

BYLAWS

OF

IVY BROOK HOMEOWNERS ASSOCIATION, INC.

NAME AND LOCATION. The name of the corporation is Ivy Brook Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall, be located at _____, but meetings of member and directors may be held at such places within the State of Alabama, County of Shelby, as may be designated by the Board of Directors.

ARTICLE I

DEFINITIONS

Section 1 "Association" shall mean and refer to Ivy Brook Homeowners Association, Inc., its successors and assigns.

Section 2 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, but excluding those having such interest merely as security for the performance of an obligation.

Section 3 "Properties" shall mean and refer to all lots shown on the plat of Ivy Brook Phase I, Phase II, First Addition, Phase II, Second Addition, Phase II, Third Addition, recorded in the office of the Judge of Probate of Shelby County, Alabama in Map Book 18, Page 21, Instrument #1994-06173; Instrument #1994-33932; Map Book 19, Page 35, Instrument #1994-33932; Map Book 21, Page 4 Instrument # 1995-15327; Map Book 21, Page 20, Instrument #1996-17200; respectively and such additions thereto as may be recorded.

Section 4. "Common Area" shall mean all real property (including the improvements thereon) owned by the Association for the common use and enjoyment of the owners.

Section 5. "Board of Directors" shall mean and refer to the Board of Directors of the Association.

Section 6. "Lot" shall mean and refer to any plot of land shown upon recorded subdivision map of the Properties with the exception of the Common Area and decided streets and public utility owned property.

Section 7 "Unit" shall mean and refer to any Lot as defined on Section 6 of this Article, together with all improvements situated thereon.

Section 8. "Declarant" shall mean and refer to _____ the developer, an Alabama corporation, its successors and assigns.

Section 9. "Subdivision" shall mean and refer to that subdivision known as "Ivy Brook", as recorded in the office of the Judge of Probate of Shelby County, Alabama, in Map Book _____, Page _____, and all additions thereto.

Section 10. "Member" shall mean and refer to those persons entitles to membership as provided in the Declaration.

Section 11 "Declaration" shall mean and refer to the Declaration of Protective Covenants, Conditions, Restrictions and Easements applicable to the Properties recorded in the Office of the Judge of Probate of Shelby County, Alabama.

ARTICLE II

MEETING OF MEMBERS

Section 1. Annual Meeting. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of 2 o'clock p.m. If the day for the annual meeting of the members is a Sunday or legal holiday, the meeting will be held at the same hour on the first day following which is not a Sunday or a legal holiday.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to cast twenty-five percent (25%) of the votes in the Association.

Section 3. Notice of Meeting. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each member entitled to vote at such meeting, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

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Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, fifty-one percent (51%) of the votes in the Association shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote at such meeting shall have the power to adjoin the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically terminate when the party giving same shall cease to be a member of the Association.

ARTICLE III

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE:

Section 1. Number. The affairs of the Association shall be conducted by a Board of Directors which shall consist of such number not less than three (3) nor more than seven (7) as shall, from time to time, be determined and fixed by a majority of the voting rights present at any annual meeting of the members.

Section 2. Term of Office. At the first annual meeting the members shall elect one director for a term of one year, one director for a term of two years, and one director for the term of three years; and at each annual meeting thereafter the members shall elect one director for a term on three years.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association, except that any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE IV

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made from the floor at the annual meeting. The nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nomination Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting.

The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The person receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE V

MEETING OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a Sunday or a legal holiday, then that meeting shall be held at the same time on the next day which is not a Sunday or a legal holiday.

Section 2. Special Meetings. Special Meetings of the Board of Directors shall be held when called by the President of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business.

Every act or decision done or made by a majority of directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VI

POWER AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof:

(b) suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(d) procure and maintain adequate liability and hazard insurance on property owned by the Association. In addition, the Board may, in its discretion, procure and maintain liability and hazard insurance on property in which the Association has an equitable or legal interest, or on property which the Board may decide would benefit the interests of members in the Association.

(e) cause all officers or employees having fiscal responsibilities to be bonded, as and if it may deem appropriate;

(f) cause the Common Area and other areas as determined by the Board of Directors to be maintained, which other areas shall include all grounds, shrubbery, trees, landscaping, whether located on common areas or the Lots, cross tie walls, irrigation systems for common areas (but Excluding irrigation systems on Lots).

ARTICLE VII

OFFICERS AND THEIR DUTIES

section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise become disqualified to serve.

Section 4. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary.

Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The office of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co sign all checks and promissory notes.

Vice-President

(b) The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be requires of him by the Board.

Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE VIII

COMMITTEES

The Association shall appoint a Nominating Committee, as provided in these Bylaws, and other nominees may be presented to the Association by the submission of their names on a petition signed by twenty-five percent (25%) of the members of the Association. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE IX

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any member at the principle office of the Association, where copies may be purchased at reasonable cost.

ARTICLE X

ASSESSMENTS

As more fully provided in the Declaration:

(1) There will be an annual assessment of Fifty and no/100 Dollars (50.00) to be paid for the maintenance of the entrance way, landscaping and any other deemed common area maintenance within the subdivision. This assessment will also cover the costs of repairing or replacing any driveways located within the boundaries of the Colonial Pipeleline easement. The assessment will be due and payable at the closing each home in the subdivision. The annual assessemnt of Fifty and no/100 Dollars shall be made payable to Ivy Brook Homeowners Association and due on the anniversary date of each year thereafter until the last house is built and closed.

(2) The homeowner will be notified in writing within (10) days of the last house closing that an assessment of Fifty and no/100 (50.00) will be due and payable to the Ivy Brook Homeowners Association and placed in an escrow account.

The certification of the last house closing shall state that the Architectural Control Committee, maintenance of the entrance way, landscaping and any other deemed common area in the subdivision will be the sole responsibility of the Ivy Brook Homeowners Association.

(3) The maximum annual assessment may be increased each year by not more than five percent (5%) of the previous year's assessment without a majority vote of the Homeowners Association. The Homeowners Association may fix the annual assessment at an amount not to exceed One Hundred and no/100 Dollars (100.00) unless greater assessment be approved by a two thirds (2/3) vote of the membership of the Homeowners Association.

ARTICLE XI

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Ivy Brook Homeowners Association, Inc., a non-profit corporation.

ARTICLE XII

AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of members, by a vote of two-thirds (2/3) of a quorum of members present in person or by proxy.

Section 2. In the case of any conflicts between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XIII

MISCELLANEOUS

The fiscal year of the Association shall begin on the 1st day of January and end on the 31st say of December of every year, except that the first year shall begin on the date of incorporation.

The foregoing were adopted as the Bylaws of Ivy Brook Homeowners Association, Inc. at the first meeting of the Board of Directors on the _____ day of _____, 19____.

SECRETARY

APPROVED:

PRESIDENT