

STATE OF ALABAMA)
SHELBY COUNTY)

DECLARATION OF PROTECTIVE COVENANTS FOR
OAK MEADOWS, PHASE I
A SUBDIVISION LOCATED IN SHELBY COUNTY, ALABAMA

Inst # 1995-29298

DAS KNOW ALL MEN BY THESE PRESENTS THAT: WHEREAS the undersigned
D.R. Horton, Inc. - Birmingham, a Delaware
~~REGENCY DEVELOPMENT, INC.~~, an Alabama corporation (hereinafter referred to as
"Developer") is the owner of those certain lots (the "Lots") located in Oak Meadows, Phase I
(the "Subdivision"), a planned residential subdivision situated in the SW 1/4 of SW 1/4 of
Section 12, Township 19 South, Range 2 West, such lots being more particularly described on
Exhibit A attached hereto (the "Property").

WHEREAS, the Developer desires to establish uniform standards of development quality
and to provide for the effective preservation of the appearance, value and amenities of the
Property, which will benefit all owners of Lots within the Property (the "Owners") and, to this
end, desires to subject the Property to the conditions, limitations, and restrictions hereinafter set
forth.

NOW, THEREFORE, the Developer declares that the Property is and shall be held,
transferred, sold, conveyed and occupied subject to the following protective covenants,
conditions, and limitations, all of which shall be construed as and deemed as covenants running
with the land and shall be binding on and inure to the benefit of all parties having a right, title,
or interest in the Property, as well as their heirs, successors, and assigns, to-wit:

10/13/1995-29298
03:18 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
025 SNA 68.50

ARTICLE I

PROPERTY SUBJECT TO THIS DECLARATION, ADDITIONS THERETO, DELETIONS THEREFROM

1. **Legal Description.** The real property which presently is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in Shelby County, Alabama, and is more particularly described in the attached Exhibit A. This Declaration shall not apply to any other property owned by Developer or any other person or entity, unless expressly made subject to this Declaration pursuant to Section 2 of this Article I hereof.

2. **Additions to Property.** Upon the approval in writing of the Association (as defined in Article IV below) or, for so long as the Developer still owns any Lots within the Property, the Developer or the owner of any property who desires to subject it to this Declaration, may file a Supplementary Declaration describing the additional property to be subject to this Declaration. Such described property shall become and be subject to this Declaration at such time as the owner thereof shall file the Supplementary Declaration in the Probate Office of Shelby County, Alabama, and if the additional property is located in a county other than Shelby County, the owner shall file a copy of this Declaration and the Supplementary Declaration in the Probate Office of the county in which the property is located. Such Supplementary Declaration may contain such complementary additions to and modifications of the Protective Covenants as the Association or the Developer shall determine to be necessary or proper to reflect the different character, if any, of the additional property, provided they are not inconsistent with the general plan of this Declaration. Houses constructed on such additional property may be different in appearance from existing houses if permitted by such Supplementary Declaration.

3. **Withdrawals of Property.** The Association or, for such time as the Developer owns any Lots within the Property, the Developer, may at any time or from time to time withdraw portions of the Property from this Declaration, provided only that the withdrawal of such portions of the Property shall not, without the joinder or consent of the Owners of Lots constituting over one-half of the then existing Lots, increase by more than one-fourth the share of Association expenses payable by the Owners of Lots which would remain subject hereto after such withdrawal. The withdrawal of Property as aforesaid shall be evidenced by filing a Supplementary Declaration setting forth the portions of the Property to be so withdrawn in the Probate Office of Shelby County, Alabama, and if the property is located in a county other than Shelby County, the Supplementary Declaration shall also be filed in the Probate Office of that county.

4. **Platting and Subdivision of the Property.** The Developer shall be entitled at any time and from time to time, to subdivide, plat and/or re-plat all or any part of the Property, and to file subdivision restrictions and/or amendments thereto with respect to any undeveloped portion or portions of the Property.

5. **Merger.** The Association may merge or consolidate with another owners association now existing or hereafter created. Upon a merger or consolidation of the Association with another association, its properties, rights and obligations may, by operation of law, be transferred to the surviving or consolidated association, or alternatively, the properties, rights and obligations of another owners association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. To the greatest extent practicable, the surviving or consolidated association shall

administer the covenants and restrictions established by this Declaration with the Property, together with any surviving covenants and restrictions established upon any other properties as one scheme, but with such differences in the method or level of assessments to be levied upon the Property and such other properties as may be appropriate, taking into account the different nature or amount of services to be rendered to the owners thereof by the surviving or consolidated association. No such merger or consolidation, however, shall effect any revocation, change, or addition to the covenants established by this Declaration except as expressly adopted in accordance with the terms hereof.

ARTICLE II

ARCHITECTURAL CONTROL

1. **Architectural Control Committee.** The architectural review and control functions shall be administered and performed by the Architectural Control Committee (hereinafter referred to as the "ACC"). For such time as the Developer shall own any Lots within the Property, or until such time as the Developer relinquishes control of the ACC, the ACC shall be comprised of three (3) people appointed by the Developer from time to time. At such time as the Developer sells all of the Lots in the Property to third parties or otherwise relinquishes control of the ACC, the Owners of the Lots, by majority vote, shall elect three (3) Lot Owners to serve as the ACC, and each such ACC member shall have a 33.33% vote. In the event of the death, resignation, or disability of any member of the ACC who was elected by the Association or designated by other ACC members, the remaining member or members of the ACC shall have full authority to designate a successor and the remaining member or members shall have full authority to approve or disapprove plans and specifications. In the

event that any one of the members is unable to meet for any reason, the remaining members shall have all necessary authority to make decisions. A majority of the ACC may designate a representative to act for and on its behalf. No members of the ACC shall be entitled to any compensation for services performed pursuant to this Declaration. At any time after Developer relinquishes control of the ACC or sells all the Lots, the Owners of a majority of the Lots shall have the power, through a duly recorded instrument, to change the membership of the ACC or to amend any of the powers and duties of the ACC.

2. **Powers and Duties of the ACC.** All plans and specifications, including the plot plans of residences on any lot in the Property, shall be filed with and approved by the ACC before any construction may be commenced. The ACC shall have the authority to require modifications and changes to submitted plans and specifications if it deems the same necessary, in its sole judgment, to obtain conformity of the proposed dwelling with the restrictions hereof. All plans must include a summary specifications list of proposed materials and samples of any exterior materials which cannot be adequately described on the plans or any materials with which the committee is unfamiliar.

The ACC may also require such additional information as reasonably may be necessary for the ACC to evaluate completely the proposed structure or improvement in accordance with this Declaration. All information submitted to the ACC shall be delivered to the Developer or his Agent, at (2090 Columbiana Road, Suite 4000) Vestavia Commerce Center, Birmingham, Alabama 35216, or such other address as may be designated by the ACC. The approval by the ACC of plans and specifications submitted for its approval, as herein specified, shall not be deemed to be a waiver by the ACC of the right to object to any of the features or elements

embodied in such plans or specifications if and when the same features and elements are embodied in any subsequent plans and specifications submitted for approval for use of other Lots. The ACC must approve or disapprove the submitted plans and specifications for any improvement or structure as hereinabove described prior to commencement of construction of such improvement or structure; however, in the event that the ACC shall fail, for a period of ten (10) days from the date of receipt of such submission, to approve or disapprove any plans or specifications submitted to it for approval, the same shall be deemed to have been approved. THE ACC DOES NOT ASSUME BY THE FILING HEREOF ANY RESPONSIBILITY OR AUTHORITY TO REVIEW FOR STRUCTURAL SOUNDNESS, COMPLIANCE WITH BUILDING OR ZONING CODES OR STANDARDS, ANY LAWS, RULES, OR REGULATIONS OR OTHER FACTORS.

3. **Necessity of Architectural Review and Approval.** The authority to review and approve any plans and specifications as provided herein is a right and not an obligation. Contractors and Owners shall have the sole obligation to oversee and to construct dwellings in accordance with the restrictions hereof and the plans and specifications approved by the ACC. Any remodeling, reconstruction, alterations or additions to an existing residence shall not require the written approval of the ACC, but shall comply with all restrictions and covenants.

4. **Basis for Disapproval of Plans.**

A. The ACC shall have the right to disapprove any plans and specifications submitted for approval for any of the following reasons:

- (i) failure of such plans and specifications to comply with the covenants and restrictions herein set forth;

(ii) failure to include information in such plans and specifications as may have been reasonably requested by the ACC;

(iii) objection to the exterior design, appearance or materials of any proposed structure or improvement;

(iv) incompatibility of any proposed structure or improvement or use thereof with existing structures or uses upon other Lots in the Property;

(v) objection to the site plan, clearing plan, or drainage plan for any parcel;

(vi) objection to the color scheme, finish, proportions, style of architecture, height, bulk or appropriateness of any proposed structure or improvement;

(vii) failure of plans to take into consideration the particular topography, vegetative characteristics and natural environment of the Lot;

(viii) any other matter which, in the reasonable judgment of the ACC, would render the proposed structure, improvements, or uses inharmonious with the general plan of the improvement of the Property or with structures, improvements or uses located upon other Lots in the Property.

B. Approval of plans and specifications submitted to the ACC shall terminate and be rendered void if construction is not begun within six (6) months after the date of the certificate evidencing such approval, unless such six (6) month period is extended by the ACC (in which event the extended time period shall be the applicable period).

C. In any case where the ACC shall disapprove any plans and specifications submitted hereunder, or shall approve the same only as modified or upon specified conditions,

such disapproval or qualified approval shall be accompanied by a statement of the grounds upon which such action was based. In any such case the ACC shall, if requested, make reasonable efforts to assist and advise the applicant in order that an acceptable proposal can be prepared and submitted for approval.

5. **Failure to Obtain Approval.** If any structure or improvement shall be altered, erected, placed or maintained upon any Lot, or any new use commenced on any Lot, otherwise than in accordance with plans and specifications approved by the ACC pursuant to the provisions of Article II, such alteration, erection, maintenance, or use shall be deemed to have been undertaken in violation of this Declaration, and without the approval required herein, and, upon written notice from the ACC, any such structure or improvement so altered, erected, placed or maintained upon any Lot in violation hereof shall be removed or realtered, and such use shall be terminated, so as to extinguish such violation.

If, within fifteen (15) days after the notice of such a violation, the Owner of the Lot upon which such violation exists shall not have taken reasonable steps toward the removal or termination of the same, the ACC shall have the right, through its agents and employees, to enter upon such Lot and to take such steps as may be necessary to extinguish such violation and the cost thereof shall be a binding, personal obligation of such Owner as well as a lien (enforceable in the same manner as a mortgage) upon the Lot in question. The lien provided in this covenant shall not be valid as against a bona fide purchaser (or bona fide mortgagee) of the Lot in question unless a suit to enforce said lien shall have been filed in a court of record in Shelby County prior to the recordation among the land records of Shelby County, of the deed

(or mortgage) conveying the Lot in question to such purchaser (or subjecting the same to such mortgage).

6. **Certificate of Compliance.** Upon completion of the construction or alteration of any structure or improvement in accordance with plans and specifications approved by the Committee, the Committee shall, upon written request of the Owner thereof, issue a certificate of compliance in form suitable for recordation, identifying such structure or improvement and the Lot on which such structure or improvement is placed, and stating the plans and specifications, the location of such structure or improvement, and the use or uses to be conducted thereon have been approved, and that such structure or improvement complies with the requirements of the ACC. Preparation and recording of such certificates shall be at the expense of such Owner. Any certificate of compliance issued in accordance with the provisions of this Section shall be prima facie evidence of the facts therein stated, and as to any purchaser or encumbrancer in good faith and for value, or as to any title insurer, such certificate shall be conclusive evidence that all structures or improvements on the Lot, and the use or uses therein, comply with all the requirements of this Article II, and with all other requirements of this Declaration as to which the ACC exercises any discretionary or interpretive powers.

7. **Inspection Rights.** Any agent of the ACC may at any reasonable time or times enter upon and inspect any Lot and any improvements thereon for the purpose of ascertaining whether the maintenance of such Lot and the maintenance, construction, or alteration of structures and improvements thereon are in compliance with the provisions hereof; and neither Developer nor the ACC nor any such agent shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection.

8. **Waiver of Liability.** Neither the ACC nor any architect nor agent thereof, nor the Developer, nor any partner, agent, or employee of any of the foregoing, shall be liable in any way for: (i) any failure of structures or improvements to comply with requirements of this Declaration, regardless of whether a certificate of compliance has been issued; (ii) any defects in any plans and specifications submitted, revised or approved in accordance with the foregoing provisions; (iii) any structural or other defects in any work done according to such plans and specifications; (iv) any judgment or decision, action or inaction, rendered in order to attempt to carry out the terms set forth in this Declaration or in carrying out or failing to carry out the responsibilities of the members of the ACC; and (v) any claim that enforcement of this Declaration constitutes an interference with contractual relations or violates any other law, rule or regulation. All persons submitting any such plans and specifications, and all persons relying thereon, agree not to sue or claim damages of any nature against the entities and persons referred to in this Section for any cause of action arising directly or indirectly out of the matters referred to in this Section and/or any decision made by the ACC or such other person enumerated herein to carry out the terms of this Declaration, and further agree to and do hereby release said entities and persons from any and every such cause and further, each Lot Owner agrees to indemnify and hold the Developer and the ACC harmless from each and every claim, cost or expense, including, but not limited to, court costs and attorney's fees incurred by the Developer and the ACC arising directly or indirectly from actions or inactions taken in connection with the enforcement of these covenants. This provision shall be construed broadly to protect the ACC, the Developer and others described herein against any claim, action or

demand arising directly or indirectly from the enforcement of this Declaration and actions taken in connection therewith.

ARTICLE III

GENERAL

1. **Exclusive Residential Use and Improvements.**

A. All Lots in the Property shall be known and described as residential lots and shall be used for single family residential purposes exclusively.

B. No structure shall be erected, altered, placed or permitted to remain on any Lot other than one detached single family dwelling not to exceed two and one-half stories, or 40 feet in height, and a private garage, and other out buildings incidental to and necessary for proper residential use of the Lot. Any out building will be in conformity to the standards set herein and approved by the ACC.

C. Notwithstanding anything to the contrary herein, the Developer or its assigns shall be permitted to construct and maintain on any two Lots a structure and related facilities designed and used as a construction field office and/or a sales office.

D. No building shall be located on any Lot nearer to the front lot line or nearer to the side street line than the minimum building setback lines shown on the plat to be recorded or required by applicable zoning laws.

E. No dwellings shall be erected containing less than two thousand (2000) square feet of living (heated) area for any buildings, exclusive of porches, garages, and basements. For

a 1-1/2 story house, there shall be not less than twelve hundred (1200) square feet on the ground floor; and for a 2 story house, there shall be not less than 1100 square feet on the ground floor.

In the event Shelby County amends its minimum building site requirements, the Shelby County building site restrictions shall prevail over these covenants, provided that, the Shelby County building site requirements are greater than the minimum site requirements contained in these covenants.

F. BUILDING REQUIREMENTS:

F.1. ROOF PITCH. The front roof pitch on any residence shall not be less than 6 x 12 unless first approved in writing by the ACC.

F.2. PORCHES. All porches on the front and sides of any dwelling shall either be supported by the foundation of the structure or shall have brick column supports which match the brick used in the foundation of the structure.

F.3. FOUNDATIONS. No exposed block shall be visible on any portion of the foundation of any dwelling.

F.4. STYLE. All homes are to be of traditional styling unless approved in writing by the ACC.

F.5. CHIMNEYS. No cantilevered chimney chases shall be allowed on the front of any structure. All chimney chases on the front of the structure shall be supported by the foundation of the structure.

F.6. HVAC EQUIPMENT. Outside air-conditioning units may not be located in the front yard or any required side yard on corner lots.

F.7. WINDOWS. Either wood frame, vinyl, or aluminum windows may be used on any portion of the dwellings constructed.

F.8. CONCRETE BLOCKS. No concrete block work, including foundations, concrete block steps, walkways, walls or any other concrete block work, whether painted, stuccoed or otherwise, shall show from the exterior of any building.

F.9. BUILDING MATERIALS. Brick or Dryvit shall be used on at least the front of all dwellings. Horizontal siding or wood frame may be used on a dwelling.

F.10. CONSTRUCTION OF IMPROVEMENTS. When the construction of any building is once begun, work thereon must be prosecuted diligently and continuously and must be completed within 12 months.

2. **Maintenance.** It shall be the responsibility of each Lot Owner to prevent the development of any unclean, unsightly, or unkempt conditions of buildings or grounds on such Lot which shall tend to decrease the beauty of the specific area or of the neighborhood as a whole. Each Lot Owner will be solely responsible for the repair and maintenance of the sidewalk located within the Lot Owner's property lines.

3. **Landscaping.** No weeds, underbrush, or other unsightly growth shall be permitted to grow or remain upon any part of the Property and no refuse pile or unsightly object shall be allowed to be placed or suffered to remain upon any part of the Property, including vacant parcels. The undersigned reserves the right (after 10 days notice to the Owner) to enter any Lot during normal working hours for the purpose of mowing, removing, cleaning or cutting underbrush, weeds, or other unsightly growth and trash which in the opinion of the undersigned detracts from the overall beauty and safety of the subdivision, and the undersigned may charge the owner a reasonable cost for such services, which charge shall constitute a lien upon such lot enforceable, by appropriate proceedings at law or equity. This provision shall not apply to the undersigned Developer and builders or their assigns during the sales and development period, such sales period to extend until the last lot is sold by the undersigned.

Upon the completion of a residence, all front yards will be landscaped with solid sod. The rear and side yards may be sprigged, seeded, or solid sod.

4. **Fences and Hedges.**

No fence shall be constructed unless first approved by the ACC. The approval of the ACC shall be governed by the following:

- A. No fences shall extend nearer the street than the rear of the dwelling.
- B. No shrubs or trees shall be planted on street corners that will impede view of signs, pedestrians or automobiles.
- C. Other than retaining walls installed by the Developer or his Agent, no walls above the grade of the Lot shall be erected, nor growing hedges planted and maintained on said property in front of the front line of the residence. Other than retaining walls installed by the Developer or his Agent, no wall or fence shall be erected on the rear of the property which exceeds six (6) feet in height. Any walls on the rear of the property above the line of site must be approved in writing by the ACC.
- D. No chain link fence, wire, or metal fence of any kind may be constructed, unless erected by the Developer or his Agent.

5. **Use Restrictions.**

- A. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any Lot, except dogs, cats, or other household pets may be kept provided they are not kept, bred or maintained for any commercial purpose.
- B. No noxious or offensive trade or activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

C. No oil drilling, oil development operation, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

D. No water pipes, gas pipes, sewer pipes or drainage pipe shall be installed or maintained above the surface of the ground of any Lot within the Property, except for hoses, movable irrigation pipes and concrete drainage ditches.

E. No clothes lines of any kind will be permitted.

6. **Trash.** No trash, garbage or other refuse shall be dumped, stored or accumulated on any Lot. Trash, garbage or other waste shall not be kept on any Lot except in sanitary containers or garbage compactor units. Garbage containers, if any, shall be kept in a clean and sanitary condition, and shall be so placed or screened by shrubbery or other appropriate material approved in writing by the ACC as not to be visible from any road or within sight distance of the lot at any time except during refuse collection. No outside burning of wood, leaves, trash, garbage or household refuse shall be permitted, except during the construction period.

7. **Temporary Structures.** Except as otherwise permitted in Article III, (1)(C), no structure of a temporary character, trailer, basement, tent or shack shall be used at any time as a residence, either temporarily or permanently. There shall be no occupancy of any dwelling until the interior and exterior of the dwelling is completed and a certificate of occupancy issued by the appropriate governmental authorities where applicable.

8. **Signs.** No sign of any kind shall be displayed to the public view on any lot except one professional sign of not more than two (2) square feet, one sign of not more than six (6) square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period. All signs shall comply with designed specifications of the ACC. No signs shall be nailed to trees. This provision shall not apply to the Developer or builders or their assigns during the sales period.

9. **Storage of Vehicles, Boats, Trailers, etc.** No disabled, dismantled, non-operating, wrecked or junk vehicles will be stored on any Lot, unless in the basement of a structure. Boats, utility trailers, recreational vehicles, motorcycles, and travel trailers must either be parked or stored in the basement or on a separate parking pad located behind the rear of the residential structure. No tractor trailer trucks, panel vans or other commercial trucks in excess of a one ton classification shall be parked or stored on any Lot.

10. **Satellite Dishes.** No satellite dishes, microwave dishes or radio antennae shall be permitted.

11. **Storm Drains.** Developer has installed, or will cause to be installed, pipes, swales, headwalls, flumes, surface inlets and other structures necessary for proper control of storm drainage and runoff. Lot Owners shall not alter, modify, or in any way interfere with the functionality of these structures. Additionally, Lot Owners shall not allow debris, grass clippings, or any other items to impede the function of the drainage structure and shall maintain the same.

12. **Enforcement.** The covenants and restrictions herein shall be deemed to be covenants running with the land. If any person shall violate or attempt to violate any of such

restrictions or covenants, it shall be lawful for the undersigned Developer or any persons owning any Lot on said land: (A) to prosecute proceedings at law for the recovery of damages against the person or persons so violating or attempting to violate any such covenant or restriction, or (B) to maintain a proceeding in equity against the person or persons so violating or attempting to violate any such covenant or restriction for the purpose of preventing such violation; provided however, that the remedies in this paragraph contained shall be construed as cumulative of all other remedies now or hereafter provided by law.

13. **Protective Covenants Running with the Land.** It is understood and agreed that the foregoing covenants and restrictions shall attach to and run with the land for a period of twenty-five (25) years from the date hereof at which time these covenants and restrictions shall be automatically extended for successive periods of ten (10) years, unless by a vote of the majority of the then owners of the lots, it is agreed to change same in whole or part. It shall be lawful for the Developer and Lot Owners to institute and prosecute any proceedings at law or in equity against that person, persons, corporation or corporations violating or threatening to violate these covenants and restrictions. Failure to institute proceedings for any one or more violations shall not constitute approval of same or be construed as a waiver of any right of action contained herein for past or future violations of these covenants and restrictions.

14. **Alteration.** These covenants and restrictions may be altered only with the consent of a majority vote of Lot Owners or, for so long as Developer owns any Lot or Lots, agreement of the Developer.

15. **Notices.** Any notice required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed by United States mail, postage paid, to the street address of the Lot owned by such Owner.

16. **Severability.** Each and every covenant and restriction contained herein shall be considered to be an independent and separate covenant and agreement, and in the event any one or more of said covenants or restrictions shall, for any reason, be held to be invalid or unenforceable, all remaining covenants and restrictions shall nonetheless remain in full force and effect. Invalidation of any provision or provisions hereof by judgment or court order shall in no way affect any previous other provision, all of which shall remain in full force and effect.

17. **Governing Law.** Should any dispute or litigation arise between any of the parties whose rights or duties are affected or determined by this Declaration as the same may be amended from time to time, said dispute or litigation shall be governed by the laws of the State of Alabama, and County of Shelby.

18. **Captions.** The captions and titles of the various Articles and Sections in this Declaration are for convenience of references only, and in on way define, limit or describe the scope or intent of this Declaration.

19. **Usage.** Whenever used herein the singular shall include the plural and the singular, and the use of any gender shall include all genders.

20. **Effective Date.** This Declaration shall become effective upon its recordation in the office of the Judge of Probate of Shelby County, Alabama.

ARTICLE IV
OWNER'S ASSOCIATION

1. **Definitions.**

(a) **The Articles of Incorporation:** The Articles of Incorporation of the Oak Meadows Homeowners' Association, Inc., a nonprofit corporation.

(b) **The Association:** The Oak Meadows Homeowners' Association, Inc., its successors and assigns.

(c) **The By-Laws:** The By-Laws of the Oak Meadows Homeowners' Association, Inc.

(d) **Member:** A person or other entity who is a record owner of any Lot within the Property, subject to the terms of the Articles of Incorporation and Bylaws of the Association.

(e) **Common Areas:** Those portions of the Property which are of common use and benefit to all Owners and are not subject to annual and special assessments of the Association, such areas to include, without limitation, the landscaped entry way to the Property, all street lighting now or hereafter installed on the Property, any retaining walls on the property, any areas designated as Recreation Areas, all detention ponds, the wooden fence at the rear of Lots 25, 26, 27, and 28, any and all easements granted or to be granted for the common benefit of the Owners and other areas as may be designated "Common Areas" by the Developer or the Association.

2. **Entry Way.** The Developer has constructed and landscaped an entry way which is located at the entrance to the subdivision. The entry way cannot be altered or changed in any

material way without written permission from the ACC. Developer, for its benefit and the benefit of the Association and Members, herein reserves an easement on that portion of the Property upon which the entry way lies. Said entry way, together with any street lights which may hereafter be installed on the Property, constitute part of the Common Areas of the Property.

3. **Operation of the Association.** The voting rights of Members, the election of officers and directors, and all other aspects of operation of the Association, including but not limited to Developer's rights regarding the same, shall be subject to the terms and conditions of the Articles of Incorporation and By-Laws of the Association.

4. **Lien For Dues and Assessments.**

A. Each Lot Owner shall be a Member of the Association; provided, that if any Lot is owned by two or more persons, only one such Owner shall be entitled to vote on Association matters. The rights of membership in the Association are subject to the payment of annual and special assessments and charges. The obligation of such assessments and charges is imposed against each Lot and is a lien upon the Member's Lot against which such assessment or charge is made; provided, however, that notwithstanding anything to the contrary contained in this Declaration, assessments or charges described herein shall not be imposed upon any Lot or Lots owned by Developer.

B. All Property except for the Common Areas shall be subject to a continuing lien for assessments levied by the Association in accordance with the provisions of this Declaration. The annual assessments and charges together with interest thereon and the costs of collection thereof (including reasonable attorney's fees) as hereinafter provided, shall be a charge on, and shall be a continuing lien upon, the Member's Property against which each such

assessment or charge is made. All Member's Property shall be held, transferred, sold, conveyed, leased, occupied, mortgaged and otherwise encumbered subject to all the terms and provisions of this Declaration, the Articles of Incorporation and the By-Laws applicable to Member's Property including, but not limited to, the continuing lien herein described.

C. An annual \$50.00 assessment for maintenance of the entry way, landscaping of Common Areas, and other uses as determined by the Association shall be due and payable to the Association by the Members on the first day of January of each year, said amount being delinquent if not paid by the 31st day of January following the due date therefor; provided, however, that the annual assessment due from the Members hereunder shall not commence until such time as all Lots in the Property have been sold to Members other than builders who purchase any Lot or Lots for the purpose of constructing a dwelling or dwellings thereon for sale to another person or entity (the "Builders"). All assessments so collected by the Association shall be placed in an interest-bearing account established by the Developer or the Association (the "Account"). Collection of assessments, maintenance of Common Areas and landscaping shall be the sole responsibility of the Association. Notwithstanding the foregoing, upon delivery of a deed for any Lot or Lots within the Property from the Developer or any Builder to the first Member who occupies a dwelling on such Lot or Lots, such Member shall pay to the Association the sum of \$50.00 per Lot, which shall be deposited in the Account and used for any purpose determined by the Association in accordance herewith.

D. The Association may, in its discretion increase or decrease the amount of the annual assessment described in paragraph C above, or impose special assessments in addition to the annual assessment to defray costs incurred by the Association or the ACC. Any special

assessments so imposed shall have the same force and effect as the annual assessment and shall constitute a continuing lien on the Lots to secure payment thereof.

E. Each Member, by acceptance of a deed or other conveyance to a Lot within the Property, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association the annual assessments, special assessments and charges, such assessments to be fixed, established and collected from time to time as determined by the Association. Each such assessment, together with interest and costs of collection, including reasonable attorney's fees, shall be the personal obligation of the person or persons who is or are the Owner of any one or more Lots at the time when the assessment fell due.

F. The assessments levied by the Association shall be used exclusively for the purpose of providing any and all of the services and activities as may be to the mutual benefit of the Members, maintaining, operating, and repairing of the Common Areas, repair, replacement and additions thereto, and for the cost of labor, insurance, equipment, materials, and supervision thereof, for other purposes beneficial to the Members as determined by the Association and for the purpose of carrying out the functions, purposes, responsibilities and duties of the Association and the ACC. The Association does not assure that such services will be provided and nothing herein shall be construed as an obligation to provide any such services.

G. The assessments applicable to Lots shall be set by the Board of Directors of the Association.

H. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eight percent (8%) per annum. The Association

may bring an action at law against the Member personally obligated to pay the same, or foreclose the lien against the Member's Lot. No Member shall waive or otherwise escape liability for the assessments provided for in this Declaration or otherwise by non-use of the Common Areas or other areas to which assessments are applied or by abandonment of the Lot or Lots owned by such Member.

I. The lien of any assessment or charge authorized by the Declaration with respect to any Lot is subordinate to the lien of any bona fide mortgage on such Lot if, but only if, all assessments and charges levied against such Lot falling due on or prior to the date such mortgage is recorded have been paid. The sale or transfer of any Lot pursuant to a mortgage foreclosure proceeding, or a proceeding in lieu of foreclosure, or the sale or transfer of such Lot pursuant to a sale under power contained in a mortgage on such property shall extinguish the lien for assessments falling due prior to the date of such sale, transfer or foreclosure, but the Association shall have a lien on the proceeds of such sale senior to the equity of redemption of the mortgagor. The foregoing subordination shall not relieve a Member whose Lot has been mortgaged of his personal obligation to pay all assessments and charges falling due during the time he is the owner of such Lot. The Board of Directors may at any time, either before or after the mortgaging of any portion of the Property, waive, relinquish or quit claim in whole or in part the right of the Association to assessments and other charges collectible by the Association with respect to such Member's Property coming due during the period while the same is or may be held by a mortgage or mortgagees pursuant to such sale or transfer.

IN WITNESS WHEREOF, the said Developer has caused this instrument to be properly
executed on the 3 day of OCTOBER, 1995.

DEVELOPER:
D.R. Horton, Inc. - Birmingham
~~REGENCY DEVELOPMENT, INC.~~

By: Dwight A. Sandlin
Its VICE PRESIDENT

STATE OF ALABAMA)
SHELBY COUNTY)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify
that Dwight A. Sandlin, whose name as Vice President of ~~Reagency~~ D.R. Horton,
~~Development, Inc., an Alabama corporation,~~ Inc. - Birmingham,
and who is known to me, acknowledged before me on this day, that, being informed of the a Delaware
contents of the Declaration, he, as such officer and with full authority, executed the same Corporation
voluntarily for and as the act of said corporation.

Given under my hand and seal this the 3rd day of October, 1995.

Deonda L. Wilson
NOTARY PUBLIC
My Commission Expires: 4-28-96

This Instrument Prepared by: Gail L. Mills, Esq., 420 North 20th Street, Suite 3000,
Birmingham, Alabama 35203 (205) 251-3000

EXHIBIT A

Lots 1-30 of Oak Meadows, Phase I as recorded in Map Book 20, Page 71
in the office of the Judge of Probate of Shelby County, Alabama.

Inst # 1995-29298

25
10/13/1995-29298
03:18 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
025 SNA 68.50