

This instrument prepared by, and
upon recording should be returned to:

C. Crawford Williams, Attorney at Law
2140 Eleventh Avenue South, Suite 410
Birmingham, AL 35205

STATE OF ALABAMA)

COUNTY OF SHELBY)

**DECLARATION OF EASEMENTS, PROTECTIVE COVENANTS
AND RESTRICTIONS FOR
SAUNDERS BRIDGE, A RESIDENTIAL SUBDIVISION**

THIS DECLARATION OF EASEMENTS, PROTECTIVE COVENANTS, AND RESTRICTIONS (the "Declaration") is made as of this 10 day of January, 2007, by TP Development Company, LLC, an Alabama Limited Liability Company ("Developer"). Capitalized terms not further defined elsewhere in this Declaration shall have the meaning assigned in Article 1.

WHEREAS, Developer is the owner of the Property and desires that the Property be developed into a residential subdivision with single family Lots and Common Areas as part of a planned community to be known as Saunders Bridge (the "Development"), the purpose of which is primarily for recreational use by Owners and their Immediate Family;

WHEREAS, Developer desires to establish and enforce uniform standards of development quality and to provide for the effective preservation of the appearance and value of the Property, which benefit all Owners and, to this end, desires to subject the Property to this Declaration all of which are for the benefit of the Property, the Developer and each Owner thereof;

WHEREAS, Developer desires to establish certain protective and restrictive covenants providing for the maintenance and repair of the Common Areas and for the regulation of the use of such Common Areas, and to this end, desires to subject the Property to the easements, restrictions and covenants of this Declaration, all of which are for the benefit of the Property and each Owner; and

WHEREAS, Developer has formed the Association for the ownership, management and regulation of the Common Areas, the enforcement and the levying Assessments against the Owners to enable the Association to perform such obligations.

NOW, THEREFORE, Developer does hereby declare that the Property be held, developed, improved, transferred, sold, conveyed, occupied and used subject to the following easements, covenants, conditions, restrictions, charges, liens and regulations, which shall, as described herein, be binding upon and inure to the benefit of the Developer, all Owners, Occupants and other parties acquiring or having any right, title or interest in any portion of the Property and any of the Additional Property (but only to the extent Developer submits any portion of the Additional Property to the terms and provisions of this Declaration).

**ARTICLE 1
DEFINITIONS**

As used throughout this Declaration and in the Recitals, the following terms, with initial capital letters, shall have the meanings set forth below, which meanings shall be applicable to both the singular and plural forms and tenses of such terms:

1.1 **Additional Property.** The term "Additional Property" shall mean and refer to any real property and any Improvements situated thereon lying adjacent to or in close proximity with the Property (but which does not presently comprise any part of the Development) which Developer may from time to time submit and add to the provisions of this Declaration pursuant to the provisions of Section 2.2 below. The Additional Property may also include additional Common Areas and extensions of the Lakes.

1.2 **ARC.** The term or letters "ARC" shall mean the architectural review committee appointed by the Board of Directors pursuant to Section 6.2 hereof with the rights and obligations conferred upon such architectural review committee pursuant to this Declaration or by the Association.

1.3 **Architectural Standards.** The term "Architectural Standards" shall mean the standards prepared, issued and amended from time to time by the Association or the ARC for the purpose of reviewing and approving all Improvements which may be made to any Lot or Dwelling. The Architectural Standards are set forth in the Pattern Book of Saunders Bridge.

1.4 **Articles of Incorporation.** The term "Articles of Incorporation" shall mean and refer to the Articles of Incorporation of the Association and all amendments thereto.

1.5 **Assessment.** The term "Assessment" shall mean the assessments to be assessed against the Owners of Lots and Dwellings pursuant to the authority vested in the Association and such term shall include Common Area Assessments and individual assessments where no distinction is required.

1.6 **Association.** The term "Association" shall mean Saunders Bridge Homeowners Association, Inc., an Alabama non-profit corporation.

1.7 **Board of Directors.** The term "Board of Directors" shall mean and refer to the persons elected by the Association to manage the business of the Association (and their duly elected successors) as provided in the Articles of Incorporation and the Bylaws.

1.8 **Bylaws.** The term "Bylaws" shall mean the Bylaws of the Association, as the same may be amended from time to time.

1.9 **Collateral Transfer.** The term "Collateral Transfer" shall mean a Transfer solely for the purpose of collaterally securing an indebtedness and shall include a Transfer by mortgage, pledge or security agreement.

1.10 **Common Areas.** The term "Common Areas" shall mean and refer to all real and personal property now or hereafter owned or otherwise acquired by lease, easement or otherwise, by the Association for the common use and enjoyment of the Owners, whether located within the Property, adjacent to the Property or in close proximity to the Property. The Common Areas shall include, without limitation, (a) all Common Roads, (b) all signage, street lights, lighting, walkways, sidewalks, paths, bicycle and jogging paths and lanes, gates, walls, fences, guardhouses, improvements, landscaping and landscaped or other areas immediately adjacent to any public roadways or Common Roads, including all medians with any public roadways or Common Roads, (c) all Lakes, water features, storm drains and sewers, drainage and/or watershed protection or retention ponds, basins or other areas and facilities located within the Development; (d) all maintenance areas and parking areas located on any portion of the Development; (e) all utility lines, pipes, ducts, conduits, equipment, machinery and other apparatus and appurtenances which are located in or serve any portion of the Common Areas; and (f) all parks, nature trails, recreational facilities and areas and any other areas or Improvements on or within the Development which are designated as Common Areas by Developer from time to time. The designation of any land and/or improvements as Common Areas shall not mean or imply that the public at large acquires any easement of use or enjoyment or any other rights, licenses or benefits therein or to the use thereof.

1.11 **Common Area Assessment.** The Common Area Assessment shall mean and refer to any and all assessments imposed by the Association to pay expenses related to the Common Areas in accordance with the provisions of Article 8 of this Declaration as well as all other Common Expenses.

1.12 **Common Expenses.** The term "Common Expenses" shall mean and refer to all expenditures made or incurred by or on behalf of the Association, together with all funds assessed for the creation or maintenance of reserves pursuant to the provisions of this Declaration.

1.13 **Common Roads.** The term "Common Roads" shall mean all the presently existing roads, as such roads may be relocated and improved, located within or abutting the Property, including without limitation, the access road to the Lakes and any additions thereto and extensions thereof. Developer reserves the right to improve and relocate the existing Common Roads on the property so long as ingress and egress is provided to each Lot at all times. Common Roads shall not be dedicated roads, and if dedicated to the public, the portion of the road so dedicated shall no longer be a Common Road.

1.14 **Declaration.** The term "Declaration" shall mean and refer to this Declaration of Easements, Protective Covenants and Restrictions for Saunders Bridge, a Residential Subdivision, and all amendments thereto.

1.15 **Development.** The term "Development" shall mean and refer to the Property and all Improvements thereon submitted to the provisions of this Declaration as a Lot or Common Area together with Improvements thereon, and any of the Additional Property submitted to the provisions of this Declaration pursuant to Section 2.2 hereof.

1.16 **Dwelling.** The term "Dwelling" shall mean and refer to any Lot, once improved. A parcel of land shall be deemed unimproved and thus considered to be a Lot rather than a Dwelling, until the Improvements constructed thereon are sufficiently complete to a reasonably permit habitation thereof. Upon such completion, such Lot and the Improvements thereon shall collectively be considered to be a Dwelling for purposes of this Declaration.

1.17 **Governmental Authority.** The term "Governmental Authority" shall mean any and all city, county, state and federal governmental or quasi-governmental agencies, bureaus, departments, divisions or regulatory authorities having

jurisdiction over any portion of the Development.

1.18 **Immediate Family.** The term "Immediate Family" shall include the lineal descendants of the applicable person and his or her spouse who are then Owners of the applicable Dwelling.

1.19 **Improvement.** The term "Improvement" shall mean and refer to all Dwellings, any building, structure or device constructed, erected or placed upon any Lot or Dwelling or Common Area which in any way affects the exterior appearance of any Lot, Dwelling, or Common Area. Improvements shall include, by way of illustration and not limitation, buildings, sheds, foundations, covered patios, underground utilities, roads, driveways, walkways, paving, curbing, parking areas, trees, shrubbery, landscaping, fences, screening, walls, signs and any other artificial or man-made changes or alterations to the natural condition of any Lot or Dwelling. "Improvements" shall also mean any grading, any excavation or fill, the volume of which exceeds eight (8) cubic yards.

1.20 **Institutional Mortgagee.** The term "Institutional Mortgagee" shall mean and refer to any federal or state chartered bank, trust company, life insurance company or federal or state savings and loan association, real estate investment trust or other recognized lending institution which normally and customarily engages in the business of making mortgage loans and shall include any institutional or governmental purchaser of mortgage loans in the secondary market, such as Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, which holds a first Mortgage on any Lot which has been duly and properly recorded in the Probate Office.

1.21 **Lakes.** The term "Lakes" shall mean and refer to those lakes, spillways, dams and related bottom structures that are located on the Property (including certain Lots), but shall exclude drainage or watershed protection devices.

1.22 **Lot.** The term "Lot" shall mean and refer to any unimproved portion of the Property upon which it is intended that a Dwelling be constructed thereon. A parcel of land shall be deemed unimproved and thus considered to be Lot rather than a Dwelling, until the Improvements constructed thereon are sufficiently complete to reasonably permit habitation thereof. Upon such completion, such Lot and the Improvements thereon shall collectively be considered to be a Dwelling for purposes of this Declaration.

1.23 **Mortgage.** The term "Mortgage" shall mean and refer to any mortgage, deed of trust or other security device encumbering a Lot or Dwelling or any interest therein and which shall have been duly and properly recorded in the Probate Office of Shelby County, Alabama.

1.24 **Mortgagee.** The term "Mortgagee" shall mean and refer to the holder of any Mortgage and shall include any Institutional Mortgagee.

1.25 **Non-Restricted Transfer.** The term "Non-Restricted Transfer" means a Transfer (i) by an Owner to, or to a trustee or trustees of one or more trusts established solely for the benefit of, the spouse, children, or grandchildren of such Owner, or (ii) by a trustee or trustees of such a trust to the spouse, children or grandchildren of the Owner who established such trust.

1.26 **Occupant.** The term "Occupant" shall mean and include any Owner (including any member of their respective Immediate Families) and guests, agents, servants, employees or invitees of any Owner and any other person who occupies or uses any Dwelling within the Development. All actions or omissions of any Occupant are and shall be deemed the action or omission of the Owner of such Dwelling.

1.27 **Owner.** The term "Owner" shall mean and refer to the record owner of fee simple title to any Lot or Dwelling, whether a corporation, partnership, proprietorship, association or other entity of any nature, including natural persons, but shall not include (i) any Mortgagee unless and until such Mortgagee has foreclosed on its mortgage and purchased such Lot or Dwelling at the foreclosure sale held with respect to the foreclosure of such Mortgage or (ii) any purchaser, contract purchaser or vendor who has an interest in any Lot or Dwelling solely by virtue of a lease, contract, installment contract or other agreement.

1.28 **Pattern Book.** The term "Pattern Book" means and refers to that publication relating to the Development containing the Architectural Standards applying to Owners, as same may be amended from time to time by the Association, which publication is incorporated herein by reference.

1.29 **Probate Office.** The term "Probate Office" shall mean and refer to the Office of the Judge of Probate of Shelby County, Alabama.

1.30 **Property.** The term "Property" shall mean and refer to that certain real property situated in Shelby County, Alabama, which is more particularly described on Exhibit A attached hereto and made apart hereof. The Property shall also include any Additional Property made subject to this Declaration pursuant to Section 2.2 hereof.

1.31 **Super-Majority.** The term "Super-Majority" shall mean and refer to a vote of 2/3 of the members present at a vote of the Association (assuming a quorum is present, as determined in accordance with the Bylaws) entitled to vote on the matter in question.

1.32 **Transfer.** The term "Transfer" means any conveyance or transfer, whatsoever, absolute or for security, whether by deed, bill of sale, mortgage, pledge, assignment, will or intestacy, and whether or not for any consideration or by gift; and the verb "Transfer" means any action taken to accomplish any Transfer.

1.33 **Transferee.** The term "Transferee" means any person, firm, corporation or other entity to whom a Transfer is made.

ARTICLE 2

PROPERTY SUBJECT TO THE DECLARATION

2.1 **General Declaration.** Developer hereby declares that the Property is and shall be subject to the easements, covenants, conditions, restrictions, charges, liens and regulations of this Declaration and the Property, any part thereof and each Lot, Dwelling, and all Common Areas included therein shall be held, owned, sold, transferred, conveyed, hypothecated, encumbered, occupied, built upon and otherwise used, improved and maintained subject to the terms of this Declaration, which easements, covenants, conditions, restrictions, charges, liens and regulations shall run with the title to the Property and shall be binding upon and inure to the benefit of Developer and upon all Owners and Occupants of the Property and any Lot, Dwelling, and Common Area thereof. This Declaration shall not apply to any other property owned by Developer unless the same is subjected to this Declaration specifically by written instrument pursuant to Section 2.2 below.

2.2 **Additional Property.** Developer reserves the right, in its sole and absolute discretion, at any time and from time to time during the pendency of this Declaration, 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. 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 Probate Office, which instrument shall be deemed an amendment to this Declaration (which need not be consented to or approved by any Owner, Occupant or Mortgagee of any Lot or Dwelling) and shall:

- (a) refer to this Declaration stating the book and page number in the Probate Office where this Declaration is recorded,
- (b) contain a statement that such Additional Property is to be conveyed subject to the provisions of this Declaration or only specified portions thereof,
- (c) contain the legal description of such Additional Property, and
- (d) state such other or different covenants, conditions and restrictions as the Developer, in its sole discretion, shall specify to regulate and control the use, occupancy and improvement of such Additional Property.

From and after the date on which an amendment to this Declaration is recorded in the 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 or Dwellings within the Additional Property which are added and submitted to the Declaration so that there shall continue to be one vote in the Association per Lot or Dwelling within the Development. In no event shall Developer be obligated to submit any Additional Property to the provisions of this Declaration or to impose any of the covenants, conditions or restrictions set forth in this Declaration upon any real property owned by Developer situated adjacent to or in close proximity with the Development. Notwithstanding anything provided in this Declaration to the contrary (i) the provisions of this Section 2.2 may not be abrogated, modified, rescinded, supplemented or amended, in whole or in part, without the prior written consent of Developer, and (ii) the rights reserved by Developer pursuant to this Section 2.2 shall not be deemed to inure to the benefit of any transferee or purchaser of the Additional Property or any portion thereof, unless Developer, in its sole discretion, transfers and conveys to such transferee or purchaser the rights reserved herein by express reference to Section 2.2 of this Declaration.

2.3 **Right of Developer to Modify Restrictions with Respect to Lots Owned by Developer.** With respect to any Lot owned by Developer, Developer may, by deed, contract or other instrument filed for record in the manner specified in Section 2.2 above, modify the provisions of this Declaration as the same apply to any such Lot; provided, however, that this Declaration may not be modified or amended to (a) increase or decrease the voting rights in the Association attributable to such Lot or Dwelling situated thereon or (b) exempt any Lot or Dwelling situated thereon from the payment of the Assessments.

2.4 **Mutuality of Benefit and Obligation.** The provisions of this Declaration are made (a) for the mutual and reciprocal benefit of each Lot, Dwelling, and Common Area within the Development and are intended to create mutual, equitable servitudes upon and in favor of each Lot, Dwelling, or Common Area, (b) to create reciprocal rights and obligations between the

respective Owners and all future and subsequent Owners of any Lot, Dwelling, or Common Area within the Development and (c) to create a privity of contract and estate between the Owners, their respective heirs, successors and assigns.

2.5 Development of Property. Developer shall have the right, but not the obligation, for so long as Developer owns any Lot or Dwelling in the Development, to make improvements and changes to all Common Areas and to all Lots or Dwellings owned by Developer, including without limitation (i) installation and maintenance of any Improvements in or to the Common Areas, (ii) changes in the location of the boundaries of any Lots or Dwellings owned by Developer or of the Common Areas, (iii) changes in the boundaries of the Lakes and any portion of the Property owned by Developer, including any Additional Property owned by Developer, (iv) installation and maintenance of any water, sewer and any other utility systems and facilities within the Common Areas, and (v) installation of security and trash and refuse facilities.

2.6 Subdivision Plat. Developer reserves the right to record, modify, amend revise and otherwise add to, at any time and from time to time, a subdivision plat setting forth such information as Developer may deem necessary with regard to the Development, including, without limitation, the locations and dimensions of all Lots, Dwellings, Common Areas, Additional Property, public or private roads, utility systems, drainage systems, utility easements, drainage easements, access easements, set-back line restrictions, Lakes, retention ponds and drainage basins. Any such subdivision plats or any amendments thereto shall be binding on the portions of the Property indicated thereon as if such subdivision plat were specifically incorporated into this Declaration. Notwithstanding anything provided to the contrary in this Declaration, Developer may at any time and from time to time divide and re-divide, combine and re-subdivide any Lots owned by Developer.

ARTICLE 3 EASEMENTS

3.1 Grant of Non-exclusive Easements to Owners.

(a) **Non-exclusive Easements.** Subject to the terms and conditions of this Declaration and the rules and regulations from time to time established by the Association, Developer does hereby grant to each Owner and Occupant the nonexclusive right, privilege and easement for access to and the use and enjoyment of the Common Areas in common with all other Owners and Occupants. Subject to the provisions of Sections 3.3 below, the easement and rights granted pursuant to this Section 3.1 are and shall be permanent and perpetual, are nonexclusive, are appurtenant to and shall pass and run with title to each Lot and Dwelling. The easements and rights granted pursuant to this Section 3.1 are expressly subject to the rights to restrict access to the Common Roads and the Lakes as provided in Sections 3.3 and 3.4 below.

(b) **Recreational Facilities.** Subject to the terms and provisions of this Declaration and the rules, regulations, fees and charges from time to time established by the Association, each Owner and Occupant shall have the nonexclusive right, privilege and easement for access to and the use and enjoyment of the recreational areas, facilities and amenities now or hereafter located in the Common Areas. The easement and rights granted herein are and shall be permanent and perpetual, are nonexclusive, are appurtenant to and shall pass and run with title to each Lot and Dwelling.

(c) **Benefit of Easements.** The easements, rights and privileges granted in Article 3 shall pass with title to each Lot and Dwelling as an appurtenance thereto and may not be severed, transferred, assigned or otherwise alienated separate or apart from a Lot or Dwelling.

3.2 Grant of Easement to Governmental Authorities. Subject to the provisions of Section 3.3 below, Developer does hereby grant to each branch, bureau, department and agency of the Governmental Authorities and their respective agents, employees and representatives, a permanent, perpetual and nonexclusive easement over, across, through and upon the Common Roads within the Development forming a part of the Common Areas for the purposes of performing such duties and activities related to law enforcement, fire protection, trash and refuse collection, building inspection services, mail and package delivery, medical and emergency services and any other functions or duties to be performed by the Governmental Authorities as shall be required or appropriate from time to time.

3.3 Reservation of Controlled Access Easement.

(a) **Common Roads.** Subject to the terms and conditions set forth in this Declaration, Developer does hereby grant to each Owner and Occupant a nonexclusive easement over and upon, and the right to use for pedestrian and vehicular travel and transportation purposes, the Common Roads, subject to and in common with all other parties having any interest or rights in and to any or all of such Common Roads. The easement and rights granted pursuant to this Section 3.3(a) shall be permanent and perpetual, are nonexclusive, are appurtenant to and shall pass and run with the title to each Lot or Dwelling.

(b) **Waiver of Unlimited Access.** Each Owner, by acceptance of a deed or other instrument conveying any interest in any Lot or Dwelling does hereby waive all rights of uncontrolled and unlimited access, ingress to and egress from such Lot or Dwelling and acknowledges and agrees that (i) in order to provide a secure and safe environment, access and ingress to and egress from the Development may be controlled, restricted and limited to exclude the general public therefrom and (ii)

access, ingress to and egress from such Owner's Lot or Dwelling shall be limited to the roads, sidewalks, walkways, paths, trails and bicycle and jogging paths and lanes designated as Common Areas; provided, however, that, subject to the terms and provisions of the Declaration, vehicular and pedestrian access to and from all Lots and Dwellings shall be provided at all times.

(c) **Right to Install Security.** Developer does hereby establish and reserve for the Association and its respective successors and assigns, the right and privilege, but not the obligation, to maintain guarded or electronically-monitored gates controlling, limiting and restricting vehicular and pedestrian access to and from any portion of the Development to the extent permitted by law or by others persons or entities other than Owner with any rights or access rights through the Development.

(d) **Maintenance and Control of Common Roads.** Developer reserves for the Association, and its respective successors and assigns, the exclusive right to maintain, repair, relocate and replace the Common Roads, including without limitation, sidewalks, walking/biking trails, streets, entrance ways, parking areas, landscaping, and related improvements located on or about the Common Roads; provided that no gates, fences, walls, curbs or other obstructions shall be constructed which will impair the ingress and egress of vehicles and pedestrians (except as described in Section 3.3(c)), or the installation of utilities as herein provided, or otherwise unreasonably interfere with the easements herein granted. Developer also reserves for the Association and its respective successors and assigns, the exclusive right, but not the obligation, to regulate, control and police the traffic on the Common Roads and from time to time to establish, modify, and enforce reasonable rules and regulations regarding the use of the Common Roads.

3.4 **Grant and Reservation of Easement and Restrictions With Respect to the Lakes.**

(a) **Easement to Use the Lakes.** Subject to the limitations and restrictions set forth in Section 3.4(b) below, Developer hereby grants to each Owner and Occupant an easement to use and enjoy the Lakes for recreational purposes, in common with all other Owners and Occupants. Subject to the provisions of Section 3.4(b) below, the easements and rights granted pursuant to this Section 3.4(a) are and shall be permanent and perpetual, and are appurtenant to and shall pass and run with title to each Lot or Dwelling and shall burden and be binding upon all Property where the Lakes are located from time to time. The easements and rights are expressly subject to the rights reserved by Developer and the Association to restrict the use of the Lakes under Section 3.4(b) below.

(b) **Limitation and Restrictions Regarding the Lakes.** Each Owner, by acceptance of a deed or other instrument conveying any interest in a Lot or Dwelling, does hereby agree that the use and enjoyment of the Lakes shall be limited to the rights granted by Developer in this Declaration and any other instrument by which the Association may grant or acquire an interest in, or a right to use, any of the Lakes. The use and enjoyment of the Lakes shall also be subject to the following restrictions and limitations:

(i) **Watercraft Requirements.** All watercraft used on the Lakes must be approved by the Association prior to use. Approval of any watercraft shall be in the sole discretion of the Association and shall be evidenced by an emblem or other designation from time to time adopted by the Association attached to both sides of the permitted boat or other watercraft. Notwithstanding the provisions of Section 3.4(c) below, failure to affix and maintain said emblems in the manner required by the Association shall result in written notification to the violating Owner of his or her failure to comply with Association regulations. Failure of the violating Owner to comply with the Association's regulations within a period of ten (10) days after receipt of said notification will result in a fine payable by the violating Owner to the Association in the amount of \$50.00 for the first offense, \$100.00 for the second offense, and \$200.00 for the third offense. A continuing offense after the imposition of any fine, or the failure to pay a fine imposed, may result in the revocation of Association approval of any or all watercraft owned by the violating Owner or any Occupant of such violating Owner's Dwelling. The criteria for the approval of boats or other watercraft shall be subject to the following limitations (as same may be amended by the Association from time to time):

- 1) No boats designed for speed will be permitted;
- 2) Only watercraft with outboard motors (no inboard motors or open above the water exhaust); and
- 3) There will be a maximum horsepower limit of 75 horsepower and a maximum boat length of 16 feet.

(ii) **Watercraft Use Restrictions.** The following restrictions shall be applicable to the use of any watercraft in the Development:

- 1) Nothing above idle speed from 6:00 p.m. to 10:00 a.m.;
- 2) Only three (3) boats pulling skiers may be on the Lakes at one time; and

- 3) When there is more than one boat pulling a skier on the Lakes at the same time, skiers must be pulled in a counterclockwise direction around the Lakes.

(iii) **Piers and Launches.** Except for common launches constructed and maintained by the Association, no piers, jetties, storage facilities, launches or other similar structures or Improvements shall be constructed or located so that they extend into any portion of the Lakes. Construction of any boat house must be approved by the ARC and must be constructed according to the Architectural Standards (as set forth in the Pattern Book).

(iv) **Fishing.** Fishing shall be permitted subject to rules provided by the Association and the following limitations:

- 1) All laws and regulations of the State of Alabama now in effect or hereafter promulgated concerning reel limits are to be adhered to unless otherwise advised by the Alabama Department of Conservation and Natural Resources.
- 2) No game fish are to be taken by any method other than pole and line or rod and reel.
- 3) No Owner or Occupant shall be permitted to have more than two boats fishing on the Lakes at one time.
- 4) No Owner or Occupant shall permit or invite any guests to fish at any time unless the Owner or some member of his or her Immediate Family is present.

(v) **Guests and Family.** Subject to the provisions contained herein, the use of the Lakes shall be primarily for Owners, Occupants and their respective Immediate Families.

(vi) **Maintenance.** Owners are responsible for the removal of any trees, bushes, or items of a similar nature which are cut down or fall from their Lot into the Lakes.

(vii) **Hazardous Materials and/or Use of Poisons.** No products that are listed on any current stipulated hazardous or toxic materials list of the Environmental Protection Agency, the Alabama Department of Environmental Management, any other Governmental Agency or as prohibited by the Association shall be stored or used on any Lot, except that gasoline and other petroleum products, pesticides, and fertilizers may be stored and used on a Lot for the purpose of normal and routine maintenance of grounds and the normal routine construction, repair, maintenance and operation of Dwelling and other Improvements located on a Lot, including construction materials which are stored and/or used during construction, if, in the opinion of the Association, such products or items are not stored or used in quantities or in a manner which are likely to endanger the Lakes. Notwithstanding the foregoing, no pesticides or other toxic, hazardous or harmful chemicals shall be used whatsoever within 50 feet of the Lakes. Any such chemicals used or applied more than 50 feet from the Lakes shall be so used and applied to prevent their spread or dissemination into the Lakes.

(c) **Liability for Violation of Restrictions.** In the event that an Owner or Occupant of a Lot or Dwelling violates any of the restrictions and limitations set forth in subparagraph (b) above, said Owner or Occupant shall be subject to one or more of the following:

(i) If such violation causes damage (as determined by the Association) to any Lakes or the fishing condition thereof, such Owner shall be liable to the Association for the cost of curing the damage to the Lakes caused by such violation which may include, without limitation, the cost of draining and restocking the Lakes if recommended by a professional consultant.

(ii) In the event that any such violation causes personal injury to any person or to the property of any person, the Owner shall indemnify and hold all other non-violating Owners, the Association, the Developer and their respective members, shareholders, managers, directors, officers, employees, successors and assigns, harmless from and against any liability which any of the foregoing indemnified parties may have to the extent that insurance proceeds available to any of the foregoing indemnified parties, if any, are not sufficient to satisfy any such liability.

(iii) In all events, the Association may impose an additional fine not to exceed Five-Hundred and 00/100 Dollars (\$500.00) against said Owner. All amounts collected by the Association shall be used for the maintenance of the Development.

(iv) Nothing contained herein shall serve to limit any other remedy available to the Association or the

Developer at law or in equity.

(d) **Duty of the Association and Developer.** The easements for the use of the Lakes granted hereby shall be used solely for non-commercial recreational purposes and the responsibility of Developer and the Association and their respective successors and assigns with respect to the Lakes for liability for injury or damage to persons (including death) or property is intended to be limited by Section 35-15-1 et seq. of the Code of Alabama 1975 (the "Statute"). Regardless of the applicability of the Statute to the Developer, the Association, any Owner or Occupant, or any member, manager, shareholder, officer, director, partner, general partner, agent, successors, heirs or assigns of the Developer, the Association, any Owner or Occupant (the "Released Parties"), any person by his or her use of the Lakes or other Common Areas (each such person, a "User") pursuant to the easements and rights granted hereunder or otherwise, shall be deemed to have constructively agreed that none of the Released Parties shall have any duty of care or any other duty whatsoever to any User, including, without limitation, any duty whatsoever to keep the Lakes or other Common Areas safe for entry and use by such Users, or to give any warning of hazardous conditions, use of structures or activities on or about the Lakes or other Common Areas; and the Released Parties shall have no liability for any injury to persons or property caused by any act or omission of any Released Party or any other person relating to or arising out of the use of the Common Areas or Lakes by any person.

3.5 **Reservation of General Access Easement.** Developer does hereby establish and reserve for the Association and the ARC and their respective agents, employees, representatives, invitees, successors and assigns, a permanent and perpetual nonexclusive easement appurtenant over, across, through and upon each Lot or Dwelling for the purpose of providing ingress to and egress from each Lot and Dwelling for (a) inspecting each Lot and Dwelling and any Improvements thereon in order to determine compliance with the provisions of this Declaration and/or other applicable regulations or covenants, and (b) the performance of the respective duties of the ARC and the Association hereunder, including, without limitation, taking any action required or permitted to be taken by the ARC and the Association pursuant to any of the terms or provisions of this Declaration and/or other applicable regulations or covenants; provided, however, that upon completion and occupancy of any Dwelling, then except in the event of emergencies, the foregoing easement shall be utilized only during normal business hours and then, whenever practicable, only upon advance notice to the Owner or Occupant of such Lot or Dwelling directly affected thereby.

3.6 **Reservation of Easement for Utilities and Maintenance of Lakes.** Developer does hereby establish and reserve for the Association and their respective successors and assigns, a permanent and perpetual nonexclusive easement appurtenant over, across, under, through and upon all portions of the Common Areas, Lakes, and all Lots and Dwellings which are reasonably necessary for the purpose of installing, erecting, replacing, relocating, maintaining for the use of any portion of the Development, including, without limitation, publicly or privately owned and operated electrical, natural gas, telephone, water and sewer services, storm drains and sewers, drainage systems, retention ponds, basins, dams, spillways and facilities, lines, pipes, conduits, equipment, machinery and other apparatus and appurtenances necessary or otherwise reasonably required in order to provide any utility service to any portion of the Development. Said easement is further reserved for the purpose of constructing, maintaining, repairing, or replacing any Lake or dam. The easements established and reserved herein shall include the right to cut and remove trees, undergrowth and shrubbery, to grade, excavate or fill and to otherwise take all other action reasonably necessary to provide economical and safe installation, maintenance, repair, operation and replacement of all such utility services and the systems, equipment and machinery used to provide the same. The rights herein reserved by the Association shall include, without limitation, the right to grant easements to the providers of utilities for the purposes herein established, and each of the Owners hereby appoint Developer and/or the Association, as the case may be, irrevocably, as their attorney in fact, for the purpose of executing such documents as may be necessary and appropriate in connection with the granting of such easements. Notwithstanding anything provided in this Section 3.6 to the contrary, (i) the utilization of any of the easements and rights established and reserved pursuant to this Section 3.6 shall not unreasonably interfere with the use or occupancy of any Dwelling situated on any Lot, and (ii) good faith efforts to attempt to cause any utility company or other supplier or provider of any utility service which may utilize any of the easements and rights reserved and established pursuant to this Section 3.6 to take reasonable action to repair any damage caused by such utility company or other supplier or provider of such utility service during the exercise of any rights established and reserved herein shall be used.

3.7 **Transfers of Any Lot or Dwelling.** No Transfer of any Lot or Dwelling, other than a Non-Restricted Transfer, a Transfer by will or intestacy or a Collateral Transfer, may be made except in accordance with the provisions of this Section 3.7, and any attempt to make any such Transfer (except as set forth above) otherwise than in accordance with the provisions of this Section 3.7 shall be null and void.

(a) No Transfer may be made under this Section 3.7 unless an Owner that desires to Transfer its Lot or Dwelling (a "Seller") has received a bona fide written offer (the "Purchase Offer") from a third party purchaser (a "Purchaser") to purchase the Seller's Lot or Dwelling (the "Subject Property") for a purchase price (the "Offer Price") denominated and payable in United States dollars at closing or according to specified terms, with or without interest, which offer shall be in writing signed by the Purchaser and shall be irrevocable for a period ending no sooner than the first business day following the end of the Offer Period (as defined below).

(b) Prior to making any Transfer that is subject to the terms of this Section 3.7, the Seller shall give to the Board of Directors written notice (the "Offer Notice") which shall include a copy of the Purchase Offer and an offer (the "Firm Offer")

to sell the Subject Property to the Offeree (as defined below) determined pursuant to this Section 3.7, payable according to the same terms as (or more favorable terms than) those contained in the Purchase Offer, provided that the Firm Offer shall be made without regard to the requirement of any earnest money or similar deposit required of the Purchaser prior to closing.

(c) If Developer owns any Lot or Dwelling in the Development at the time the Offer Notice is received, the Board of Directors shall forward such Offer Notice and Firm Offer to Developer. Upon receipt of same by Developer, Developer shall have ten (10) business days to elect to deliver written notice to the Board of Directors and the Seller of its acceptance of the Firm Offer and its election to exercise its right of first refusal pursuant to this Section 3.7 to purchase the Subject Property. If no such notice of acceptance is provided by Developer within the time required pursuant to this Section 3.7 (c), then Developer will be deemed to have rejected its right of first refusal to purchase the Subject Property hereunder.

(d) If Developer does not own any Lot or Dwelling in the Development at the time the Offer Notice is received or rejects (or is deemed to have rejected) its right of first refusal pursuant to the terms of Section 3.7(c), then each Owner (other than the Seller) shall have a right of first refusal to purchase the Subject Property in accordance with the terms of this Section 3.7. The Board of Directors shall mail the Offer Notice and Firm Offer to each Member within five (5) business days following the expiration of the rights of Developer (if any) pursuant to Section 3.7 (c) above. Each Owner shall have ten (10) days from the date the Offer Notice and Firm Offer are mailed to each Owner to accept the Firm Offer in writing. If no such notice of acceptance is provided by an Owner and received by the Board of Directors within the time required pursuant to this Section 3.7, then the Owner will be deemed to have rejected its right of first refusal to purchase the Subject Property hereunder. If more than one Owner accepts the Firm Offer, then the Board of Directors shall determine which accepting Owner shall have the right to purchase the Subject Property based on a bidding process established by the Board of Directors.

(e) As used herein, the term "Offeree" shall mean Developer and each Owner (other than the Seller), as applicable, pursuant to the terms of this Section 3.7. The Offeree that accepts the Firm Offer and is entitled to purchase the Subject Property pursuant to this Section 3.7 is referred to herein as the "Accepting Offeree." The term "Offer Period" shall mean the period of time beginning on the date that Developer receives the Offer Notice and Firm Offer pursuant to Section 3.7(c), if applicable, and ending on the expiration of the ten (10) day period for acceptance by the Owners established by Section 3.7(d) above.

(f) If no Offerees accept the Firm Offer during the Offer Period, the Firm Offer shall be deemed to be rejected in its entirety.

(g) In the event that the Firm Offer is accepted, the closing of the sale of the Subject Property shall take place within thirty (30) calendar days after the Firm Offer is accepted or, if later, the date of closing set forth in the Purchase Offer. The Seller and all Accepting Offeree shall execute such documents and instruments as may be necessary or appropriate to effect the sale of the Subject Property pursuant to the terms of the Firm Offer and this Section 3.7.

(h) If the Firm Offer is not accepted in the manner hereinabove provided, the Seller may sell the Subject Property to the Purchaser at any time within sixty (60) calendar days after the expiration of the Offer Period, provided that such sale shall be made on the terms contained in the Purchase Offer and provided further that such sale complies with other terms, conditions, and restrictions of this Agreement that are not expressly made inapplicable to sales occurring under this Section 3.7. In the event that the Subject Property is not sold in accordance with the terms of the preceding sentence, the Subject Property shall again become subject to all of the conditions and restrictions of this Section 3.7.

ARTICLE 4

ASSOCIATION

4.1 **Membership.** Membership in the Association shall be appurtenant to and may not be separated from ownership of any Lot. 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 or Dwelling is vested in Mortgagee pursuant to a duly recorded deed. The Transfer or conveyance of fee title to any Lot or Dwelling (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 or Dwelling transferred and conveyed, notwithstanding any failure of the transferor to endorse to his transferee any certificates, assignments or other evidence of such membership. Membership or the rights and benefits in the Association may not be transferred, assigned, conveyed or otherwise alienated in any manner separately and apart from the ownership of a Lot or Dwelling. Each member of the Association shall at all times comply with the provisions of this Declaration, the Articles of Incorporation, the Bylaws and all rules and regulations which may from time to time be adopted by the Board of Directors or the members of the Association.

4.2 **Board of Directors.** The Board of Directors shall have the rights and duties set forth in the Articles of Incorporation and the Bylaws. Developer hereby retains and shall have the right to appoint or remove, with or without cause, any member or members of the Board of Directors and any officer or officers of the Association until such time as Developer no longer is the Owner of any Lot or Dwelling within the Development. Each Owner, by acceptance of a deed to or other conveyance of a Lot or Dwelling, vests in Developer such authority to appoint and remove members of the Board of Directors

and officers of the Association as provided by this Section 4.2. Unless otherwise specified herein or in the Bylaws or the Articles of Incorporation, all decisions of the Association shall be made by the Board of Directors.

4.3 Committees. The Board of Directors shall have the right and power to appoint one or more committees (including without limitation, the ARC), and to delegate to such committees various responsibilities of the Board of Directors. The members of the committees need not be Owners or members of the Board of Directors. Each committee shall have the right from time to time to adopt and establish rules and regulations as may be necessary concerning the procedure and conduct of the business of the committee. All decisions of a committee shall be subject to the approval of the Board of Directors.

4.4 Voting Rights. Subject to the rights reserved to Developer in the Articles of Incorporation and Bylaws (which, among other things, provide that only Developer, for so long as Developer owns any Lot or Dwelling in the Development, shall be exclusively entitled to take various actions and vote on all matters to be voted on by the members of the Association), the Owner of each Lot or Dwelling shall be entitled to one (1) vote in any matters 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 or Dwelling. Such voting rights shall continue to apply to each Lot or Dwelling upon the addition of any of the Additional Property to this Declaration. Each Owner, by acceptance of a deed or other conveyance to a Lot or Dwelling, consents and agrees to the dilution of his voting interest in the Association by virtue of the re-subdivision of any Lot by Developer pursuant to Section 2.2 above 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 Dwelling or otherwise, shall more than one vote be allowed for any one Lot or Dwelling. Fractional voting shall not be permitted. For purposes of this Section 4.4, Developer shall be deemed to be the Owner of and entitled to all voting rights attributable to any Lots or Dwellings owned by Developer.

4.5 Duties and Powers of Association. In addition to the rights, duties, responsibilities and obligations of the Association otherwise set forth in this Declaration, the Association shall have 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 Association may exercise any other right or privilege granted to it expressly by this Declaration, or Bylaw, together with every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege. In the event of any conflict, ambiguity or inconsistency between the Code of Alabama 1975, this Declaration, the Articles of Incorporation, the Bylaws or any rules and regulations adopted from time to time by the Association, then the provisions of the Code of Alabama 1975, this Declaration, the Articles of Incorporation, the Bylaws, and any rules and regulations adopted by the Association, in that order, shall prevail. The powers of the Association shall include, but not be limited to, (i) the power to purchase one or more Lots and/or Dwellings and any other real or personal property, whether tangible or intangible, and to hold, lease, mortgage, sell and otherwise convey the same, (ii) the right to borrow money for the purpose of acquiring additional Common Areas or any portion thereof or for providing any of the services authorized herein, (iii) subject to the provisions of this Declaration, the right to give mortgages or other security instruments encumbering all or any part of the Common Areas as security for any loan obtained by the Association; provided, however, that the lien and encumbrance of any such Mortgage shall be subject and subordinate to all of the rights, interests, privileges, easements, licenses, and options reserved or established herein for the benefit of Developer, the ARC, the Association and all Owners and Occupants, (iv) the right to grant and accept easements, (v) the right to dedicate or transfer fee simple title to all or any portion of the Common Areas to any Governmental Authority; and (vi) the right to arrange with any of the Governmental Authorities or any public or private utilities or others, for the furnishing of trash collection, water, sewer and/or security services for the Common Areas and/or the Lots and Dwellings. For so long as Developer shall own any Lot or Dwelling, the Association shall not, without the consent of Developer, borrow money or pledge, mortgage, encumber, sell or otherwise convey any interest it may have in the Common Areas. Except as otherwise specifically provided to the contrary herein, in the Articles of Incorporation or in the Bylaws, the powers and authority granted to the Association may be exercised by the Board of Directors, acting through the officers of the Association, without further consent or action on the part of the Owners.

4.6 Agreements. Subject to the conditions, restrictions and other provisions of this Declaration, all agreements, actions and determinations lawfully authorized by the Association shall be binding upon all Owners, their heirs, executors, personal representatives, administrators, successors and assigns and all others having any interest in the Development. In performing its responsibilities hereunder, the Association, through the Board of Directors, shall have the right and authority to delegate to such persons of its choice such duties of the Association as may be determined by the Board of Directors. In furtherance of the foregoing and not in limitation thereof, the Association may obtain and pay for the services of any person or entity to manage its affairs or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall deem necessary or desirable for the proper operation of any portion of the Development, whether such personnel are furnished or employed directly by the Association. All costs and expenses incurred incident to the employment of a manager of the Development or any of the Common Areas shall be a Common Expense. During the term of any such management agreement entered into by the Association with a third party, such manager may, if authorized by the Board of Directors, exercise all the powers and shall be responsible for the performance of all of the duties of the Association, excepting any of such powers or duties specifically and exclusively reserved to the Board of Directors or the officers of the Association by the Declaration, the Articles of Incorporation or the Bylaws. Such manager may be an individual, corporation or other legal entity and may be bonded in such manner as the Board of Directors may require, with the costs of such bond to be a Common Expense. In addition to the foregoing, the Association may pay for and the Board of Directors may hire and contract for such legal and accounting services as are necessary or desirable in connection with the operation of the Development, or the enforcement of this

Declaration, the Articles of Incorporation, the Bylaws or any rules and regulations of the Association.

4.7 **Management by Developer or its Affiliates.** Developer or an affiliate thereof may be employed as the manager of the Association and the Development for so long as Developer owns any Lot, at such compensation and on such terms as would be usual, customary and obtainable in an arms-length transaction with any third party providing comparable services for any real estate development in the southeastern United States of the size, quality and nature of the Development. Each Owner, by acceptance of a deed to or other conveyance of a Lot, shall be deemed to ratify the provisions of this Section and specifically be deemed to have approved any such management agreement entered into by the Association and Developer or any affiliate thereof.

4.8 **Control by Developer.** Pursuant to the terms of the Bylaws, Developer shall control the votes of the Association and the Board of Directors for so long as Developer owns any Lot in the Development. Each Owner, by acceptance of a deed or other conveyance of any interest in a Lot, agrees that Developer shall have the authority to appoint and remove members of the Board and officers of the Association. At such time as Developer no longer owns any interest in any Lot within the Development, a special meeting of the Association shall be called within a reasonable time thereafter, at which time the Owners shall elect a new Board of Directors which shall undertake the responsibilities of the Board of Directors, and Developer shall deliver all books, accounts, and records of the Association, if any, which Developer has in its possession.

ARTICLE 5

RESPONSIBILITIES OF THE ASSOCIATION

5.1 **Maintenance of Common Areas.** Except as may be otherwise provided herein to the contrary, the Association shall, to the extent it has received sufficient sums from the Owners through Common Area Assessments, maintain and keep in good repair and condition all portions of the Common Areas, which responsibility shall include, without limitation, the maintenance, repair and replacement of all Common Roads within the Development, and other improvements made by the Association within any of the Common Areas or within any of the easements encumbering the Lots or Dwellings. The Association shall not be liable for injuries or damage to any person or property (1) caused by the elements, acts of God or any Owner, Occupant or other person, (2) resulting from any surface or subsurface conditions which may at any time affect any portion of the Property caused by rain or other surface water which may leak or flow from any portion of the Common Area and/or a Lake onto a Lot or Dwelling, or (3) resulting from theft, burglary or other illegal entry into the Development, any Lot or Dwelling thereof. No diminution or abatement of Common Area Assessments shall be claimed or allowed by reason of any alleged failure of the Association to take some action or perform some function required to be taken by or performed by the Association hereunder or for inconvenience or discomfort arising from the making of improvements or repairs which are the responsibility of the Association or from any action taken by the Association to comply with any requirements of the Governmental Authorities.

5.2 **Rules and Regulations.** The Association may establish and enforce reasonable rules and regulations governing the use of all Lots and Common Areas. Copies of such rules and regulations shall be binding upon all Owners and Occupants until and unless such rule or regulation is specifically overruled, cancelled or modified by the Association.

ARTICLE 6

ARCHITECTURAL STANDARDS

6.1 **Architectural Standards.** The Association is each hereby authorized to promulgate and amend or modify from time to time written Architectural Standards governing policies, guidelines and minimum requirements to be satisfied with respect to the construction, location, landscaping and design of all Dwellings and other Improvements on any Lot, the content and manner in which plans and specifications and other documentation and information concerning the construction of any Dwelling or other Improvements on a Lot are to be submitted to and approved by the Association and any other matters affecting the construction, repair or maintenance of any Dwelling or other Improvements on any Lot. The Architectural Standards adopted by the Developer (and later amended by the Association) shall be in addition to the provisions and requirements set forth in this Declaration and shall be binding upon and enforceable against all Owners. The Architectural Standards adopted by the Developer are set forth in the Pattern Book.

6.2 Approval of Plans and Specifications.

(a) The Association (or the ARC) as might be appointed from time to time) are hereby authorized and empowered to approve all plans and specifications and the construction of all Dwellings and other Improvements on any Lot or Dwelling within the Property. The Lot Owner will be responsible for all costs associated with approval of Lot and Dwelling approval including but not limited to the \$1,000 fee paid to the Town Architect of Saunders Bridge (as selected by Developer). Prior to the commencement of any Dwelling or other Improvements on any Lot or Dwelling, the Owner thereof shall submit to the ARC plans and specifications and related data for all such Improvements, which shall include the following:

- (i) A copy of an accurately drawn and dimensioned site development plan indicating the location of

any and all Improvements, including, specifically, the Dwelling to be constructed on said Lot, the location of all driveways, walkways, decks, terraces, patios and outbuildings and the relationship of the same to any set-back requirements applicable to the Lot or Dwelling. The site plan shall reflect the location of the proposed Improvements as such location relates to the recommended Dwelling as reflected on the Subdivision Plat, or otherwise.

(ii) A copy of floor plans and exterior elevation drawings of the front of the Dwelling to be constructed on the Lot.

(iii) A copy of written specifications and, if requested by the ARC, samples indicating the nature, color, type, shape, height and location of all exterior materials to be used in the construction of the Dwelling on such Lot or any other Improvements thereto.

(b) The copies submitted in accordance with this Section 6.2 above shall be returned to the Owner submitting the same marked "approved," "approved as noted" or "disapproved".

6.3 **Construction Without Approval.** If any Improvements are initiated, installed, maintained, altered, replaced or relocated on any Lot or Dwelling without approval by the Association or the ARC or if the Association or the ARC shall determine that any approved plans and specifications for any Improvements for any Lot or Dwelling are not being complied with, then, in either event, the Owner of such Lot or Dwelling shall be deemed to have violated this Declaration and the Association shall have the right to exercise any of the rights and remedies set forth in herein.

6.4 **Limitation of Liability.** Notwithstanding anything provided herein to the contrary, neither Developer, the Board of Directors, the ARC, the Association, nor any agent, employee, representative, member, manager, shareholder, partner, officer or director of any of them, shall have any liability of any nature whatsoever for any damage, loss or prejudice suffered, claimed, paid or incurred by any Owner on account of (a) any defects in any plans and specifications submitted, reviewed or approved in accordance with the provisions of this Article 6, (b) any defects, structural or otherwise, in any work done according to such plans and specifications, (c) the failure to approve or the disapproval of any plans, drawings, specifications or other data submitted by any Owner for approval pursuant to the provisions of this Article 6, (d) the construction or performance of any work related to such plans, drawings and specifications, (e) bodily injuries (including death) to any Owner, Occupant or the respective family members, guests, employees, servants, agents, invitees or licensees of any such Owner or Occupant, or any damage to any Dwellings, Improvements or the personal property of any Owner, Occupant or the respective family members, guests, employees, servants, agents, invitees or licensees of such Owner or Occupant, which may be caused by, or arise as a result of, any defect, structural or otherwise, in any Dwellings or Improvements or the plans and specifications therefore or any past, present or future soil and/or subsurface conditions, known or unknown (including, without limitation, sinkholes, underground mines, tunnels and water channels and limestone formations on or under any Lot or Dwelling) and any other loss, claim, damage, liability or expense, including court costs and attorneys' fees, suffered, paid or incurred by any Owner arising out of or in connection with the use and occupancy of any Lot or Dwelling or any Improvements situated thereon.

ARTICLE 7

USE AND DEVELOPMENT RESTRICTIONS

7.1 **Use Restrictions.** Except as otherwise provided to the contrary herein, each Lot and Dwelling shall be used for single-family residential purposes only and no trade or business of any kind may be carried on in or from any Lot or Dwelling.

7.2 **Association Approval.** No Dwellings or other Improvements of any nature whatsoever shall be constructed on any Lot or Dwelling unless such Dwelling and/or Improvements have been approved by the Association or the ARC in the manner set forth in Article 6 above. Mobile, modular and/or fabricated homes are completely prohibited.

7.3 **Housing Requirements.** All Dwellings must comply completely with the requirements set forth herein and in the Pattern Book.

7.4 **Trash, Rubbish and Nuisances.** Each Owner or Occupant is responsible for disposing of his or her own trash, garbage, or any other refuse or waste. No such refuse shall be retained or deposited in any Common Area. Trash, garbage and any other refuse or waste shall not be kept on any Lot or Dwelling except temporarily in sanitary containers or garbage compactor units prior to disposal.

7.5 **Recreational Vehicles and Machinery and Equipment.** Subject to the terms and conditions of this Declaration, the Association shall have the right at any time and from time to time to adopt rules and regulations with respect to the keeping, storage, parking, operation, use or maintenance of, tractors, equipment, machinery, trailers (with or without wheels), trucks (other than pick-up trucks), commercial vehicles of any type, campers, motorized campers or trailers, boats or other watercraft, boat trailers, motorcycles, motorized bicycles, all-terrain vehicles, motorized go-carts and other forms of transportation.

7.6 **Signage.** All signs, billboards or advertising structures of any kind are prohibited, including any real estate signs posted on the premises, Common Roads or entrance area from Highway 45 or Twin Pines Road. The Association shall have the right to enter any of the Property for the purpose of removing and destroying any unauthorized signs without recourse from any Owner or person or entity.

7.7 **Septic System.** Each Owner will be responsible for the construction and proper maintenance of a septic tank and system.

7.8 **Subdivision and Interval Ownership.** No Lot may be subdivided or resubdivided unless approved by the Association. No Lot or Dwelling shall be sold or owned under any time-sharing, time-interval or similar right-to-use programs.

7.9 **Variances.** The Association, in its sole and absolute discretion, shall have the exclusive right to grant variances with respect to the provisions of Article 6 above and this Article 7 with respect to any Lot or Dwelling. Any variance request submitted to the Association shall be in writing and, upon approval of the same by the Super-Majority vote of Association, shall be evidenced by a written variance executed by any Board of Directors.

7.10 **Hunting Restrictions.** There will not be any hunting on the Property.

7.11 **Responsibilities of Owners.**

(a) Unless specifically identified here as being the responsibility of the Association, the maintenance and repair of all Lots and all Improvements situated thereon or therein, shall be the responsibility of the Owner of such Lot. Each Owner shall be responsible for maintaining his Lot in a neat, clean, and sanitary condition, both inside and outside of any Dwellings or Improvements thereto. Such responsibilities shall include, without limitation, maintaining at all times finishes on all Dwellings and other Improvements and re-roofing or replacing roofing shingles when the same become worn or would be replaced by a prudent Owner.

(b) All unimproved portions of any Lot shall at all times be maintained by the Owner in a fully and well-kept landscaped condition utilizing ground cover and/or shrubbery and trees. This maintenance obligations shall apply to all portions of a Lot up to the edge of the boundary line of such Lot and shall be binding on the Owner of each Lot at all times after the initial construction of the Dwelling on the Lot.

(c) Each Owner shall have the responsibility to maintain the sewer equipment located on its property and necessary for the proper flow of sewage from said area, including any pumping equipment, if needed. Said equipment shall be kept in working condition as to not affect the integrity of the system to which it is attached, nor shall any condition be allowed to occur that shall cause it to malfunction or not be in proper working order at all times.

ARTICLE 8

ASSESSMENTS

8.1 **Purpose of Assessments.** The Common Area Assessments and other Assessments provided for herein shall be used for the general purposes of promoting the recreational, health, safety, welfare, common benefit and enjoyment of the Owners and Occupants of the Development and otherwise for the general upkeep and maintenance of the Development, including, without limitation, the Common Areas and any Improvements thereto, all as may be more specifically authorized from time to time by the Association.

8.2 **Assessments.** Each Owner, by acceptance of a deed or other instrument conveying any interest therein, regardless of whether such deed or instrument contains a reference to this Declaration, is hereby deemed to covenant and agree to pay to the Association annual Common Area Assessments and any other individual assessments against any particular Lot which are established or assessed pursuant to the terms of this Declaration including, but not limited to, any fines as may be levied or imposed against such Lot or Dwelling in accordance with the provisions of this Declaration. All Assessments, together with late charges and interest as provided for herein, and all court costs and attorneys' fees incurred by the Association to enforce or collect such Assessments shall be an equitable charge and a continuing lien upon each Lot or Dwelling for which the Owner thereof is responsible for the payment of the same, which lien may be enforced in the manner provided for herein. Each Owner shall be personally liable for the payment of all Assessments coming due while he is the Owner of a Lot or Dwelling. All Assessments, together with late charges, court costs and attorneys' fees incurred with respect thereto by the Association, shall also be a personal obligation of the person who was the Owner of the Lot or Dwelling at the time such Assessments and other costs and charges were assessed or incurred. Assessments shall be paid in such manner, such amount and on such dates as may be fixed by the Board of Directors, subject to the limitation that the first Assessment shall be in the amount of **Two Thousand Five Hundred & 00/100 Dollars (\$2,500.00)** per annum, per Lot or Dwelling. All Assessments shall be payable in all events without offset, diminution or abatement by reason of fire or other casualty or any taking as a result of, in lieu of or in anticipation of the exercise

of the right of eminent domain, condemnation or by private purchase in lieu thereof with respect to any Lot, Dwelling, Common Area, Lakes, or any other portion of the Development or any other cause or reason of any nature. In the event that Assessments are not sufficient to pay property taxes, maintenance, and general upkeep on the Common Areas, the Board of Directors shall have the right, but not the obligation, to require the Owners to pay additional Assessments in an amount necessary to fund the payment of the aforesaid taxes.

8.3 Individual Assessments. Any expenses of the Association to repair any damage occasioned by the conduct of less than all of the Owners or by any Owner or Occupant, or the respective family members, agents, guests, servants, employees invitees or contractors of any Owner or Occupant, shall be specially assessed against such Owners and their respective Lots.

8.4 Date of Commencement of Assessments. The annual Assessments provided for herein shall commence, as to each Lot, on the day on which such Lot is conveyed to a person other than 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 of Directors. Annual Assessments and any outstanding special Assessments shall be adjusted for each Lot, according to the number of months then remaining in the fiscal year of the Association, and the number of days then remaining in the month in which such Lot is conveyed. Annual and special Assessments for Lots and Dwellings within any portion of the Additional Property hereafter submitted to the terms of this Declaration shall commence with respect to each such Lot or Dwelling on the date on which such Lot or Dwelling is conveyed to a person other than Developer, subject to proration and adjustment, according to the number of months then remaining in the fiscal year of the Association, and number of days then remaining in the month in which such Assessments commence. Notwithstanding anything provided herein to the contrary, Developer shall not be responsible for the payment of annual or special Assessments on any Lots which it or its affiliates own in the Development. Developer shall have no obligation of any nature to pay any Assessments or otherwise fund any deficits relating to the Common Expenses or the Common Areas.

8.5 Effect of Non-Payment; Remedies of the Association.

(a) Each Owner is, and shall be, deemed to covenant and agree to pay to the Association all Assessments provided for herein. In the event any Assessments, or any portion thereof, are not paid when due, the same shall be subject to a late charge in an amount determined and uniformly applied by the Board of Directors from time to time, and the Owner of such Lot shall be deemed in default herewith. In the event any Assessments, or any portion thereof, are not paid within thirty (30) days after the due date of the same, then 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 law (the "Applicable Rate") from, and after, the thirtieth (30th) day from the due date, until the same is paid in full. In the event the Association employs an attorney, or otherwise takes any legal action in attempting to collect any amounts due from any Owner, such Owner agrees to pay all attorney's 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 costs, and all other expenses paid or incurred by the Association in attempting to collect any unpaid Assessments.

(b) In the event any Assessments, or other amounts due to the Association, are not paid by any Owner when the same comes due, then, in addition to all other rights and remedies provided at law or in equity, the Association, acting through its Board of Directors, or through any of its officers or authorized representatives, may undertake any or all of the following remedies: (i) the Association may commence and maintain a suit at law against an 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 and incurred by the Association in collecting such unpaid Assessments; and/or (ii) the Association may enforce the lien created hereunder in the manner hereinafter provided.

(c) There is hereby created a continuing lien on each Lot, 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 and 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 Assessments remain unpaid for more than sixty (60) days, then the Association, through its Board of Directors 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 or Dwelling of such delinquent Owner, which claim shall be executed by any member of the Board of Directors or any officer of the Association, and contain the following information and be recorded in the Probate Office: (i) the name of the delinquent Owner; (ii) the legal description and street address 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 Declaration, and is claimed against such Lot in an amount equal to that stated thereon. The lien provided for herein shall be in favor of the Association, shall be for the benefit of all other Owners (other than those Owners in default), 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 or Dwelling. Each Owner, by acceptance of a deed to any Lot, shall be deemed to (1) grant to and vest in the Association, and/or its agents, the right and power to exercise the power of sale granted herein, and foreclose the lien created herein, (2) grant to and vest in the Association, and/or 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.

8.6 Subordination of Lien. Notwithstanding anything provided herein to the contrary, the lien for Assessments, and other charges authorized here with respect to any Lot, is and shall be subordinate to the lien of any Mortgage held by an Institutional Mortgagee, but only to the extent that the Mortgage held by any such Institutional Mortgagee is recorded in the Probate Office, prior to the filing of a claim of lien by the Association. When an Institutional Mortgagee exercises its foreclosure rights provided in its Mortgage, and acquires title to, or sells to a third party, its interest in any Lot, then such Institutional Mortgagee, or its purchaser or transferee at such foreclosure sale, shall (a) not be liable for any Assessments or other charges incurred prior to the date of transfer or acquisition of title by foreclosure, so long as the Mortgage held by such Institutional Mortgagee was recorded in the Probate Office, prior to the filing of a claim of lien by the Association, but (b) be liable for all Assessments and other charges levied, assessed, or incurred with respect to such Lot from and after the date of such foreclosure sale. The foregoing shall not relieve any Owner, whose Lot has been foreclosed, from the personal obligation to pay all Assessments, and any other charges levied, assessed or incurred by the Association, and the Association shall have the right to pursue all rights and remedies against a defaulting Owner notwithstanding the foreclosure of a Mortgage by an Institutional Mortgagee on such Owner's Lot.

8.7 Certificates. The Association, or any officer or authorized representative thereof, shall, upon request and at such reasonable charges as may from time to time be adopted by the Board of Directors, furnish to any Owner a certificate in writing, setting forth whether the Assessments, for which such Owner is responsible, have been paid and, if not paid, the outstanding amount due and other costs and expenses due from such Owner. Such certificate shall be conclusive evidence of payment of any Assessments stated therein.

ARTICLE 9 **INSURANCE**

9.1 Insurance.

(a) The Association shall have the authority to obtain and maintain at all times adequate property and casualty insurance in such form as the Association deems appropriate for the benefit of the Association insuring all insurable Improvements in and to the Common Areas against loss or damage by fire or other hazards, including, without limitation, extended coverage, flood, vandalism and malicious mischief, which coverage shall be in an amount, with such insurance carriers, at such costs and with such deductibles as the Association, in their sole discretion, may determine.

(b) The Association shall have the authority to obtain and maintain in effect at all times such public liability insurance coverage covering all of the Common Areas and the Lakes and any damage or injury caused by the negligence of the Association, the Developer, and all owners, directors, officers, partners, agents and employees thereof, in such amounts, with such insurance carriers, at such costs and with such deductibles as the Association may deem necessary or desirable.

(c) The Association shall have the right and authority to obtain workman's compensation insurance, employer's liability insurance and all other types of insurance required Bylaw, including, without limitation, errors and omissions and directors and officers liability insurance coverage, in such amounts, with such insurance carriers, at such costs and with such deductibles as the Association, in their sole discretion, may determine.

(d) All insurance coverage authorized hereunder shall be written in the name of the Association. To the extent the same may be obtained at a nominal cost, all such policies shall contain a waiver of subrogation clause pursuant to which the insurer waives any claims against the Board of Directors, the Association, and the Owners and the family members, servants, agents, and guests of the Owners.

(e) Each Owner shall be solely responsible for obtaining and maintaining public liability, property damage, title and all other types of insurance with respect to his Lot and Dwelling. The Association may require all Owners to carry public liability insurance with respect to their respective Lot and Dwelling and to furnish copies or certificates thereof to the Association. Each Owner, by acceptance of a deed or other instrument conveying any interest in any Lot or Dwelling, does hereby waive and release all of the members of the Association, the Developers and the Association and their respective agents, employees, representatives, partners, shareholders, members, officers and directors, from any and all liabilities or damage covered by (or which should be covered by) fire and casualty (e.g., homeowner's and/or builder's risk) insurance and general liability insurance which any Owner maintains, even if such loss or damage has been caused by the fault or negligence of any of the foregoing persons or parties.

ARTICLE 10
TERM AND AMENDMENTS

10.1 **Term.** The terms, covenants, conditions, and restrictions, set forth in this Declaration, shall run with and bind all of the Development, shall inure to the benefit of all Owners and Mortgagees and their respective heirs, executors, personal representatives, administrators, successors and assigns, and shall be and remain in effect for a period of fifty (50) years from and after the date hereof, after which time this Declaration shall be automatically renewed and extended for successive and continuous periods of ten (10) years each, unless, at any time after fifty (50) years from the date hereof, an agreement, executed by the Owners of at least two-thirds (2/3) or more of the Lots, agreeing to terminate or modify this Declaration, has been recorded in the Probate Office; provided, however, that the rights of way and easements established, granted, and reserved in Article 3 hereof shall continue and remain in full force and effect for the time periods and duration specified therein.

10.2 **Amendment by Developer.** For so long as Developer owns any Lot, Developer may amend this Declaration by a written instrument filed and recorded in the Probate Office without obtaining the approval of any Owner or Mortgagee; provided, however, in the event any such proposed amendment by Developer would materially and adversely affect the title and interest of any Institutional Mortgagee, such amendment shall be valid only upon the written consent thereto of all such Institutional Mortgagees affected thereby. Any amendment made pursuant to Section 10.2 shall be certified by Developer and shall be effective upon recording of the same in the Probate Office. Each Owner, by acceptance of a deed, or other conveyance to a Lot, and each Mortgagee, by acceptance of a Mortgage on any Lot, agrees to be bound by all amendments permitted by this Section 10.2, and further agrees that, if requested to do so by Developer, such Owner and Mortgagee will consent to the amendment of this Declaration, or any other instrument relating to the Development, if such amendment is (i) necessary to bring any law, ordinance, statute, rule, or regulation of any applicable Governmental Authority, or the judicial decision of any state or federal court, (ii) necessary to enable any reputable title insurance company to issue title insurance coverage with respect to any Lots, (iii) required by any Institutional Mortgagee in order to enable such Institutional Mortgagee to make a mortgage loan on any Lot, or (iv) necessary to enable any governmental agency or reputable private insurance company to insure Mortgages on any Lots.

10.3 **Amendments by Association.** Amendments to this Declaration, other than those authorized by Section 10.2 above, shall be proposed and adopted by the Association in the following manner:

(a) At any annual or special meeting of the members of the Association, an amendment to this Declaration may be proposed by either the Board, or by any Owners present in person at such meeting. Any such proposed amendment must be approved by the Owners holding at least two-thirds (2/3) of the total votes in the Association entitled to a vote thereon; provided, however, that (i) any amendment which materially and adversely affects the security, title, or interest of any Institutional Mortgagee must be approved by such Institutional Mortgagee, and (ii) during any period in which Developer owns a Lot in the Development, then Developer must approve such proposed amendment.

(b) Any and all amendments, which have been approved in accordance with the provisions of Section 10.3(a) above, shall be executed by all parties who consent to the same as required, including the members of the Association holding at least two-thirds (2/3) of the total votes of the Association entitled to vote thereon; provided, however, that in the alternative, the sworn statement of the President of the Association, or by the Chairman of the Board of Directors, stating unequivocally that the agreement of the requisite number of Owners was lawfully obtained, may be attached to and incorporated into such amendment without joinder of any Owners. Any such amendment shall be effective upon recording of same in the Probate Office.

ARTICLE 11
ENFORCEMENT

11.1 **Authority and Enforcement.** In the event any Owner or Occupant or their respective agents, contractors or invitees, violates any of the provisions of this Declaration, or the Architectural Standards promulgated hereunder, the Articles of Incorporation, the Bylaws or any rules and regulations adopted by the Board of Directors of the Association from time to time, the Board of Directors shall have the power to (i) impose reasonable monetary fines which shall constitute a personal obligation of such Owner which is guilty of such violation, or (ii) suspend an Owner's or Occupant's right (and the right of such Owner's or Occupant's family members, and guests) to use any of the recreational facilities located in or upon the Common Areas, and the Board of Directors shall have the power to impose all or any combination of any of the foregoing sanctions. Any such suspension of rights may be for the duration of the infraction.

11.2 **Procedure.** In the event any of the terms or provisions of this Declaration and/or the Architectural Standards promulgated thereunder, the Articles of Incorporation, the Bylaws or any rules and regulations of the Association are violated by any Owner or Occupant, or the respective agents, contractors or invitees of any Owner or Occupant, the Managers shall not impose a fine, or infringe upon or suspend any other rights pursuant to Section 11.1 above unless written demand to cease and desist from an alleged violation shall be served upon the Owner responsible for such violations which demand shall specify:

(a) The alleged violation;

(b) The action required to abate such violation; and

(c) A time period of not less than ten (10) days during which the violation may be abated without further sanction, if such violation is a continuing one or if the violation is not a continuing one; a statement that any further violation of the same provision of this Declaration or the Architectural Standards promulgated thereunder, the Articles of Incorporation, the Bylaws or any of the rules and regulations of the Association may result in the imposition of sanctions. The foregoing procedure shall only be applicable to the enforcement rights specified in Section 11.1 above and shall not apply to the exercise of any of the rights and remedies specified in any other section or provision of this Declaration.

11.3 **Nonexclusive Remedies.** Notwithstanding anything provided to the contrary in this Declaration, the authority, enforcement and procedural rights set forth in this Article 11 are in addition to and shall not be deemed to limit the other rights and remedies set forth in this Declaration or the Bylaws which the Association, acting through the Board of Directors, would have the right to exercise at law or in equity.

ARTICLE 12

MISCELLANEOUS PROVISIONS

12.1 **Legal Expenses.** In addition to the rights and remedies set forth hereinabove, in the event either the Board of Directors, or the Association, through their respective agents and representatives, undertake any legal or equitable action which any of them deem necessary to remedy any violation of this Declaration, then all costs and expenses incurred by any of them, including, without limitation, attorneys' fees and court costs, shall be paid for by the Owner against whom such action was initiated.

12.2 **Severability.** If any provision of this Declaration or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Declaration or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each provision shall be valid and enforceable to the fullest extent permitted by law.

12.3 **Captions and Headings.** The captions and headings contained in this Declaration are for convenience of reference only and shall not be used in the construction or interpretation of any provisions of this Declaration. The table of contents, cover page and any index to this Declaration are for convenience of reference only and shall not define or limit any of the terms and provisions hereof.

12.4 **Pronouns and Plurals.** All personal pronouns used in this Declaration, whether used in the masculine, feminine or neuter gender, shall include all other genders. The use of the singular tense shall include the plural and the use of the plural shall include the singular.

12.5 **Binding Effect.** The terms and provisions of this Declaration shall be binding upon each Owner, Occupant and mortgagee and the respective heirs, executors, administrators, personal representatives, successors and assigns of each Owner, Occupant and Mortgagee, and shall inure to the benefit of the Association and its Members, all of the Owners and their respective Mortgagees and their respective heirs, executors, administrators, personal representatives, successors and assigns.

12.6 **Conflict or Ambiguity.** In the event of any conflict or ambiguity in the terms and provisions of this Declaration, the general rules of construction against one party as a result of that party having drafted this Declaration are hereby waived by each Owner and, to the fullest extent allowed by law, no conflicts or ambiguity shall be resolved in favor or to the advantage of one party as opposed to another in interpreting any ambiguity or conflict contained herein.

12.7 **No Reverter.** No restriction or provision hereof is intended to be or shall be construed as a condition subsequent or a possibility of reverter in favor of Developer nor shall any provision be deemed to vest any reversionary interest in Developer.

12.8 **Interpretation.** In all cases, the provisions set forth and provided for in this Declaration shall be construed together and give that interpretation or construction which, in the opinion of the Board of Directors, will best effect the intent of the general plan of development for the Property. The provisions hereof shall be liberally interpreted and, if necessary, they shall be so extended or enlarged by implication so as to make them fully effective. The provisions of this Declaration shall be given full force and effect notwithstanding the existence of any zoning ordinance or building codes which are less restrictive. The effective date of this Declaration shall be the date hereof. This Declaration shall be construed under and in accordance with the laws of the State of Alabama.

12.9 **Rights of Third Parties.** This Declaration shall be recorded for the benefit of the Association and its Members, the Owners and their respective Mortgagees and by such recording, no other adjoining property owner or third party shall have any right, title or interest whatsoever in the Development of its operation and continuation, in the enforcement of any of the provisions of this Declaration or the right to consent to or approve any amendment or modification to this Declaration.

12.10 **No Trespass.** Whenever the Association, the Board of Directors and their respective agents, employees, representatives, successors and assigns, are permitted by this Declaration to enter upon or correct, repair, clean, maintain or preserve or do any other action within any portion of a Lot or Dwelling, the entering thereon and the taking of such action shall not be deemed a trespass.

12.11 **No Partition.** Each Owner hereby waives any right to seek or obtain judicial partition of any portion of the Development.

12.12 **Standards for Review.** Whenever in this Declaration the Association or the Board of Directors has the right to approve, consent to, or require any action be taken pursuant to the terms hereof, such approval, consent or required action shall, except as otherwise specifically provided herein to the contrary, be given or withheld in the sole and absolute discretion of the Association or the Board of Directors, as the case may be.

12.13 **Oral Statements.** Oral statements or representations by the Association, the Board of Directors or any of their respective employees, agents, representatives, successors or assigns, shall not be binding on the Association or the Board of Directors.

12.14 **Notices.** Notices required hereunder shall be in writing and shall be delivered by hand or sent by United States Mail, postage prepaid. All notices to Owners shall be delivered or sent to such addresses as have been designated in writing to the Association or, if no such address has been so designated, at the address of such Owner's respective Lot or Dwelling within the Development. All notices to the Association or to the Board of Directors shall be delivered or sent in care of Developer to the following address:

1200 Twin Pines Road
Sterrett, AL 35147

or to such other address as the Association or the Board of Directors may from time to time specify in a notice to the Owners.

12.15 **Further Assurances.** Each Owner covenants and agrees to execute, sign and deliver, or cause to be executed, signed and delivered and to otherwise do or make, or cause to be done and made, any and all agreements, instruments, papers, deeds, acts or things, supplemental, conformity or otherwise, which may be reasonably requested by Developer, the Association or the Board of Directors for the purpose of or in connection with clarifying, amending or otherwise consummating any of the transactions and matters herein.

12.16 **No Waiver.** All rights, remedies and privileges granted to the Association and the Board of Directors pursuant to the terms and provisions of this Declaration shall be deemed to be cumulative and the exercise of any one or more of such rights, remedies or privileges shall not be deemed to constitute an election of remedies nor shall it preclude the party exercising the same, or any other party, from pursuing such other and/or additional rights, remedies or privileges as may be available to such party at law or in equity. The failure at any time to enforce any covenant or restriction set forth herein shall in no event be deemed a waiver of the right thereafter to enforce such covenant or restriction.

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IN WITNESS WHEREOF, Developer has caused this Declaration to be duly executed as of the day and year first above written.

TP Development Company, LLC an Alabama Limited Liability Company

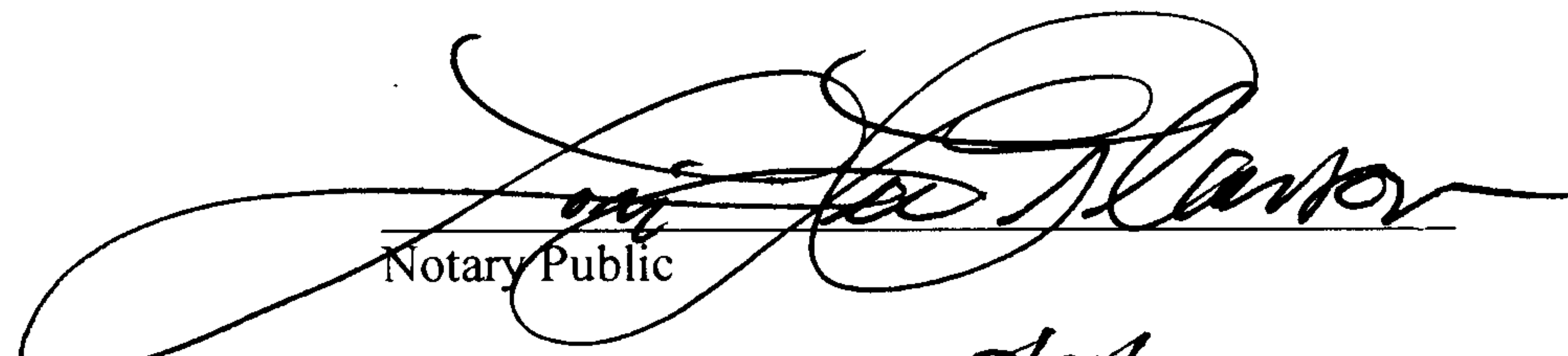
By: 
Kenneth H. Polk, Managing Member

STATE OF ALABAMA)

COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said county in said state, hereby certify that Kenneth H. Polk whose name as Managing Member of TP Development Company, LLC, 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 said instrument, he, in the capacity as such Managing Member and with full authority, executed same voluntarily on the day the same bears date.

Given under my hand and seal of office this 10th day of January, 2007.


Notary Public
My Commission Expires: 8/08/2010


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Exhibit A
Legal Description for Saunder's Bridge

PARCEL I:

The Northeast 1/4 of the Southwest 1/4 lying North of Twin Pine Road and also the Northwest 1/4 of the Southeast 1/4 lying North and West of Twin Pines Road, all in Section 23, Township 18 South, Range 1 East, being situated in Jefferson County, Alabama.

PARCEL II:

The Southwest 1/4 of the Southwest 1/4 of Section 23, Township 18 South, Range 1 East and the Northwest 1/4 of Section 26, Township 18 South, Range 1 East, Shelby County, Alabama as follows:

Begin at a 4" Channel iron found at the accepted Northwest corner of Section 26 and the Southwest corner of Section 23, Township 18 South, Range 1 East, Shelby County, Alabama, and run in a Northerly direction along the accepted West line of the Southwest 1/4 of the Southwest 1/4 of said Section 23, a distance of 1323.26 feet to the accepted Northwest corner of said 1/4-1/4 section, being an old rebar with a new plastic cap bearing R.L.S. Number 4092, Raymond Shackleford and the name "Southern Land Surveying Company", thence turn an interior angle of 90 degrees 55 minutes 56 seconds and run to the right in an Easterly direction along the accepted North line of said 1/4-1/4 section a distance of 1347.84 feet to a 1" rebar found at the accepted Northeast corner of said 1/4-1/4 section, thence turn an interior angle of 90 degrees 58 minutes 42 seconds and run to the right in a Southerly direction along the accepted East line of said 1/4-1/4 section a distance of 1241.59 feet to a 1" steel bar found in a rock pile at the accepted Southeast corner of said 1/4-1/4 section, thence turn an interior angle of 267 degrees 41 minutes, 41 seconds and run to the left in an Easterly direction along the accepted North line of the Northeast 1/4 of the Northwest 1/4 of Section 26, Township 18 South, Range 1 East, Shelby County, Alabama a distance of 1327.21 feet to a pine knot found at the accepted Northeast corner of said 1/4-1/4 section; thence turn an interior angle of 90 degrees 55 minutes 34 seconds and run to the right in a Southerly direction along the accepted East line of the Northwest 1/4 of Section 26 a distance of 2634.77 feet to a 1.25" open pipe found at the accepted Southeast corner of said 1/4 section; thence turn an interior angle of 90 degrees 51 minutes 32 seconds and run to the right in a Westerly direction along the accepted South line of accepted Southwest corner of said 1/4 section; thence turn an interior angle of 89 degrees 38 minutes 44 seconds and run to the right in a Northerly direction along the accepted West line of said 1/4 section a distance of 2605.21 feet, more or less, to the Point of Beginning.


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PARCEL III:

Tract A:

All that part of the Northeast 1/4 of the Southwest 1/4 of Section 23, Township 18 South, Range 1 East, Shelby County, Alabama, lying South and East of dirt road.

Tract B:

Begin at the Southeast corner of the Northwest 1/4 of the Southeast 1/4 of Section 23, Township 18 South, Range 1 East; thence run West along the South line thereof for a distance of 1347.97 feet to the Southwest corner; thence turn right 90 degrees 55 minutes 57 seconds and run North along the West line thereof for a distance of 259.20 feet; thence right 60 degrees 14 minutes 01 seconds for a distance of 158.04 feet; thence left 23 degrees 07 minutes 52 seconds for a distance of 11.05 feet; thence right 54 degrees 35 minutes 14 seconds for a distance of 1201.33 feet to the East line thereof; thence right 87 degrees 38 minutes for a distance of 288.13 to the Point of Beginning.

PARCEL IV:

The Southwest Quarter of the Southeast Quarter and the Southeast Quarter of the Southwest Quarter, Section 23, Township 18 South, Range 1 East.

PARCEL V:

A parcel of land situated in the East half of Section 27, Township 18 South, Range 1 East, Shelby County, Alabama and being more particularly described as follows:

Commence at the channel iron marking the Northeast corner of said Section 27, Township 18 South, Range 1 East; thence proceed South 0 degrees 06 minutes 27 seconds East (Astronomical Bearings) along the East line of said Section 27, 400.00 feet to an iron pin set at the point of beginning of said parcel; thence continue along previous course and said East line of Section 27, 1971.00 feet to an iron pin set; thence proceed South 89 degrees 53 minutes 33 seconds West 312.00 feet to an iron pin set; thence proceed North 0 degrees 06 minutes 27 seconds West parallel to the East line of said Section 27, 1659.00 feet to an iron pin set; thence proceed North 44 degrees 53 minutes 33 seconds East, 441.24 feet to the point of beginning of said parcel.

PARCEL VI:

The Southeast Quarter of the Southeast Quarter of Section 22, Township 18 South, Range 1 East.