

DECLARATION OF PROTECTIVE COVENANTS, RESTRICTIONS, EASEMENTS AND AGREEMENTS FOR

BULLEY CREEK FARM DEVELOPMENT

1SECTOR

STATE OF ALABAMA SHELBY COUNTY

This Declaration is made this 13th day of April , 2007 by Bulley Creek, Inc., an Alabama Corporation (the "Developer"), for the purpose of establishing certain easements, covenants, restrictions, and limitations to run with the land:

WITNESSETH:

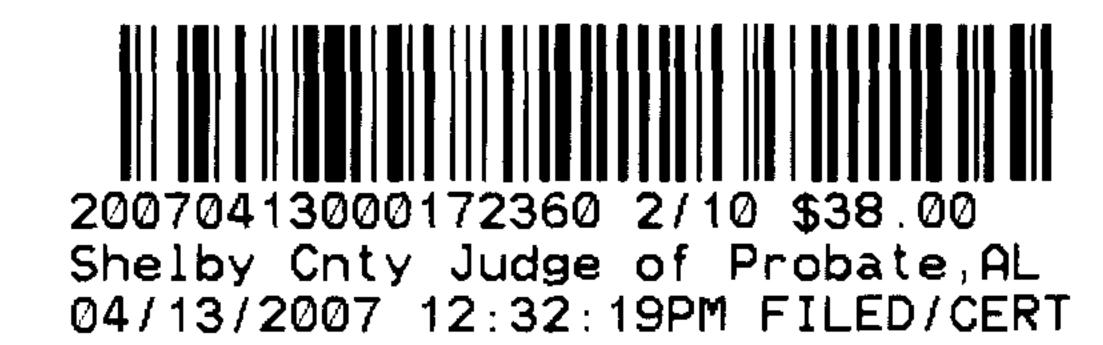
WHEREAS, Developer is the sole fee simple owner of certain property located in Shelby County, Alabama, described as Phase I of Bulley Creek Farm (the "Property"), and Developer has subdivided a portion of the Property into lots (the "Lots") as shown and described on the Survey of Bulley Creek Farm, as recorded in Map Book 38, Page # 75 A+B in the office of the Judge of Probate of Shelby County, Alabama (the "Subdivision");

WHEREAS, the Developer desires to develop the Property into a residential subdivision to be known as Bulley Creek Farm and to subject each of the said Lots in said Property to the conditions, limitations and restrictions as set forth in the Declaration of Protective Covenants, Restrictions, Easements and Agreements for Bulley Creek Farm (the "Declaration");

WHEREAS, the Developer reserves the right to submit any portion of the Property that it desires to be a part of the residential development to the Subdivision known as Bulley Creek Farm and to subject that portion of the Property submitted to the terms and conditions of this Declaration by filing an amendment to this Declaration, signed only by Developer and recorded in the Office of the Judge of Probate of Shelby County, Alabama.

NOW, THEREFORE, the Developer does, by the recording of this Declaration, declare and make the Subdivision and each of the Lots therein subject to the protective covenants, conditions and limitations set forth in this Declaration, all of which are declared to be in furtherance of a plan for the improvement of the Property in a desirable and uniform manner, and all of which shall run with the land and shall be binding upon all parties having or acquiring right, title or interest in the Property, and shall insure to the benefit of and shall be binding upon each successor in interest and to the owners thereof.

1. <u>Land Use.</u> All of the Lots in the Subdivision shall be used strictly for residential purposes. No structure shall be erected, altered, placed, or permitted to remain on any Lot other than a detached, single-family dwelling not to exceed two stories in height. All Lots in the Subdivision shall be used for single-family residence purposes



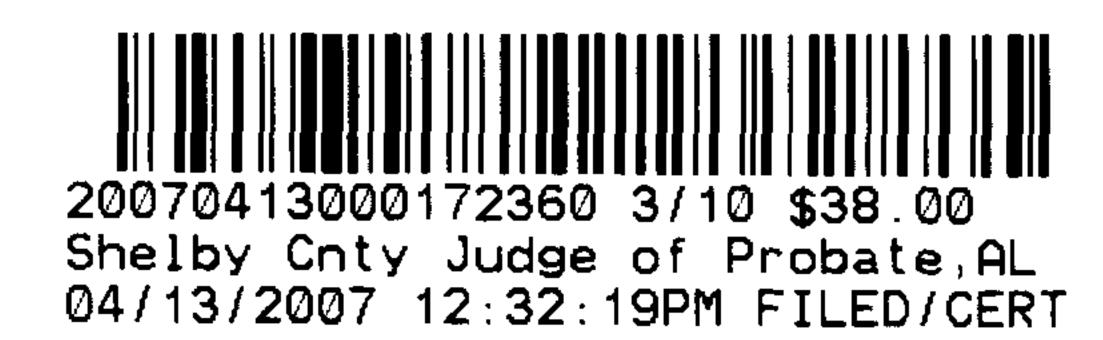
exclusively and no Lot or dwelling shall be used for business or commercial purposes or for occupancy requiring a business license of any nature.

2. <u>Minimum Structure Size.</u>

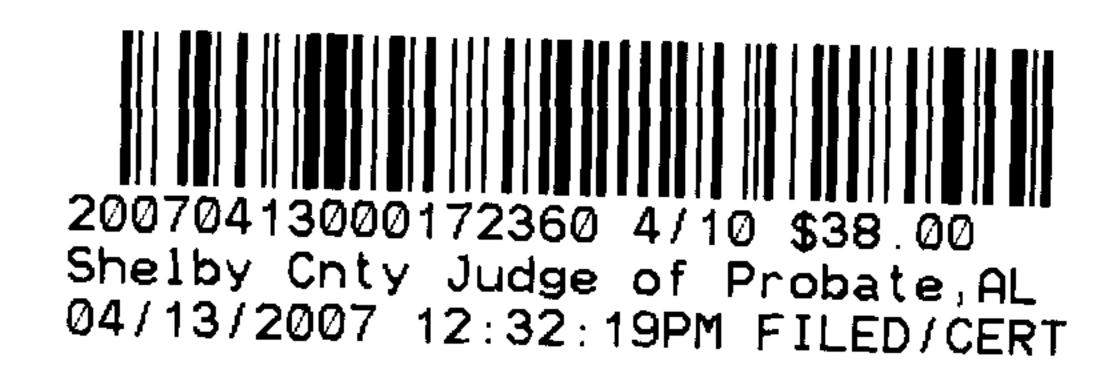
- (1) <u>Interior Lots</u>: No dwelling of less than 1500 square feet in a (1) one story dwelling, exclusive of basement and porches, or less than 1,200 square feet on the first floor and not less than 500 square feet on the second floor of a one and one-half (1-1/2) story dwelling or less than 1,000 square feet on the first floor and not less than 1,000 square feet on the second floor of a two (2) story dwelling.
- (2) <u>Lake Front Lots</u>: No dwelling of less than 2000 square feet in a (1) one story dwelling, exclusive of basement and porches, or less than 1600 square feet on the first floor and not less than 600 square feet on the second floor of a one and one-half (1-1/2) story dwelling or less 1400 square feet on the first floor and not less than 1400 square feet on the second floor of a two (2) story dwelling.
- 3. Plans for Dwellings and Other Buildings. Prior to the commencement of construction of any dwelling or outbuilding to be located on any Lot in the Subdivision, the owner thereof must submit to the Architectural Review Board (the "ARB"), established pursuant to paragraph 24(4) below, plans, specifications, architectural drawings, grades and locations for such building(s). All plans must be submitted and approved by the Architectural Review Board prior to issuance of a building permit by the City of Wilsonville, Alabama. Plans will be reviewed and approved in accordance with the restrictions set forth herein. No outdoor dog houses or kennels, outbuildings, freestanding play houses, tree houses or detached storage buildings will be erected in the front or side yards. Such building shall only be allowed if located in the back yard and if approved by the ARB in accordance with this and other provisions of the Declaration.

The scope of review by the ARB shall be limited to appearance only. The ARB does not accept any responsibility or authority to review for structural soundness, compliance with building or zoning codes or standards, or any other factors. No member of the ARB or the Developer shall be responsible in any way for any failure of structures or improvements to comply with the requirements of this Declaration, any defects in any plans and specifications submitted, nor for any structural or other defects in any work done according to such plans and specifications, and all persons submitting any such plans and specifications, and all persons relying thereon agree not to sue or claim against the ARB or the Developer for any cause arising out of these matters and hereby agree to release the ARB or the Developer from any and every such cause.

Failure of any Lot owner to obtain the approval of the ARB for any construction of or alteration to any building on any Lot, will subject such Lot owner to any penalty the ARB sees fit to impose, after a due process hearing, including but not limited to removal of the building or alteration.



- 4. <u>Exterior Design.</u> The construction of or change or alteration to the exterior design of the dwelling or building located on any Lot in the Subdivision shall be in accordance with the following, subject to the approval of the ARB:
 - (1) Approved building materials include wood siding, brick, vinyl, Hardiplank (concrete) siding and stone. Further, any foundation or basement above finished grade must be brick or stone on any portion of such foundation within view of any street. The use of particle board, plywood, aluminum or artificial brick is expressly prohibited on any portion of any building on any Lot in the Subdivision.
 - (2) Front porches of not less than 12 feet in length are required on all homes.
 - (3) Primary colors for exterior siding, roof, trim, gutters and downspouts shall be confined to earth tones which are compatible with the natural environment and must be submitted to the ARB for approval.
 - (4) Remodeling and additions to existing improvements shall follow the same criteria as new construction.
- 5. <u>Temporary Structures.</u> No temporary buildings, servant's houses, stables, garages or other buildings shall be erected on any Lot within the Subdivision to be used for residential purposes prior to the completion of a dwelling on said Lot, in accordance with these restrictions.
- 6. <u>Fences, Walls and Hedges.</u> No fences or walls shall be constructed unless first approved by the ARB. The approval by the ARB shall be governed by the following:
 - (1) No fences, walls or hedges may exceed four feet in height in the front yards, or six feet in height in side or back yards. The back yard is defined in this Declaration as beginning at the rear corner of the main body of the dwelling house.
 - (2) No chain link or wire fencing of any kind may be used.
- 7. <u>Sea Walls</u>. All sea walls shall be regulated to treated wood only, no concrete blocks or corrugated material may be used.
- 8. <u>Mailboxes.</u> All mailboxes shall be uniform and comply with specifications as approved by the ARB.
- 9. <u>Doors and Windows.</u> Burglar bars on doors or windows, including wrought iron bars, are not permitted on any dwelling on any Lot in the Subdivision.

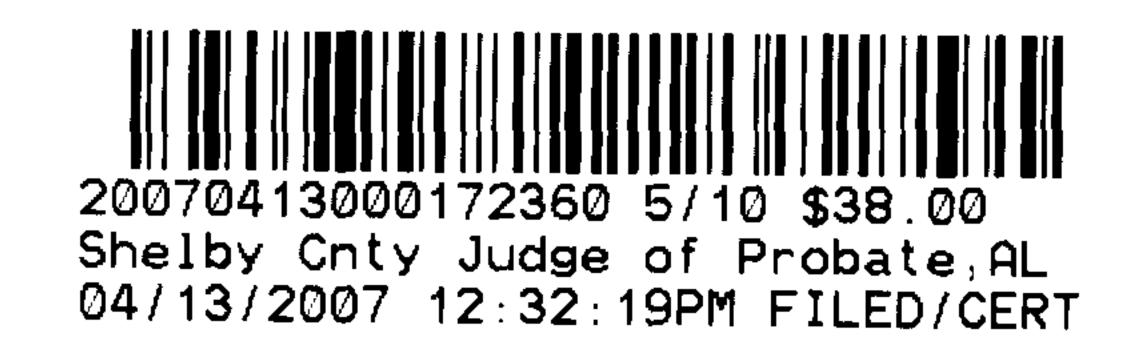


- 10. <u>Window-Mounted Equipment.</u> No window-mounted heating or air conditioning units are allowed on any dwelling located on any Lot in the Subdivision.
- 11. <u>Play Equipment.</u> Play equipment shall be located in the back yard where it will have a minimum visual impact. Basketball goals shall be mounted on black poles and have clear Plexiglas or acrylic backboards.
- 12. <u>Signs.</u> No signs of any kind shall be placed on the Lot except signs of not more than five square feet to advertise the Lot for sale or builder's signs during construction and prior to the sale of the homes by the Developer.
- 13. <u>Window Treatment.</u> Appropriate window treatments shall be used on all windows. All blinds, drape backings or shades must be of a neutral shade or color.
- 14. <u>Landscaping.</u> All front and side yards will be landscaped with grass or sod and shall be attractively maintained. Any natural areas will also be attractively maintained. Landscape drawings shall be submitted to the ARB for approval.
- 15. <u>Satellite Dishes, Antennas.</u> All satellite dishes, radio and television antenna, radio receiver or other similar devices or aerials shall only be allowed in the back yard.
- 16. <u>Yard Ornaments.</u> Bird feeders, bird baths, fountains, reflectors, freestanding flag poles, statues, lawn sculptures, lawn furnishings, wood carvings, artificial plants, clotheslines, vegetable and or herb gardens, plaques or home crafts of any type shall not be placed in the front or side yard of any Lot or on the front or side of any dwelling. Such items may be located in the back yard so long as the same are not visible from the street.
- 17. <u>Storage of Vehicles.</u> Commercial vehicles or travel homes must be parked within a fenced area and must not be in view from the street. No vehicles may be parked on the street on a permanent or routine basis. Further, no disabled vehicles shall be parked on any portion of the Lot unless contained in a closed garage.

18. Water Craft.

Boats, trailers and other water craft must be parked in the side or rear yard and will not be permitted to be parked on any street.

19. <u>Animals.</u> No animals, livestock, insects, or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for any commercial purpose, and they do not become a nuisance to any neighbor. It shall be within the authority of the ARB to determine what constitutes a "nuisance".

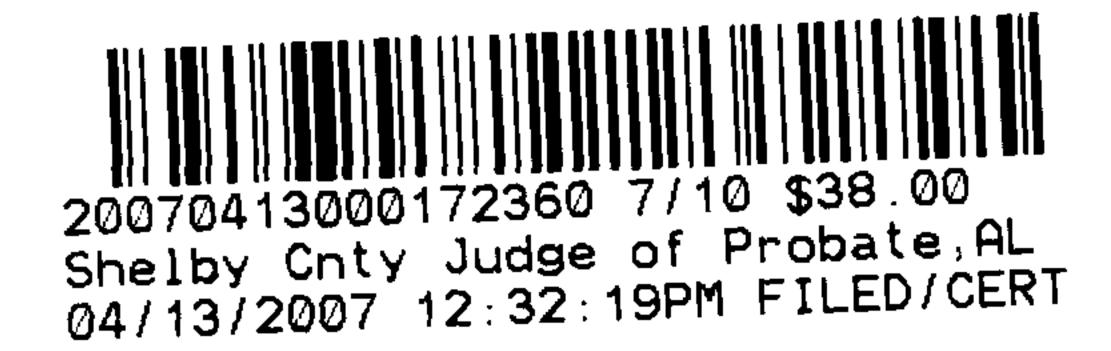


- 20. <u>Garbage and Refuse.</u> No lumber, metals or bulk materials shall be kept, stored or allowed to accumulate on any Lot within the Subdivision, except building materials during the course of construction of any approved structure or improvement. No refuse or trash shall be kept, stored or allowed to accumulate except between scheduled pickups and in accordance with the provisions thereof. If trash or other refuse is to be disposed of by being picked up and carried away on a regular and recurring basis, such trash or refuse must be placed in sanitary containers. Such sanitary containers should be placed in the open only on the day that a pickup is to be made at such place on the Lot as to provide access to the person making such pickup. At all other times, such containers shall be stored in such a manner as not to be seen from the street.
- 21. <u>Nuisance</u>. No obnoxious, offensive or illegal activity shall be carried on upon any Lot within the Subdivision nor shall anything be done on any Lot within the Subdivision which may become an annoyance or nuisance to other Lot owners.
- 22. <u>General.</u> It shall be the responsibility of each Lot owner to prevent the development of any unclean, unsightly or unkempt conditions of buildings or grounds on such Lot which shall tend to decrease the aesthetics of the Subdivision.
- 23. <u>Establishment.</u> Operation and administration of the Property shall be performed by Bulley Creek Farm Owners Association, an unincorporated association ("Association"). The powers and duties of the Association shall include the following:
 - (1) The Association shall have the right to make annual assessments against Lot owners of the Subdivision of Bulley Creek Farm for the purpose of paying expenditures arising from the maintenance of the common areas of the Subdivision. Further, the Association may, upon a 51% vote of the members thereof, make additional assessments to pay for expenses arising from the common and beneficial use of any part of the Subdivision, including but not limited to any entrance to the Subdivision, signs or other expenditures of a common beneficial nature.
 - (2) The Association shall have the right and authority to place liens against the Lot or any lot owner who fails to pay his annual or additional assessments.
 - (3) Upon a vote of 51% of the members of the Association, the Association shall have the authority to borrow funds to pay for such expenditures as may be authorized by the provisions of this Declaration.
 - (4) The Association shall have the authority to appoint an Architectural Review Board as set forth in paragraph 24(4) below to determine what construction may be undertaken on or what changes, modifications, additions and improvements may be made to the Lots in the Subdivision.

- (5) The Association shall have any other authority granted to it by a 51% vote of the members of the Association and approval of the Developer during the period of Developer Control (as defined in 24 (2) below).
- (6) The members of the Association shall consist of all record owners of the Lots. Change of membership in the Association shall be established by recording in the public records of Shelby County, Alabama, the deed or other instrument establishing record title to a Lot and delivery to the Association of a copy of such instrument; the Lot owner designated by such instrument thereby becoming a record owner and a member of the Association. Membership of the prior owner shall thereby be terminated. The vote of a member for a Lot shall be cast by the record owner thereof or a person holding a duly authorized proxy of the record owner. Each Lot owner shall be entitled to one vote for each Lot owned and Developer shall retain one vote for each unsold Lot.

24. Government of the Association.

- (1) The business and affairs of the Association shall be managed by or under the direction of its Board of Directors. The number of directors of the Association shall consist of not less than three (3) not more than five (5) directors with the exact number to be fixed from time to time by the members holding a majority of the votes of the Association. The initial Board of Directors shall consist of three (3) directors. The directors shall serve for a period of three (3) years and shall be replaced by calling and holding a meeting for such purpose at the end of such three-year term. There shall be no limitation on the number of terms a Board member may serve.
- (2) Notwithstanding the provisions set forth above, the Developer, its successors and assigns, shall elect the members of the Board of Directors of the Association until such time as all Lots in the Subdivision, or any expansion thereof, are sold to owners other than the Developer or any partner thereof. This period shall be known as "Developer Control". The Developer may, at its option, however, elect to terminate control of the Association prior to the sale of all Lots in the Subdivision, or any expansion thereof.
- (3) A regular meeting of the Board of Directors shall be held at least annually, at which time the Board of Directors shall determine the amount of the annual assessment to be paid by the Lot owners to the Association. Any vacancy occurring in the Board of Directors may be filled by a majority of the remaining directors until the meeting regularly scheduled to elect a new Board of Directors is held.
- (4) The Board of Directors shall appoint at least three (3) members of the membership to serve on the Architectural Review Board (the "ARB") after the period of Developer Control shall terminate. Any member of the Board of Directors may also serve on the ARB provided the other members of the Board of



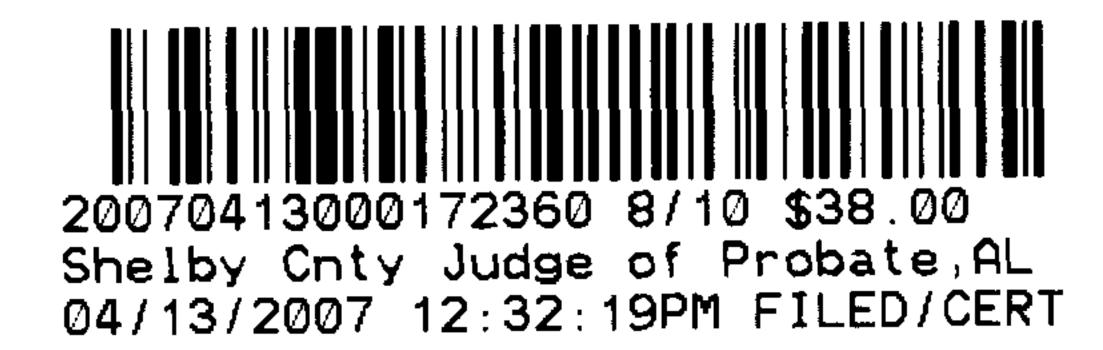
Directors unanimously agree to such appointment. The term of each member of the ARB shall be three (3) years with no limitations on the number of years a member might serve. During the period of Developer Control, the members of the ARB shall be appointed by the Developer. The affirmative vote of a majority of the members of the ARB shall be required for approval.

25. Assessments.

- (1) By acceptance of a deed for a Lot in the Subdivision, whether it shall be so expressed in such deed, is deemed to be a covenant and agreement to pay to the Association annual and additional assessments as shall be determined by the Association. The annual and any additional assessments, together with interest, costs and reasonable attorney's fees shall be a lien upon the Lot against which such assessments shall be made, and shall further be a personal obligation of the person or persons who are or were the owner or owners of such Lot at the time such assessment was made. The personal obligation is for delinquent assessments and shall not pass to the successor in title of any Lot owner unless expressly assumed by such successor, however, the lien against the Lot shall remain in effect until paid.
- (2) The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the Lot owners and for the purpose of maintaining the Common Area in Bulley Creek and any other property or thing which is found to be for common beneficial use.
- (3) The annual assessment as described herein shall commence as to all Lots at the time of closing the sale of a Lot. The Board of Directors of the Association shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of the due date of each annual assessment. Written notice of the annual assessment shall be sent to every owner subject thereto and the due dates thereof shall be established by the Board of Directors.

Any assessment not paid within thirty (30) days after the date shall bear interest from the due date at the maximum legal rate. The Association may bring an action at law against any Lot owner or person obligated to pay the same or may foreclose its lien against the Lot by the commencement of a civil action. No Lot owner may waive or otherwise avoid or escape liability for the assessment provided for herein by non-use of the property which is being constructed, repaired, or maintained or by abandonment of such owner's Lot.

(4) The lien of the assessment provided for herein shall be subordinate to the lien of any first mortgage.



- (5) Any conveyance, whether voluntarily, involuntarily or by operation of law shall not affect the lien of assessment and no sale or transfer will relieve any Lot owner from personal liability for any assessments becoming due prior to such sale or transfer.
- 26. <u>Grantee's Acceptance</u>. The grantee of any Lot subject to the coverage of this Declaration, by acceptance of the deed or other instrument conveying an interest in or title to, or the execution of a contract for the purchase thereof, whether from Developer or a subsequent owner of such Lot, shall accept such deed or other contract upon and subject to each and all of these restrictions herein contained.
- 27. <u>Indemnity For Damage</u>. Each and every Lot owner and future Lot owner, in accepting a deed or contract for any Lot subject to this Declaration, agrees to pay and indemnify Developer for any damage caused by such owner, or the contractors, agents or employees of such owner to roads, streets, gutters, walkways or other aspects of common use, including all surfacing thereon or to water, drainage or storm sewer lines or sanitary sewer lines owned by Developer, or for which Developer has responsibility at the time of such damage.
- 28. <u>Severability</u>. Every one of the provisions and restrictions is hereby declared to be independent of, and severable from, the rest of the provisions and restrictions and of and from every combination of the provisions and restrictions. Invalidation by any court of any provisions or restriction in this Declaration shall in no way affect any of the other provisions or restrictions which shall remain in full force and effect.
- 29. Right of Developer to Modify Restrictions. Until the Developer has sold all Lots in the Subdivision or any expansion thereof, Developer may, without the consent of any Lot owner, amend or modify this Declaration in its discretion by recording in the Office of the Judge of Probate of Shelby County an amendment hereto.
- 30. <u>Captions</u>. The captions preceding the various paragraphs and subparagraphs of this Declaration are for the convenience of reference only, and none of them shall be used as an aid to the construction of any provision of this Declaration. Whenever and wherever applicable, the singular form of any word shall be taken to mean or apply to the plural, and the masculine form shall be taken to mean or apply to the feminine or to the neuter.
- 31. <u>Effects of Violations on Mortgage Liens.</u> No violation of any of this Declaration shall defeat or render invalid the lien of any mortgage made in good faith and for value upon any portion of the Subdivision; provided, however, that any mortgagee in actual possession or any purchaser at any mortgagee's or foreclosure sale shall be bound by and subject to this Declaration as fully as any other Lot owner in the Subdivision.
- 32. <u>No Reverter.</u> No restrictions herein intended to be, or shall constitute a condition subsequent or to create a possibility of reverter.

- 33. <u>Duration and Amendment.</u> The covenants and restrictions contained in this Declaration shall run with the land and bind all Lots in the Subdivision as it may be expanded, shall inure to the benefit of and shall be enforceable by Developer, the Association, the ARB and the owner of any Lot included in the Subdivision, their respective legal representatives, heirs, successors and assigns until the <u>31st</u> day of <u>December</u>, 2029, after which time said restrictions shall be automatically extended for successive periods of ten (10) years by a vote of at least 51% of the Lot owners. This Declaration may not be amended in any respect except by the Developer during the period of Developer Control, and thereafter upon a vote of at least 51% of the Lot owners and by the execution of an instrument signed by the Board of Directors, which instrument shall be filed in the Office of the Judge of Probate of Shelby County, Alabama, or in such other place of recording as may be appropriate at the time of the execution of such instrument.
- 34. Enforcement. In the event of a violation or breach of any of these restrictions or any amendments hereto by any Lot owner or employee, agent, or lessee of such owner, the owners of Lots, Developer, the Association, the ARB, their successors and assigns of any party to whose benefit these covenants and restrictions inure shall have the right to proceed at law or in equity to compel compliance with the terms and conditions hereof, to prevent the violation or breach of said restrictions, to sue for and recover damages or other dues, or take all such courses of action at the same time, or such other legal remedy it may deem appropriate. No delay or failure on the part of any aggrieved party to initiate an available remedy set forth herein shall be held to be a waiver of that party or an estoppels of that party or of any other party to assert any right available to him upon the recurrence or continuation of said violation or the occurrence of a different violation.
- 35. No Waiver. The failure of any party entitled to enforce any of the covenants and restrictions herein contained shall in no event be considered a waiver of the right to do so thereafter, as to the same violation or breach or as to such a violation or breach occurring prior or subsequent thereto; provided, however, that approval of plans pursuant to Article 4 shall be binding on any and all parties as a conclusive determination that such plans are in conformity with these covenants and restrictions.
- 36. Roads and Other Improvements. The Developer reserves the right to make any road improvements or other improvements in any portion of the Subdivision, including specifically, any portion of the Subdivision which joins the remainder of the Property. Further, the Developer reserves the right to change the present road or street grades, if necessary, without liability to the owner of any Lot for any claim for damages.

IN WITNESS WHEREOF, the undersigned as President of the Develope caused this Declaration to be executed on this	r has)07.
BULLEY CREEK, INC. an Alabama Corporation	
By: Jael Taller	
Its: President	
Its:	
Attest:	
Articia a Sattetta	
By:	
STATE OF ALABAMA)	
SHELBY COUNTY)	
I, the undersigned, a Notary Public in and for said County in said State, he certify that <u>Sack & Falletta</u> whose name as President of B. Creek, Inc., an Alabama Corporation, is signed to the foregoing Declaration and we known to me, acknowledged before me on this day that, being informed of the corporation, he, as such President, with full authority executed the voluntarily.	ho is ntents
Given under my hand and seal this 13 day of April , 2007.	
Myra an O'Ban NOTARY PUBLIC	
My Commission Expires:	
2-9-08	