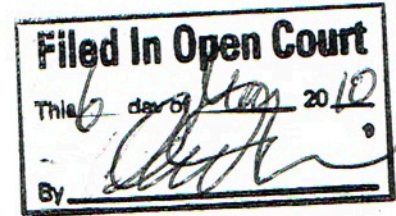


IN THE CIRCUIT COURT OF JEFFERSON COUNTY, ALABAMA

CRESTWOOD CONDOMINIUM
ASSOCIATION INC.
JOHNSON, JOHNNY JR.
THOMAS, JOYCE

Plaintiffs

v.
TERRELL GLENN
Defendant



Case No. CV 2008-002255

BINDING MEDIATED SETTLEMENT AGREEMENT

The following sets forth the Binding Mediated Settlement Agreement done this day and witnessed by the mediator for the Jefferson County Court:

1. Except as provided for in this Binding Mediated Settlement Agreement, CCA shall use their best efforts to operate under the attached by-laws which were in effect prior to February of 2008 until such time as new by-laws can be voted on and ratified according the Alabama Condominium Act, except as specified below. At such time as the new by-laws are voted on and ratified, the provisions of this Binding Mediated Settlement Agreement that are inconsistent with same will be superseded.
2. The CCA and the Owners shall abide by the attached rules and regulations until such time as new rules and regulations can be promulgated by the CCA and such will be enforced equally upon all Owners by the CCA.
3. Within 90 days from the date of this Binding Mediated Settlement Agreement CCA will present an itemized and detailed annual budget which will be properly ratified according to the Alabama Condominium Act.
4. CCA shall conduct annual elections with one vote per unit with voter notification to be done by mail to the address of record.
5. CCA shall establish and vote on the monthly dues to be set in a ratified budget and shall use special assessments to meet unbudgeted shortfalls.
6. CCA shall establish in the annual budget a line item amount to secure the services of an outside management company to handle all of the association's accounts receivables and payables and all other billing issues.

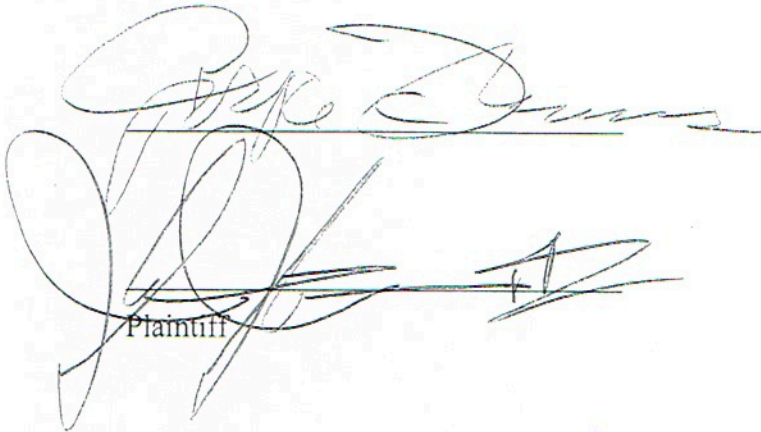
7. CCA is required to operate with financial transparency and shall evaluate all contracts annually and shall seek competitive bids where practicable.
8. CCA shall have quarterly meetings which shall be open. Notice of these meetings shall be provided by mail and may be included in the monthly statement. Community improvement projects, budgets, by-laws, rules and regulations, lawn care contracts, insurance contracts, property management contracts, and any other special non-emergency contract exceeding \$1000 shall be discussed.
9. CCA shall conduct elections in August 2010 for CCA Board Member positions. In the event that no candidate steps forward who is a member in good standing in the CCA, the current board shall continue to serve.
10. CCA shall issue a minimum of a seven days notice prior to the suspension of any water service. Suspension cannot occur until the unit is two or more billing cycles delinquent.
11. Relative to the following units owned or managed by Defendant: 6407, 6403, 6237, 6175, 6313, 6253, 6113, 6117, 6239, CCA shall release any and all liens upon the payment of \$800 per unit to occur on or before October 31, 2010.
12. Relative to the following units owned or managed by Defendant: 6407, 6403, 6237, 6175, 6313, 6253, 6113, 6117, 6239, the Defendant is responsible for as needed roof replacement. The roof replacement must be performed by a licensed roofer and proof of the replacement roof must be provided by the Defendant to CCA.
13. CCA is required to have a minimum of two signatures on any check for an expenditure exceeding \$800.00.
14. CCA shall respond to written inquiries within three business days from receipt, whether it be at the association's P.O. Box, Mail Slot or e-mail.
15. CCA shall recognize powers of attorney and voting proxy designated by the owner and shall send correspondence to the address designated in writing by the owner, which is deemed to be the address of record.
16. All issues known or unknown that were brought or could have been brought in this litigation are addressed in this Binding Mediated Settlement Agreement.
17. All interested persons are prohibited from disparaging one another from this point forward.
18. The cost of mediation will be 1/2 to the Plaintiffs and 1/2 to the Defendants. Any issues arising out of this Binding Mediation Agreement or not addressed by this Binding Mediation Agreement will return to the undersigned mediator for a binding decision.

Completion of the above obligation serves as full and final settlement of this matter. This settlement is agreed to in good faith and completion of its terms will resolve this claim upon the voluntary agreement of the parties. **The parties do further agree that these terms are binding and constitute a valid, enforceable contract and that either party may seek damages for noncompliance with the terms specified herein. In such a breach of contract action, the court will only look the terms of the Binding Mediated Settlement Agreement.**

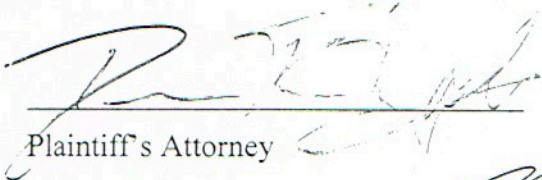
The parties agree that this matter shall be:

~~X~~ Dismissed ~~X~~ with prejudice or _____ without prejudice.

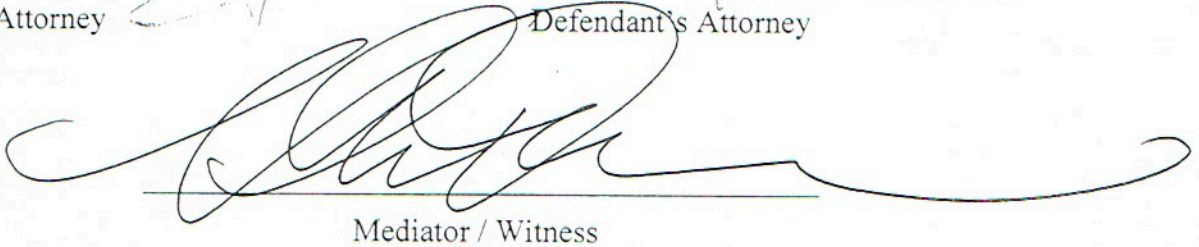
Done this 6th day of May, 2010.


Plaintiff


Defendant


Plaintiff's Attorney

N/A
Defendant's Attorney


Mediator / Witness

Crestwood Townhome Association
Post Office Box 321185
Birmingham, Alabama 35232

CRESTWOOD TOWNHOMES/CONDOMINIUMS RULES & REGULATIONS

The following is a list of Rules and Regulations as a synopsis of your By-Laws, to be used as a guide to the Association and Board of Directors of Crestwood Townhomes/Condominiums, for the use and enjoyment of each homeowner. These regulations shall be amended or changed and incorporated by the Association as it deems necessary.

1. All units shall be used only for private residential purposes, except that a unit may be used as a professional office if such use is consistent and in compliance with all governmental agencies having jurisdiction. This provision shall not be constructed to prevent the Declarant from using any unit for model, sales office of display purposes, nor to prohibit the leasing of the units owned by the Declarant, subject to the provisions of the Condominium Instruments.
2. No unit owner, resident or lessee, shall direct or engage any employee or sub-contractor of the Condominium on a private business of such unit owner, resident or lessee, nor shall he direct, supervise or in any manner attempt to assert control over any such employee or over any contractor acting under a contract or agreement with the Association.
3. No activity shall be done or maintained in any unit or upon any Common Elements which will increase the rate of insurance on any unit or the Common Elements or result in the cancellation of insurance thereon, unless such activity is first approved in writing by the Association's Board of Directors.
4. In the use of the units and Common Elements of the Condominium, unit owners shall obey and abide by all valid laws, ordinances and zoning and other governmental regulations, affecting the same and all applicable Rules and Regulations adopted by the Association.
5. **We strongly urge all residents to obtain insurance on personal property. Our insurance policy does not include coverage for resident's personal belongings. To have your possessions covered, you will need to take out a personal renter's/homeowner's insurance policy to cover theft, fire, flood, or damage due to any other means.**

Rules & Regulations Continued...

6. No unit owner or other resident of the Condominium shall post any advertisements or posters of any kind in or on the Condominium except as authorized by the Association.
7. No automobiles, trucks, trailers, motorcycles, or other objects of transportation shall be allowed on any of the lawns, grounds, or sidewalks, except in the areas prescribed by the Association to any tenant exclusively. ~~No part of the parking areas shall be reserved to any tenant exclusively.~~ No vehicles may be stored or left on the premises, whether operable or not, for any extended period of time while not being used for normal transportation or they will be towed away at the owner's expense. All loading and unloading of trucks will be done from the drive area.
8. A unit owner shall not place or cause to be placed in the public walkways, alleyways, or other Common Elements, any furniture, packages, toys, bicycles, or objects of any kind. The public walkways and alleyways shall be used for no purpose other than for normal transit through them. No part of the yards, lawns, grounds, halls, walks, or stairs, shall be reserved for the private use of any owner or tenant.
- *9. Please do not allow children to play in the parking areas or around the buildings.
10. No unit owner shall install wiring for electrical or telephone installation, television, radio, C.B. or other antennae which protrudes through the walls or the roof of the building except as authorized by the Association. No unit owner shall place cardboard, tin foil, or plastic over the windows and doors.
11. Unit owners, residents and lessees shall exercise extreme care to avoid unnecessary noise or the use of musical instruments, radios, televisions, or amplifiers that may disturb other unit owners or residents.
12. No nuisances shall be allowed in the Condominium, nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the Condominium by its residents.
13. All refuse and trash shall be securely sealed and deposited in plastic bags designated for such purposes and in manner described by the Association or Management Company. Garbage is to be placed outside the unit on the morning of the scheduled pickup only.

Rules & Regulations Continued ...

14. White or off-white (neutral) window coverings are required. No other window coverings are permissible. Amended August 1999.
15. No clothing, laundry, rugs or wash shall be hung or spread upon or from any window or exterior portion of a unit or in or upon any Common Element.
16. Pets are allowed on the outside of your home only on a leash and/or accompanied by a resident. The maintenance, keeping, breeding, boarding and/or raising of animals, of any kind, regardless of number, shall be and is hereby prohibited within any Condominium unit or upon any Common Elements, except that this shall not prohibit the keeping of orderly domestic pets such as dogs, cats, and/or caged birds or others, provided that they are not kept or maintained for commercial purposes or for breeding. Pets shall not be permitted upon the Common Elements unless accompanied by an adult and unless they are carried or leashed. Any unit owner who keeps or maintains any pet within his/her unit shall be deemed to have indemnified and agreed to hold the Association, each of its members and Management Company fee and harmless from any loss, claim, or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Condominium. All pets shall be inoculated as required by law. The Association, shall have the right to order any person whose pet is a nuisance, to remove such pet from the premises and the Association, after affording the right to a hearing to the unit owner affected, shall have the exclusive authority to declare any pet a nuisance, and to limit the number of pets per unit. No unit owner shall be allowed to erect or place any exterior pet home such as dog houses, etc.
17. The Common Elements shall be used only for the furnishings of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of the units. No unit or Common Element may be used for any unlawful, immoral, or improper purpose.
18. The pool is provided for your use and enjoyment. We ask that all posted rules be observed by homeowners, family, and guests. See Clubhouse Rules.

Rules & Regulations Continued ...

19. The clubhouse is available to owners of Crestwood Townhomes by reservation only. A \$150.00 deposit is required (by separate check for owners - cashiers check for tenants) and is refundable if the clubhouse is cleaned appropriately, key returned by specified hours the next business day, and no damages found. Renters who wish to use the clubhouse will also be required to pay a rental fee (\$35.00 for owners-\$50.00 for tenants) and sign the Rental Form acknowledging that they understand and will abide by all rules and requirements. All tenants must have the signature of their unit's owner before rental will be granted. See Clubhouse Rules Form for detailed instruction.
20. All monies due the Association must be paid in full, before use of any amenities (such as pool, clubhouse, etc.) will be allowed.
- ✓21. No inoperable vehicles are to be left in any of the Common Areas. The board has the power to have inoperable vehicles removed from the property at the owner's expense OR move the vehicle to a common area as designated on Plat Map with a \$100 annual storage fee chargeable to the owner. If the Association must move the vehicle to this area, a \$40 towing charge will also be assessed to the owner.
- ✓22. Motorcycles are NOT to be parked on porches, sidewalks, or grounds. They must be parked in the spaces designated for parking.
23. Grievance - Each owner/resident must try to work out any problems he/she may have with another owner/resident prior to bringing the grievance before the manager. All grievances must be in writing. The manager will attempt to handle the problem; if this fails, the manager will contact the Grievance Committee which will then arbitrate the problem.
- ✓24. All owners MUST have approval in writing from the Board of Directors before any construction or change can be made regarding covered patios, fences, decks, burglar bars, fireplace addition, etc.
- ✓25. All copies of the entire Declarations, By-Laws, or other printed matter, as well as all mail box keys and resident keys, are the sole responsibility of one owner to a new owner or tenant.

Should a set of By-Laws and/or Declaration, etc., be requested by an owner or tenant, there will be a \$20.00 charge.