1302, 1303 and 1304, attached as Exhibit "G-2"
- 5. By amending Exhibit "H" to include a Certificate of Substantial Completion and a Certificate of Occupancy for Units 1301, 1302, 1303 and 1304, attached as Exhibit "H-2".

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

27 day of ________, 2003.

THE RIDGE, LLC An Alabama Limited Liability Company

BANTON E. KAISER Its Managing Member

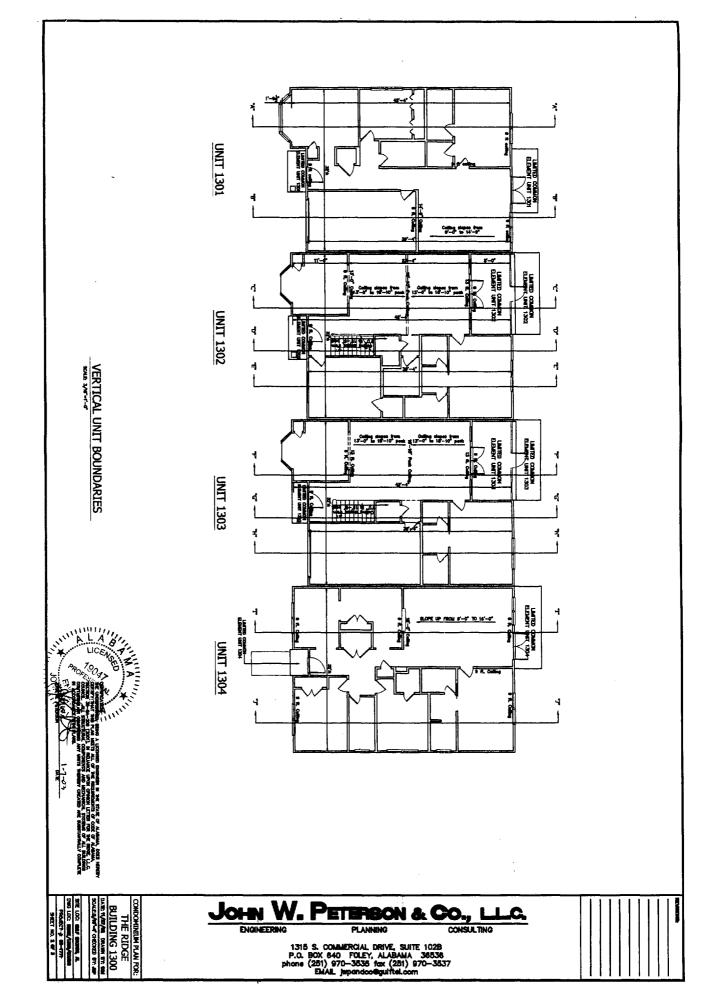
STATE OF ALABAMA

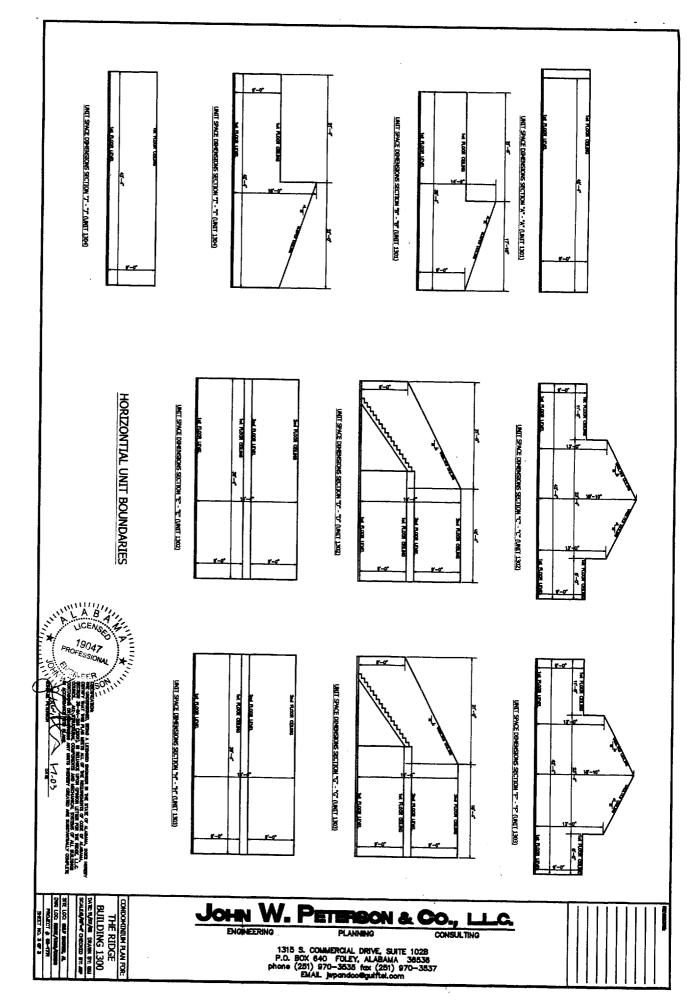
COUNTY OF BALDWIN

___, a Notary Public in and for said County, in said I, MARY D. RYAN 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 day of 2002.

My Commission Expires: 12/19/54





OWNERSHIP OF COMMON ELEMENTS

| Condominium Unit Number | Unit Square Footage | Ownership Factor For Each Unit |
|-------------------------|---------------------|--------------------------------|
| 1101 | 1160 | 0.0828334 |
| 1102 | 1711 | 0.1221793 |
| 1103 | 1573 | 0.1123250 |
| 1104 | 1389 | 0.0991859 |
| 1201 | 1098 | 0.0784061 |
| 1202 | 1389 | 0.0991859 |
| 1301 | 1098 | 0.0784061 |
| 1302 | 1722 | 0.1229648 |
| 1303 | 1475 | 0.1053270 |
| 304 | 1389 | 0.0991859 |
| RESIDENTIAL TOTAL: | 14,004 | 1.0000000 |

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

ASSUMES 10 COMPLETED UNITS & PHASE I INFRASTRUTURE ONLY

| INCOME: | | | |
|--|------|----------|--------|
| Assessments | | _\$ | 38,943 |
| OPERATING EXPENSES: | | | |
| Accounting | | | 1 000 |
| Cable television | | | 1,800 |
| Electricity | | | 3,840 |
| Insurance | | | 1,000 |
| Landscape - maintenance | | | 11,277 |
| Landscape - maintenance Landscape - repairs | | | 5,580 |
| Landscape - repairs Landscape - water | | | 250 |
| Pool maintenance | | | 1,911 |
| | | | 2,500 |
| Street lights | | | 396 |
| Telephone - pool Garbage | | | 480 |
| Pest Control | | | 504 |
| | | | 1,080 |
| Miscellaneous & contingency | | | 2,500 |
| Total Operating Expenses | | | 33,118 |
| Reserve & replacement | | | 5,825 |
| | | * | 0,020 |
| NET | | \$ | |
| | | | |
| THE OURDENIT MONTHLY PER UNIT FEE IO. | 1004 | | .=- |
| THE CURRENT MONTHLY PER UNIT FEE IS: | 1301 | \$ | 176 |
| | 1302 | \$ \$ | 255 |
| | 1303 | \$ | 238 |
| | 1304 | \$ | 211 |

PROJECTED BUDGET USING ESTIMATED AMOUNTS ONLY. ESTIMATES ARE BASED ON COMPLETION OF BUILDINGS 1100,1200 & 1300 ONLY. ESTIMATES MAY VARY DEPENDING ON FUTURE DEVELOPMENT OF INFRASTRUCTURE, BUILDINGS, COMMON AREAS AND AMENITIES.

| EXHIBIT | H-2 |
|----------|------|
| CATITULE | 11-7 |

2000 Edition - Electronic Format

AIA Document G704 - 2000

Certificate of Substantial Completion

| | | -1-1-1-11 | |
|--|---|--|--|
| PROJECT: (Name and address) | | PROJECT NUMBER: 2044.3 | OWNER [|
| The Ridge Phase III - Bu | ilding 1300 | CONTRACT FOR: Construction | ARCHITECT |
| Gulf Shores, AL | • | CONTRACT DATE: December 12, 2002 | CONTRACTOR |
| TO OWNER: | | TO CONTRACTOR: | 닐 |
| The Ridge, L.L.C. P.O. Box 1318 | | Reed Construction Company, LLC | FIELD |
| Gulf Shores, AL 36547 | | Bay Minette, AL 36507 | · |
| (Name and address) | | 4. | |
| , | | (Name and address) | OTHER |
| | | | 5 . |
| OSE STATE MCLODE. | | NATED FOR PARTIAL OCCUPANCY OR | AUTHENTICATION OF TI ELECTRONICALLY DRAFTED A DOCUMENT MAY BE MADE |
| in the progress of the Work vaccordance with the Contractintended use. The date of Sul | when the Work or designate to Documents so that the the stantial Completion of the white Conference which the conference within the | viewed and found, to the Architect's best complete. Substantial Completion is the stage ated portion is sufficiently complete in Owner can occupy or utilize the Work for its he Project or portion designated above is the s also the date of commencement of tents, except as stated below: | LISING ALA DOCLINATAT DAGE |
| Gatlin Hudson Architects | | <u>December 12, 2002</u> | |
| ARCHITECT | BW | DATE OF ISSUANCE | . |
| the Contract Documents. U warranties for items on the Payment or the date of final payment of the date of final payment of the Cost estimate of Work that is The Contractor will complete | Inless otherwise agreed to attached list will be the payment. | ed hereto. The failure to include any items on actor to complete all Work in accordance with o in writing, the date of commencement of a date of issuance of the final Certificate of the list of items attached hereto within () | |
| days from the above date of S Reed Construction Co. | ubstantial Completion. | and the first attached hereto within () | |
| CONTRACTOR | BY /// | 12-12-02 | |
| | · · · · · · · · · · · · · · · · · · · | DATE | © 2000 AIA® AIA DOCUMENT G7042000 |
| possession at the time a Certif | ficate of Occupancy is is: | s substantially complete and will assume full sued (time) on (date). | CERTIFICATE OF SUBSTANTIAL COMPLETION |
| HE Kroby LLC | mor. | | The American Institute of Architects |
| OWNER | BY MANKUL | DATE | 1735 New York Avenue, N.W. |
| The responsibilities of the Ov to the Work and insurance sha | vner and Contractor for s all be as follows: | security, maintenance, heat, utilities, damage | Washington, D.C. 20006-5292 |
| © 2000 The American Institute of its provisions without written will subject the violator to legal laws and will subject the violat permission of the AIA and can date of expiration as noted belo | of Architects. Reproduction of permission of the AIA violation of the AIA violation. WARNING: for to legal prosecution. The produced in accordance of the permission as noted by | n of the material herein or substantial quotation lates the copyright laws of the United States and Unlicensed photocopying violates U.S. copyright his document was electronically produced with nice with your license without violation until the ow. expiration as noted below. User Document: 34949, which expires on 11/30/2003. | Instrument 706704 Page 10of 11 |
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