

HIDDEN SPRINGS, SECTOR ONE

AMENDED AND RESTATED DECLARATION
OF PROTECTIVE COVENANTS

This Hidden Springs, Sector One, Amended and Restated Declaration of Protective Covenants is made as of the 28th day of September, 2005, by Frank Corley Ellis, III, Kelly Ellis Davis, Christy Ellis Brasher and Frank Corley Ellis, Jr., all the members of Hidden Springs, LLC, ("Developer"), of Hidden Springs subdivision located in Shelby County, Alabama.

RECITALS

Developer, as hereinafter defined, has heretofore developed that certain real property situated in Shelby County, Alabama (the "Sector One Property") which is more particularly described in the map and survey of Hidden Springs, Sector One, as recorded in May Book 27, Page 69, in the Office of the Judge of Probate of Shelby County, Alabama. The Sector One Property is subject to the Declaration of Protective Covenants for Hidden Springs recorded on October 4, 2000 as Instrument No. 2000-34908 in the Office of the Judge of Probate of Shelby County, Alabama

The Declaration of Protective Covenants for Hidden Springs, reserves in Article III, Section 8 E, that for a period of five (5) years from the date of the Declaration of Protective Covenants, to-wit: September 29, 2000, the Developer shall have the right to modify and change the covenants and restrictions with the exception of minimum square feet requirements.

NOW, THEREFORE, Developer does hereby declare that all of that certain real property situated in Shelby County, Alabama which is more particularly described as

Lots 1 through 8, Lots 17 through 21, and Lots 35 through 50,
Hidden Springs, Sector I, as recorded in the Probate Office of
Shelby County, Alabama in Map Book 27, at Page 69,

and shall be held, developed, improved, transferred, sold, conveyed, leased, occupied, and used subject to the following easements, covenants, conditions, restrictions, charges, liens and regulations, which shall be binding upon and inure to the benefit of all parties acquiring or having any right, title or interest in any portion of the real property described above, and their respective heirs, executors, administrators, personal representatives, successors and assigns, and all prior and previously promulgated covenants and restrictions, including, but not limited to, the above stated are hereby amended and modified to read as contained herein.

That each lot located in said above subdivision shall be and the same is hereby subject to the following covenants, restrictions, conditions, and limitations.

I. EXCLUSIVE RESIDENTIAL USE AND IMPROVEMENTS

1. All Lots in the above subdivision shall be known as residential lots and shall be used for one single family residence exclusively.
2. No structure shall be erected, altered, placed, or permitted to remain on any residential lot other than one (1) detached single family dwelling not to exceed two (2) stories above ground level at front of dwelling and thirty (30) feet in height, a private garage for no more than four (4) cars, and a utility storage building not to exceed twenty (20) feet by twenty (20) feet of a design and construction which is neat in appearance, compatible with the exterior of the residence, and constructed of materials approved in writing by the Architectural Control Committee and to be located to the rear of the residential structure.
3. Notwithstanding anything to the contrary herein, a swimming pool and/or children's playground facilities shall be allowed if neat in appearance, compatible with the exterior of the residence, and constructed of materials approved in writing by the Architectural Control Committee and to be located to the rear of the residential structure. No above-ground pools shall be permitted. All in-ground swimming pools must be approved, in writing, by the Architectural Control Committee and must be appropriately fenced or screened, by a security fence as approved by the Architectural Control Committee. Chain link fences are prohibited. Any in-ground swimming pool and/or children's playground facilities must comply with setback requirements of Paragraph 5 of this section.
4. Notwithstanding anything to the contrary herein, the undersigned shall be permitted to construct and maintain on one Lot only a structure and related facilities designed and used as a sales center for the marketing of real estate, including the lots subject to these covenants and adjoining land and improvements thereon owned by the undersigned.
5. No part or portion of any building shall be located nearer than forty (40) feet from the front lot line or nearer than any setback line shown on the above recorded subdivision plat, whichever is more. No building shall be located nearer than forty (40) feet to any side street line or nearer than any setback line shown on the above recorded subdivision plat, whichever is more. No building shall be located nearer than fifteen (15) feet from any side lot line. No building shall be located on any interior lot nearer than forty (40) feet to the rear lot line except for an approved utility storage building or an approved in-ground swimming pool, which may be located no nearer than ten (10) feet to the rear lot line. For the purpose of

this covenant, caves, steps, and open decks or terraces shall be considered as part of a building, provided, however, that this shall not be construed to permit any portion of a building to encroach another lot.

6. Each main structure of a residential building, exclusive of open porches, garages, and basements, shall meet the following size restriction: One (1) story houses shall have a minimum of one thousand five hundred (1,500) square feet of finished heated living area; no basement or garage, or attic area can be considered finished heated living area. One and one-half (1 1/2) story houses shall have a minimum of one thousand (1,000) square feet finished heated living area for the first story and a total of at least one thousand five hundred (1,500) square feet of finished heated living area for the entire house. Two (2) story houses shall have a minimum of nine hundred (900) square feet of finished heated living area on each floor.
7. No more than one (1) single family unit shall occupy any dwelling house. Detached garages and storage buildings must conform to the same type design and materials used in the family dwelling house, and must be located to the rear of said dwelling house. Garages and storage buildings with metal exteriors are prohibited.
8. No lot shall be further subdivided or reduced in size by voluntary alienation, judicial sale, or for any other reason without the prior written approval of the Columbiana Planning Commission. No lot or a portion thereof shall be sold or used, except by Developer at its sole option, for the purpose of extending any public or private road, street, or alley, or for the purpose of opening any road, street, or alley. With the prior written approval of the Columbiana Planning Commission, the undersigned Developer shall, however, have the right to sell a part or portion of any lot to the owner of an adjacent lot within the subdivision to become part and parcel of said lot with the entire lot and additional partial lot to be used for one single family dwelling.
9. No aluminum siding shall be permitted to be installed on the front or side of the exterior of any structure or residential building constructed on a lot. The Architectural Control Committee shall have the right to approve or reject in writing all vinyl siding and other siding and same shall not be installed without prior written approval of the Architectural Control Committee.

II GENERAL REQUIREMENTS

1. It shall be the responsibility of each Lot Owner to prevent development or appearance of any unclean, unsightly, or unkept 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.

2. Purchasers of each lot, their successors and assigns, acknowledges he/she is aware that Best Management Practices (BMP) will be required to be implemented to protect the quality of storm water discharge as required by ADEM and/or other government agencies having legal jurisdiction thereof. BMP implementations may require installation of hay bales, silt fences, or other soil erosion protection equipment around disturbed ground. Purchaser acknowledges he/she, his/their successors and assigns are responsible for implementation of BMP's on each Lot purchased and that he/she, his/their successors and assigns, will reimburse developer for any expense required of developer to adhere to ADEM and/or other government agencies having legal jurisdiction thereof. BMP requirements on purchased Lots in emergency situations where purchaser, his/their successors and assigns, have failed to implement required BMP's. Purchaser, his/their successors and assigns, also acknowledge his/their financial responsibility for ongoing BMP implementation of Lots(s) purchased.
3. Lawns and grass shall be kept neatly cut and trimmed. No weed, underbrush or other unsightly growth shall be permitted to grow or remain upon any disturbed area of any lot and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain upon any part of any lot, including vacant parcels. The undersigned reserves the right (after 10 days notice to the lot Owner) to enter any residential 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 sole opinion of the undersigned, detracts from the overall beauty and safety of the subdivision and may charge the Owner a reasonable cost for the services, which charge shall constitute a lien upon such lot enforceable by appropriate proceedings at law or equity. After the expiration of twenty-five (25) years from the date of recording of these covenants and restrictions, or earlier, if requested or allowed by Developer in writing, the enforcement powers reserved to the undersigned shall be vested in a Homeowners Association comprised of the owners of each lot in the subdivision with the ownership of each lot having collectively one vote on all matters to be decided by the Homeowners Association as provided herein. The owners of seventy-five (75) percent or more of the lots in the subdivision may, as provided herein, enforce the provisions of this paragraph through a Homeowners Association, fully formed and incorporated.
4. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot, except dogs (not to exceed two), and cats (not to exceed two).

Other normal and customary household pets which are kept and maintained at all times within the heated area of the residence may be kept provided that they are not kept, bred, or maintained for any commercial purposes. All dogs and cats must be confined to the owner's property. During the hours from 8:00 AM through 9:00 PM dogs that bark, howl, or emit noises which can be heard beyond the lot line of the owner's property by a normal unaided human ear, continuously or intermittently for more than sixty (60) seconds within any thirty (30) minute period must be silenced or removed from the subdivision. During the hours from 9:00 PM through 8:00 AM dogs that bark, howl, or emit noises which can be heard beyond the lot line of the owner's property by a normal unaided human ear must be immediately silenced or removed from the subdivision.

5. 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 undersigned or any other lot owner in the subdivision.
6. 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 an 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.
7. 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 Architectural Control Committee as not to be visible from any road 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 construction period.
8. No structure of a temporary character, no trailer, mobile home, 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 dwelling is complete and a certificate of occupancy has been issued by the building inspector of the controlling governmental agency, or other satisfactory evidence of completion, is received and approved in writing by the Architectural Control Committee.
9. No fence, wall, hedge, or shrub plantings which obstruct sight lines at elevations between two (2) and five (5) feet above the roadways shall be

placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five (25) feet from the intersection of the street lines or in the case of a rounded property corner from the intersections of the street property lines extended. The same sight line limitations shall apply on any Lot within ten (10) feet from the intersection of a street property line with the edge of a driveway or alley pavement. Trees shall be permitted to remain within such distances of such intersections provided the foliage line is maintained at sufficient height to prevent obstruction of such lines.

10. No sign of any kind shall be displayed to the public view on any Lot except one (1) sign no larger than thirty (30) inches by thirty (30) inches advertising the subject 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 design specifications of the Architectural Control Committee.
11. During all construction, all vehicles, including those delivering supplies, must enter the building lot on the driveway only as approved in writing by the undersigned so as not to unnecessarily damage trees, street paving, and curbs. Any damage not repaired by the contractor or lot owner may be repaired by the undersigned (after ten (10) days' written notice) and will be charged to the contractor and/or Owner at a reasonable cost for such services, which charge shall constitute a lien upon such Lot enforceable by appropriate proceedings at law or equity. During construction, all owners and builders must keep homes, garage, and building sites clean. All building debris, excess concrete, stumps, trees, etc. must be removed from each building Lot by the owner and builder as often as necessary to keep the house and lot attractive. Such debris will not be dumped in any area of the subdivision.
12. When the construction of any building is begun, work thereon must be prosecuted diligently and continuously and must be completed within twelve (12) months.
13. All yards will be sodded and maintained by purchaser/lot owner on the front except (1) where there are landscaping shrubs and/or bark islands and (2) where any utility easement crosses the front property line; this area may be seeded and hayed. Any disturbed area from the front set back line to the rear of the lot shall be seeded and hayed and restored to its natural state.
14. Garage doors and garage openings shall not be permitted on the front of the home, except with written approval of the Architectural Control Committee. No carports or garage with open side walls shall be allowed

if any part of the interior thereof is visible from any street within the subdivision.

15. No fence of any nature shall be permitted in front of the rear building line, except as approved in writing by the Architectural Control Committee. All fencing is to be wooden, or Committee-approved vinyl, vertically installed and either white or brown, neat in appearance, compatible with the exterior of the residences and constructed of materials approved in writing by the Architectural Control Committee. Other colors must be approved in writing by the Architectural Control Committee. All fencing shall be a minimum of four (4) feet tall and no higher than eight (8) feet tall. Any variances must be approved in writing by the Architectural Control Committee.
16. No clothesline or any other apparatus for the purpose of hanging clothes or laundry shall be permitted to be placed in a location that is visible from any street in the subdivision. Barbecue grills are to be located to the rear of the house.
17. Outside air-conditioning units, heat pumps, or furnaces, may not be located in the front yard, and shall be located only on the side or rear of the residence and landscape screened.
18. No plumbing or heat vent shall be placed on the front of the house, and shall be located only on the side or rear of the residence. All utility meters, including but not limited to gas meters and electricity meters, shall be located on the side or rear of the house and landscape screened. All utility lines and electric lines shall be located underground and not visible on the surface.
19. No satellite dishes larger than twenty-four (24) inches in diameter shall be allowed. Any satellite dish larger than twenty-four (24) inches in diameter must be approved in writing by the Architectural Control Committee. All satellite dishes shall be located to the rear of the residence. No radio, television, or other communications transmitting or receiving device, or antenna, towers, or other such structure, shall be erected, maintained, or permitted on any lot.
20. Design of all mail boxes and posts must be approved in writing by the Architectural Control Committee. The Architectural Control Committee shall develop a standard plan including the post and box that shall be used.
21. All exposed foundation walls shall be brick or brick veneer. All roof pitches must be six to twelve (6 to 12) feet or greater.

22. No house trailer, mobile or manufactured home shall be permitted on any lot at any time except a construction trailer to be used during the sales and development period by the undersigned developer.
23. No lot shall be cultivated for crops of any kind, except for home vegetable gardens of reasonable size, which must be located to the rear of the residential dwelling.
24. No more than one (1) "dusk to dawn light" or other lighting fixture providing continuous artificial light during the night shall be permitted on any lot. If such light is "directional", it shall be positioned so that it intruded as little as reasonably possible on other properties within the subdivision.
25. No boats, camping trailers, recreational vehicles, or utility trailers shall be parked, stored or located on any location that can be seen from any street.
26. No cars, trailers, boats, equipment or other vehicles or property shall be parked on or within the right-of-way of any street or roadway.
27. No car, truck, or other motor vehicle or part thereof which is not licensed and in operable condition shall be allowed except within the confines of the enclosed garage.
28. All driveways must be either paved with asphalt, concrete (or like material approved in writing by the Architectural Control Committee) prior to occupancy of the dwelling or completion of construction thereof, whichever shall occur first.
29. No firearms shall be discharged on the property or within the subdivision, and no owner shall make or allow others on his/her property or at any point within the subdivision to make noise which disturbs other persons within the subdivision or which can be heard by a person of average and normal hearing at a distance of more than one hundred (100) feet from the lot line of subject property except for power tools and household equipment which are usually and customarily used in connection with residential activities, lawn mowers, and other customary lawn and garden tools and implements which may be used between the hours from 8:00 AM until 9:00 PM, and except for construction machinery, tools, and equipment during construction of the residence and/or other buildings.

III. ARCHITECTURAL CONTROL COMMITTEE

1. These restrictions shall provide for an Architectural Control Committee (hereafter sometimes referred to as "Committee"). A majority of the

Committee may designate a representative to act for it. In the event of death or resignation of any member of the Committee, the remaining members shall have full authority to designate a successor. Neither the members of the Committee nor its designated representative shall be entitled to any compensation for services performed pursuant to this covenant. After twenty-five (25) years from development of at least ninety percent (90%) of the lots of the subdivision for single-family residential use by the construction thereon of a single-family residential dwelling in accordance with the terms thereof and occupancy of dwelling units by individual owner or tenant occupants or earlier if approved in writing by the Developer, the record owners of a majority of the total lots shall have the power through a duly recorded written instrument to change the membership of the Committee or to withdraw from the committee or restore to it any of its power and duties.

2. Any remodeling, reconstruction, alterations, or additions to the interior of any existing residence shall not require the written approval of the Committee, but shall comply with all restrictions and covenants.
3. One (1) set of prints of the drawings (herein referred to as "plans"), for each house or other structure proposed to be constructed on each lot shall be submitted for review and written approval or written disapproval by the Committee. Said plans shall be delivered individually to Hidden Springs, LLC or its designee, at least twenty (20) business days prior to the beginning of the construction. All plans must include the following: a complete set of plans and specifications including exterior materials and exterior paint selections. Only upon the submission of all reasonable requested plans in the manner set forth above shall the Committee be deemed to have received the plans for the purposes hereof.
4. All plans for any structure or improvement whatsoever to be erected on or to move upon or to any lot or lots, the exterior construction materials, the roofs, and any late changes or additions to the exterior of the building on any lot after initial approval thereof shall be subject to and require the approval in writing of the Committee before any work is to commence. Construction may not be started before receipt of a Letter of Approval from the Committee, a copy of which must be signed by the Builder or Owner and returned to the Committee for retention.
5. The Committee's approval or disapproval as required in the covenants shall not be valid unless in writing. In the event the Committee, or its designated representative, fails to approve or disapprove submitted plans and specifications which have been submitted to it, within twenty (20) business days after receipt of same, then such plans and specifications shall be deemed to have been approved by the Committee. The

Committee may, however, approve any plans and/or changes in plans upon shorter notice than twenty (20) business days, at the Committee's option.

6. Neither the Committee nor any architect or agent thereof nor the developer shall be responsible to check for any defects in any plans or specifications submitted, revised, or approved, nor for any structural or other defects in any work done according to such plans and specifications. It is specifically understood and agreed that any approval given by the Committee as provided herein shall not be deemed any warranty, either expressed or implied, or approval by the Committee of the structural integrity or soundness of any structure erected upon any lot in the subdivision.
7. Hidden Springs, LLC reserves the right to use or dedicate to the City of Columbiana, State of Alabama and/or to the appropriate utility company or companies, rights-of-way or easements on, over, across or under the ground to erect, maintain and use utilities, electric and telephone poles, wires, cable conduit, storm sewers, sanitary sewers, conveniences or utilities on, in and over strips of land along the rear and side property lines of each lot and on or within the rights-of-way of any public road or street.
8. The Architectural Control Committee shall be composed of Frank Corley Ellis, III, Kelly Ellis Davis and Christy Ellis Brasher. Each member of the Committee shall have one (1) vote, and in the event of disagreement, a majority vote shall control.
 - A. 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 and restrictions shall for any reason be held to be invalid or unenforceable, all remaining covenants and restrictions set forth herein shall remain in full force and effect.
 - B. The undersigned, Hidden Springs, LLC, and only the undersigned, may include in any contract or deed hereafter made any additional covenants and restrictions that are not inconsistent with and which do not lower the standards of the covenants and restriction set forth herein.
 - C. 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 such restrictions or covenants, it shall be lawful for the undersigned or any person or persons owning any Lot in said subdivisions: (a) to prosecute at law for the recovery

of damage 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 contained in this paragraph shall be construed as cumulative to all other remedies now or hereafter provided by law.

- D. The covenants and restrictions set forth herein are made for the mutual and reciprocal benefit of each Lot within the above described subdivision and are intended to create : (i) mutual, equitable servitude upon each above described Lot within such subdivision; (ii) reciprocal rights between the lot owners therein and their respective heirs, executors, administrators successors and assigns.
- E. For a period of five (5) years from the date hereof, the undersigned Hidden Springs, LLC reserves and shall have the right to modify and change these amended covenants and restrictions with the exception of minimum square feet requirement of Section I, Paragraph six above. It is expressly understood and agreed that after a period of twenty-five (25) years from the date of recording of these amended protective covenants, the owners of seventy-five percent (75%) or more of the lots in the subdivision may, upon written notification to the remaining lot holders, modify, change, delete, or abolish these amended protective covenants. A notice of said intention to change, modify, delete, or abolish said amended protective covenants shall be given by sending notice thereof by certified mail to the address of the owner of each lot in the subdivision.
- F. It is understood that the conditions, limitations and restrictions, set forth herein shall attach to and run with the land for a period of twenty-five (25) years from the date of recording of these amended protective covenants at which time said restrictions and limitations shall be automatically extended for successive periods of ten (10) years; however, these extensions shall not affect the right of owners of seventy-five percent (75%) or more of the lots to change, alter, delete, or abolish these restrictive covenants as provided for above.
- G. In any situation where any of these amended covenants and restrictions may conflict with local laws and ordinances, the most restrictive shall prevail.

IV. HIDDEN SPRINGS HOMEOWNERS ASSOCIATION

1. The term "Association" shall mean the Hidden Springs Homeowners' Association which shall be formed and established by the Developer, as an Alabama nonprofit corporation.

2. The term "Turnover Date" shall mean the earlier of (a) the date on which Developer no longer owns any of the Property or (b) the date on which Developer elects, in its sole and absolute discretion, to relinquish all rights to appoint and remove members of the Board of the Association.

3. The Owner of each Lot shall be a member of the Association. Membership in the Association shall be appurtenant to and may not be separated from ownership of any Lot; provided, however, that (a) Developer shall be deemed a member of the Association and shall have one (1) vote for each Lot owned by Developer, (b) in the event any Lot is owned by more than one (1) person, then the Owner of such Lot shall, by written notice to the Board, designate only one (1) representative to serve as a member of the Association who shall exercise all voting rights attributable to the Lot owned by such Owner and (c) no Mortgagee shall become a member of the Association until such time, if at all, that the Mortgagee becomes an Owner by virtue of foreclosure of its mortgage and title to such encumbered Lot is vested in Mortgagee pursuant to a duly recorded deed. The transfer or conveyance of fee title to any Lot (other than by a mortgage as security for the payment of an obligation, shall automatically include the transfer of all membership rights of such Owner in the Association with respect to the Lot transferred and conveyed. Membership in, or the rights and benefits of, the Association may not be transferred, assigned, conveyed or otherwise alienated in any manner separately and apart from the ownership of a Lot.

4. The Homeowner's Association shall have a Board of Directors. Said Board shall have the rights and duties set forth in the Articles of Incorporation and the Bylaws. Developer hereby retains and shall have the sole and exclusive right to appoint and remove, with or without cause, any and all members of the Board and any and all officers of the Association until the occurrence of the Turnover Date. From and after the Turnover Date, the Owners shall have the exclusive right to appoint and remove all members of the Board in accordance with the terms and provisions of the Bylaws. As used throughout this Declaration, all actions required or permitted to be taken by the Association shall, unless otherwise expressly provided herein to the contrary, be by the majority vote of the members of the Board. Each Owner, by acceptance of a deed to a Lot, vests in Developer the authority to appoint and remove all of the members of the Board and all of the officers of the Association until the occurrence of the Turnover Date.

5. Subject to the rights reserved by Developer below, the Owner of each Lot shall be entitled to one (1) vote in any matter submitted to the members of the

Association for approval. No Owner, whether one or more persons, shall have more than one membership and one vote per Lot owned. Each Owner, by acceptance of a deed to a Lot, consent and agrees to the dilution of his or her voting interest in the Association by virtue of the resubdivision of any Lot by Developer or the submission of any Additional Property to the terms of this Declaration. In no event, whether as a result of there being multiple ownership interests in any Lot or otherwise, shall more than one vote be allowed for any one Lot. Fractional voting shall not be permitted.

Notwithstanding anything provided to the contrary in this Declaration, the Articles of Incorporation or the Bylaws, until the occurrence of the Turnover Date, Developer shall have the sole and exclusive right to appoint and remove at any time and from time to time all members of the Board of Directors of the Association in accordance with the terms and provisions of the Bylaws.

6. In addition to the rights, duties, responsibilities and obligations of the Association otherwise set forth in this Declaration, the Association has the power to do, cause to be done and otherwise perform or cause to be performed any of the duties and powers set forth in the Articles of Incorporation and the Bylaws. The powers and authority granted herein and in the Articles of Incorporation and the Bylaws of the Association may be exercised by the Board, acting through the officers of the Association, and without further consent or action on the part of the Owners. In performing any of its responsibilities, the Association, acting through the Board, shall have the right and authority to delegate to such persons of its choice, including third-party management companies, such duties of the Association as may be determined from time to time by the Board. All costs and expenses relating to the employment of a manager of the Association shall be deemed a Common Expense. Any manager, if authorized by the Board, may exercise all the powers and shall be responsible for the performance of all duties of the Association.

7. Developer reserves the right, in its sole and absolute discretion but without any obligation, at any time and from time to time prior to the turnover date, to add and submit any additional property to the provisions of this Declaration and, to the extent any of the additional property is specifically submitted to the terms and provisions of this Declaration by Developer, then any such additional property shall constitute part of the property subject to this Declaration. Additional Property may be submitted to the provisions of this Declaration by an instrument executed by Developer in the manner required for the execution of deeds and recorded in the Office of the Judge of Probate of Shelby County, Alabama, which instrument shall be deemed an amendment to this Declaration (which need not be consented to or approved by any Owner or Mortgagee of any Lot). From and after the date on which an amendment to this declaration is recorded in the aforesaid Probate Office submitting any additional property to the terms and provisions of this Declaration, the number of votes in the Association shall be increased by the number of Lots within the additional property which are added and submitted to this Declaration so that there shall continue to be one vote in the Association per Lot within the property subject to this Declaration.

8. Developer shall have the right, but not the obligation, for so long as Developer owns any Lot within the Property, to make improvements and changes to all Common Areas and to all Lots owned by Developer, including, without limitation, (a) installation and maintenance of any Improvements in or to the Common Areas and all Lots owned by Developer, (b) changing the location of the boundaries of any Lots owned by Developer or the boundaries of any of the Common Areas, and (c) changing the boundaries of any portion of the Property owned by Developer, including any additional property owned by Developer. The exercise by Developer of any of these rights may be exercised solely by Developer without any requirement that the consent or approval of any Owners be obtained.

9. The Association shall maintain and keep in good repair and condition all portions of the Common Areas. The Association may by majority vote, make Annual Assessments and/or Special Assessments for the purpose of maintaining the Common Areas. Both Annual and Special Assessments shall be assessed against each Lot at a uniform rate, regardless of whether a Dwelling has been constructed on a Lot, with the Owner of each Lot being required to pay his or her prorata portion of such Annual and/or Special Assessments, as determined by a fraction, the numerator of which shall be the total number of Lots owned by such Owner and the denominator of which shall be the total number of Lots within the Property at the time such Annual and/or Special Assessments are levied.

10. In the event any additional property is added to the property, the (i) the Lots within the additional property shall be subject to the same Annual and/or Special Assessment then being paid by the Owners of all other Lots in the Property, subject to proration for the actual number of days

11. The Board of the Association shall determine and approve annually an annual budget covering the estimated Common Expenses for the Property for the upcoming year, such budget to include (i) a capital contribution or reserve account, if necessary, for the capital needs of the Association and (ii) the amount of Annual Assessments which shall be payable by each Lot. The amount set forth in such budget shall constitute the aggregate amount of Annual Assessments for all of the Property for the then applicable year and each Owner shall pay his or her prorata share of the same. "Annual Assessments" with respect to each Lot shall mean the prorata portion of the Common Expenses payable each calendar year by each Owner. A copy of the budget setting forth the amount of Annual Assessments to be levied against the Lots for the following year shall be delivered to each Owner upon written request of any such Owner.

If any budget or the amount of Annual Assessments collected by the Association at any time proves to be inadequate or insufficient for any reason to fully pay all costs and expenses of the Association and all Common Expenses, then the Board may call a meeting of the Association for the purpose of approving Special Assessments. If the actual amount of Annual Assessments collected in any one year exceeds the actual costs

incurred for Common Expenses for such year, the excess shall be retained by the Association as a reserve for subsequent years' Common Expenses.

The Common Expenses to be funded by the Annual Assessments may include, but shall not be limited to, the following: (i) salaries, fringe benefits and other compensation paid and out-of-pocket expenses reimbursed by the Association for its employees, agents, officers, members of the Board and any third party contractors; (ii) management fees and expenses of administration, including legal and accounting fees, incurred by on behalf of the Association; (iii) Utility charges for any utilities serving any of the Common Areas and charges for other common services for the Property; (iv) the costs of any insurance policies purchased for the benefit of the Association as required or permitted by this Declaration, including, without limitation, fire, flood and other hazardous coverage, public liability coverage and such other insurance coverage as the Board determines to be in the best interest of the Association, including errors and omissions insurance, director's and officers' liability insurance and any other liability insurance coverage for the benefit of the Association, the members of the Board, any officers, employees, agents, or representatives of the Association (including members of the "Committee"); (v) the expenses of maintaining, operating, repairing and replacing all portions of the Common Areas and any other amenities and facilities serving the Property which the Board, in its sole discretion, determines from time to time would be in the best interest of the Association; (vi) ad Valorem real and personal property taxes assessed and levied upon any of the Common Areas; (vii) the expenses of the "Committee" which are not paid in full by plan review charges; (viii) the costs and expenses for conduction recreational, cultural or other related programs for the benefit of the Owners and occupants of Lots or Dwellings; (ix) all other fees, costs and expenses incurred by the Association in accordance with the terms and provisions of the Declaration or which the Board, in its sole discretion, determines to be appropriate to be paid by the Association; and (x) the establishment and maintenance of a reasonable reserve fund or funds (1) for inspections, maintenance, repair and replacement of any portions of the Common Areas for which the Association is responsible to inspect, maintain, repair or replace on a periodic basis, (2) to cover emergencies and repairs required as a result of casualties which are not funded by insurance proceeds and (3) to cover unforeseen operating contingencies or deficiencies arising from unpaid Assessments as well as from emergency expenditures and other matters, all as may be authorized from time to time by the Board.

12. Notwithstanding anything provided to the contrary in this Amended Declaration, the amount of the Annual Assessments payable with respect to each Lot prior to the Turnover Date shall be subject to the following limitations: (i) the Annual Assessment for the 2006 calendar year shall be limited to twenty-five dollars (\$25.00) per Lot and shall be increased on January 1 or each year thereafter by five dollars (\$5.00) per year until January 1, 2020 at which time the Annual Assessment for all Lots shall be and remain constant per Lot per year until the occurrence of the Turnover Date.

Following the occurrence of the Turnover Date, Annual Assessment for all Lots shall be the same and shall be determined by the Board.

13. In addition to the Annual Assessments, the Board may levy in any year Special Assessment for Common Expenses or any extraordinary costs incurred by the Association; provided, however, that any such Special Assessment must be approved by (a) two-thirds of the Owners voting at a duly convened meeting of the Association or in a ballot vote by the members of the Association held in accordance with the provisions of the Bylaws and (b) by Developer to the extent such Special Assessment is levied prior to the Turnover Date. The Board may make such Special Assessment payable in one lump sum or in installments over a period of time which may in the Board's discretion, extend beyond the then fiscal years in which said Special Assessments are levied and assessed. Special Assessments shall be levied against and payable by each Owner.

14. The Association may, in its sole discretion, at any time and from time to time levy and assess as Individual Assessments against any Lot any costs or expenses incurred by the "Committee" or the Association as a result of the failure of any Owner or occupant of a Lot or Dwelling or their respective family members, agents, guests, servants, employees, invitees and contractors, to at all times observe and perform their respective duties and obligations under this Amended Declaration. The Individual Assessments shall be levied by the Board and the amount and due date of such Individual Assessment shall be specified by the Board in a notice to the Owner.

15 Assessments shall commence as to each Lot on the day on which such Lot is conveyed to a person other than the Developer and shall be due and payable in such manner and on such schedule as may be established from time to time by the Board, subject to proration for the remainder of the then calendar year in which such Lot was conveyed to a person other than Developer. Notwithstanding anything provided herein to the contrary, Developer shall not be responsible for the payment of any Assessments on any Lots or Dwelling owned by the Developer.

16. Each Owner of a Lot is and shall be deemed to covenant and agree to pay the Association, all Assessments provided for herein. In the event any Assessments or any portions thereof are not paid in full within thirty (30) days from the statement billing date, then (i) the Owner of such Lot shall be deemed in default hereunder and (ii) the unpaid portion of the Assessment shall accrue simple interest at the lesser of eighteen percent (18%) per annum or the highest rate which may be charged to said Owner by the law from and after the 30th day from the statement billing date until the same has been paid in full. In the event any Assessments or any portion thereof are not paid in full within thirty (30) days from the statement billing date, then the unpaid portion of such Assessment shall also be subject to a late charge in an amount determined and uniformly applied by the Board from time to time. In the event the Association employs an attorney to otherwise takes any legal action in attempting to collect any amounts due from any Owner, such Owner agrees to pay all attorneys' fees, court costs, and all other expenses paid or incurred by the Association. The lien and equitable charge upon each Lot for Assessments shall also include all late charges, interest at the Applicable Rate and all

attorneys' fees, court cost and all other expenses paid or incurred by the Association in attempting to collect any unpaid Assessments.

In the event any Assessments are not paid by any Owner within thirty (30) days from the statement billing date, then, in addition to all other rights and remedies provided at law or in equity, the Association, acting through its Board or through any of its officers or authorized representatives, may (i) commence and maintain a suit at law against on Owner to enforce such charges and obligations for Assessments and any such judgment rendered in any such action shall include the late charge and interest at the Applicable Rate, together with attorneys' fees, court costs and all other expenses paid or incurred by the Association in collecting such unpaid Assessments and/or (ii) enforce the lien created below in the manner hereinafter provided.

There is hereby created a continuing lien on each Lot and all improvements thereto, with power of sale, which secures the payment to the Association of any and all Assessments levied against or upon such Lot, all late charges, interest at the Applicable Rate and all attorneys' fees, court costs and all other expenses paid or incurred by the Association in collecting any Assessments. If any portion of any Assessment remains unpaid for more than thirty (30) days from the statement billing date, then the Association, through the Board or any officer or authorized representative thereof, may, but shall not be obligated to, make written demand on such defaulting Owner, which demand shall state the date and amount of delinquency. Each default shall constitute a separate basis for a demand and claim of lien, but any number of defaults may be included in a single demand. If such delinquency is not paid in full within ten (10) days after the giving of such demand, or even without giving demand, the Association may file a claim of lien and perfect its lien against the Lot of such delinquent Owner, which claim shall be executed by any member of the Board or any officer of the Association, contain the following information and be recorded in the Office of the Judge of Probate of Shelby County, Alabama: (i) the name of the delinquent Owner; (ii) the legal description and street address, if any, of the Lot upon which the lien claim is made; (iii) the total amount claimed to be due including late charges, interest at the Applicable Rate, collection costs and attorneys' fees incurred to date and a statement, if applicable, that such charges and costs shall continue to accrue and be charged until full payment has been received; and (iv) a statement that the claim of lien is made by the Association pursuant to this Amended Declaration and is claimed against such Lot (and all Improvements thereto, if any) in an amount equal to that stated therein.

The lien provided for herein shall be in favor of the Association and may be foreclosed in the same manner as a foreclosure of a mortgage on real property under the laws of the State of Alabama, as the same may be modified or amended from time to time. The Association shall have the right and power to bid at any such foreclosure sale and to purchase, acquire, hold, lease, mortgage, convey and sell any such Lot. Each Owner, by acceptance of a deed to any Lot, shall be deemed to (1) grant to and vest in the Association and its agents, the right and power to exercise the power of a sale granted herein and foreclose the lien created herein, (2) grant to and vest in the Association and




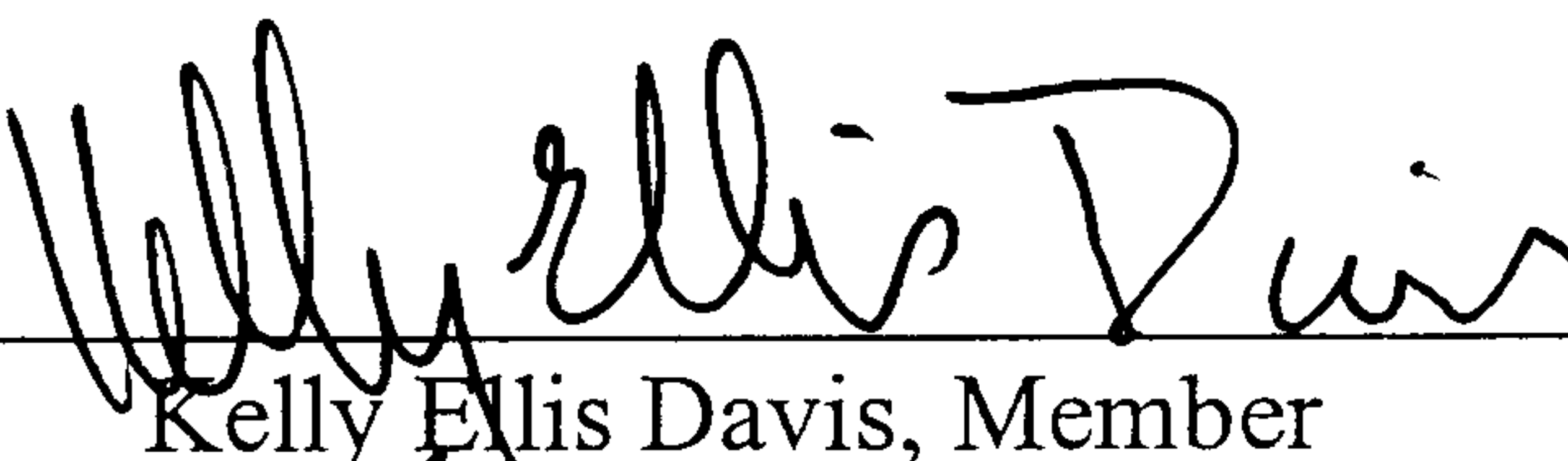
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Shelby Cnty Judge of Probate, AL
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its agents the right and power to bring all actions against such Owner personally for the collection of all amounts due from such Owner (3) expressly waive any objection to the enforcement and foreclosure of the lien created herein and (4) expressly waive the defense of the statute of limitations which may be applicable to the commencement of any such suit or action for foreclosure.

IN WITNESS WHEREOF, the undersigned have duly executed this Hidden Springs, Sector One, Amended and Restated Declaration of Protective Covenants and the same is hereby forevermore repeals and replaces the Declaration of Protective Covenants for Hidden Springs, Sector One, as recorded on October 4, 2000 as Instrument No. 2000-34908 in the Office of the Judge of Probate of Shelby County, Alabama.

Developer: Hidden Springs LLC, an Alabama Limited Liability Company

By: 
Frank Corley Ellis, III, Member

By: 
Kelly Ellis Davis, Member

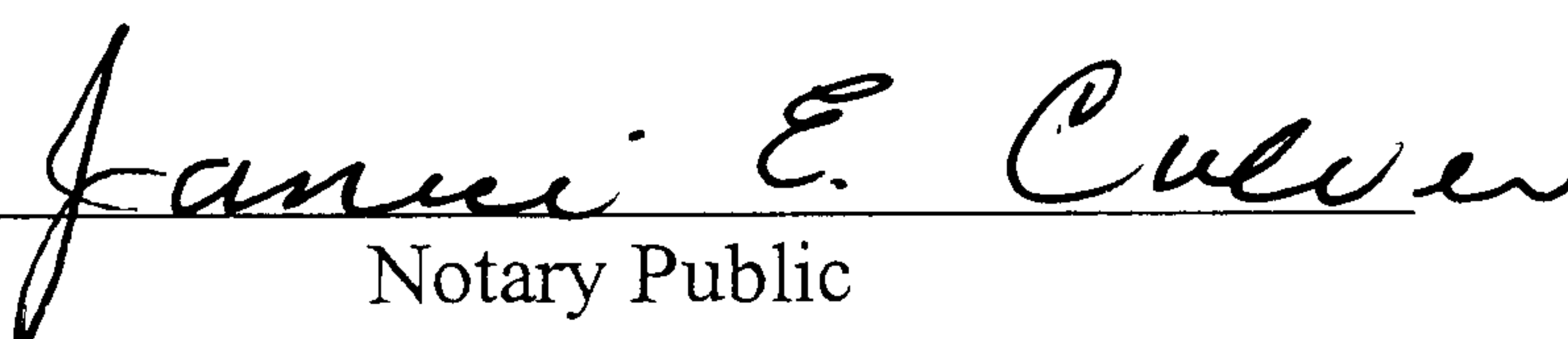
By: 
Christy Ellis Brasher, Member

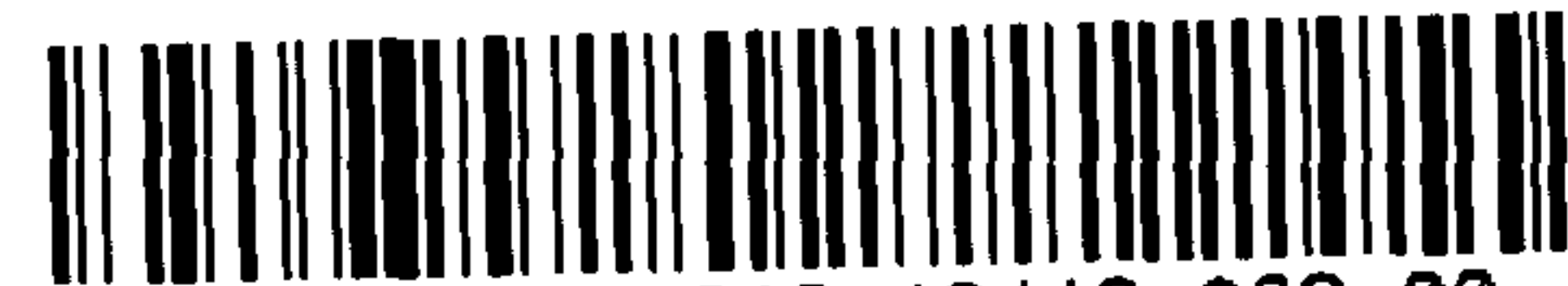
By: 
Frank Corley Ellis, Jr., Member

STATE OF ALABAMA
SHELBY COUNTY

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Frank Corley Ellis, III, whose name as a Member of Hidden Springs, LLC, an Alabama Limited Liability Company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day, that, being informed of the contents of the instrument, he, executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this the 28th day of Sept., 2005.


Notary Public



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Shelby Cnty Judge of Probate, AL
09/28/2005 02:09:04PM FILED/CERT

STATE OF ALABAMA
SHELBY COUNTY

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Kelly Ellis Davis, whose name as a Member of Hidden Springs, LLC, an Alabama Limited Liability Company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day, that, being informed of the contents of the instrument, she, executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this the 28th day of Sept., 2005.

Jamie E. Culver
Notary Public

STATE OF ALABAMA
SHELBY COUNTY

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Christy Ellis Brasher, whose name as a Member of Hidden Springs, LLC, an Alabama Limited Liability Company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day, that, being informed of the contents of the instrument, she, executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this the 28th day of Sept., 2005.

Jamie E. Culver
Notary Public

STATE OF ALABAMA
SHELBY COUNTY

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Frank Corley Ellis, Jr, whose name as a Member of Hidden Springs, LLC, an Alabama Limited Liability Company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day, that, being informed of the contents of the instrument, he, executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this the 28th day of Sept., 2005.

Jamie E. Culver
Notary Public