

SUPPLEMENTAL DECLARATION FOR THE PRESERVE NEIGHBORHOOD

THIS SUPPLEMENTAL DECLARATION (the "Preserve Supplement") is made this 7th day of March, 2001 by PENINSULA LAND INVESTMENT, LLC, a Georgia limited liability company (the "Declarant"), in its capacity as Declarant under that certain First Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for the Peninsula, a residential planned community (the "Master Declaration") filed on February 8, 2001 as Instrument 582280 with the Probate Office of Baldwin County, Alabama. (Capitalized terms used but not defined in this Preserve Supplement are defined in the Master Declaration).

RECITALS:

1. Declarant owns all of the real property located in Baldwin County, Alabama shown on the plat for the Peninsula, The Preserve (the "Preserve Plat") as recorded in Slides _____ in the Probate Office (the "Preserve Parcel"), which corresponds to Parcel F on the Conceptual Master Plan referred to in and attached to the Master Declaration. Declarant has executed this Preserve Supplement, pursuant to the Master Declaration in order to (i) subject the Preserve Parcel to the Master Declaration and (ii) impose certain restrictions and obligations on the Preserve Parcel in addition to those provided for under the Master Declaration.

NOW, THEREFORE, Declarant hereby makes the following Supplemental Declaration as to the use to which the Preserve Parcel and the improvements thereon may be put, with the intent that the Master Declaration, as amended by this Supplemental Declaration, shall be binding up Declarant, its successors and assigns, and all owners of all or any part of the Preserve Parcel, together with their grantees, successors, heirs, executors, administrators, devisees or assigns.

1. Preserve Parcel Subjected to Master Declaration. Pursuant to the Master Declaration, Declarant hereby subjects the Preserve Parcel to all of the terms and provisions of the Master Declaration. The Preserve Parcel shall be held, sold and conveyed subject to the easements, restrictions, covenants and conditions established under the Master Declaration, which shall run with the Preserve Parcel and which shall be binding on all parties having any right, title or interest in the Preserve Parcel or any part thereof, their heirs, successors, successors-in-title and assigns, and shall enure to the benefit of each Owner thereof.

2. Neighborhood Status. The Preserve Parcel constitutes a Neighborhood under the terms and provisions of the Master Declaration. As such, but without limitation:

(1) It shall be the responsibility of the Parcel Developer for the Preserve Parcel to establish a Neighborhood Association for the Preserve Parcel (the "Preserve Neighborhood Association") prior to commencing construction of any improvements on the Preserve Parcel;

(2) Each Owner of a Lot within the Preserve Parcel shall be required to join and maintain membership in the Preserve Neighborhood Association (as well as the Master Association);

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(3) Each Preserve Owner shall be subject to the Neighborhood Assessments for the Preserve Parcel established, computed and allocated in accordance with the Master Declaration;

3. Exclusive Common Areas. All of the Common Areas depicted on the Preserve Plat are hereby designated as Exclusive Common Areas for the exclusive use and benefit of the Preserve Parcel.

4. Additional Restrictions and Obligations. The following restrictions and obligations (in addition to those set forth in the Master Declaration) are hereby established with respect to the Preserve Parcel:

(1) Minimum Dwelling Area. Unless otherwise approved in writing by (i) the Declarant and (ii) a majority in number of the Owners (exclusive of Declarant) of the Lots within the Preserve Parcel, the livable area (heated and cooled area) of the main building or structure on each Lot, exclusive of open porches and garages, shall contain not less than 3,000 square feet, of which not less than 2,000 square feet shall be on the ground floor.

(2) Certain ARC Standards. In addition to all other architectural guidelines and standards established under and pursuant to the terms and provisions of the Master Declaration, the Lots within the Preserve will be subjected to certain special standards and guidelines by the architectural committee concerning the portions of each Lot which will be permitted to be cleared for purposes of constructing a driveway, residence and any accessory structures permitted and approved. It is anticipated that the effect of such special guidelines and standards will be to require that substantial portions of each Lot within the Preserve be maintained in their natural and undisturbed condition.

(3) Club Membership. Each Owner of a Lot within the Preserve Parcel shall be required to obtain and maintain membership in the Peninsula Racquet Club at the same monthly rate charged for other resident members. Racquet Club Membership Fees, as adjusted from time to time, shall be included in each Owner's Neighborhood Assessment. Each Owner's privileges with respect to the Racquet Club shall be subject to all applicable terms and provisions of its membership plan, rules and regulations as in effect from time to time.

(4) Other Neighborhood Expenses. Costs incurred in maintaining utilities within the Preserve Parcel (including irrigation and lighting), costs incurred in operating, maintaining, repairing and replacing the entry gate to the Preserve Parcel, general liability insurance for the Preserve Neighborhood Association, and association management and accounting fees, taxes and licenses, supplies, legal expenses and other miscellaneous costs incurred by the Preserve Neighborhood Association shall all constitute neighborhood expenses.

5. Miscellaneous Provisions.

(1) Grantee's Acceptance. The Grantee of any Lot in the Preserve Parcel, by acceptance of the Deed or other instrument of conveyance, shall accept such Lot subject to each and all of the terms and conditions set out in the Master Declaration and in this Preserve Supplement.

(2) Effect of Supplement. The terms and provisions of this Preserve Supplement amend, modify and supplement the Master Declaration with respect to the Preserve Parcel. Except as so amended, modified and supplemented, the Master Declaration shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned Declarant, has caused this Preserve Supplement to be duly executed on the date first above written.

PENINSULA LAND INVESTMENT, LLC, a
Georgia limited liability company

By: Honours-Peninsula Golf Club, LLC, a Georgia
limited liability company, its sole member

By: Barrett Golf Development, LLC, its co-
manager

By: Robert B. Barrett
Robert B. Barrett, its Authorized Member

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Brenda Little
My Commission Expires
April 10, 2002
NOTARY PUBLIC
ALABAMA STATE EXCHANGE

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

2002 March -7 1:11PM

Instrument Number	646961	Pages	3
Recording	9.00	Mortgage	
Deed		Min Tax	
Index		DP	1.00
Archive	3.00		

Adrian T. Johns, Judge of Probate