

COLONIAL OAKS SUBDIVISION
PHASE ONE
DECLARATION OF PROTECTIVE COVENANTS, RESTRICTIONS, EASEMENTS,
RIGHTS AND LIENS

This Declaration is made this the 29th day of October, 2007 by Sherwood, Inc. the owner of the property (hereinafter "Declarant") which property is to be developed as a residential subdivision known as Colonial Oaks Subdivision.

Whereas Declarant is the owner in fee simple of certain real property described as follows: (hereinafter "Real Estate")

Colonial Oaks Subdivision as recorded in Map Book 39, Page 45 in the Probate Office of Shelby County, Alabama.

Whereas, the Declarant intends to develop the Real Estate and Common Area (Real Estate and Common Area hereinafter the "Property") pursuant to a general subdivision plat covering the property and subject to certain protective covenants, restrictions, easements, rights, equitable servitude's, liens and charges all running with the land and title to the property. This Declaration shall apply to each Sector within the property but shall not apply to any other property owned by the Developer unless the same is subjected to this Declaration specifically by written instrument.

Whereas, the plan for the property provides for the Real Estate to be subdivided into lots on which single family homes will be built (hereinafter lots as "lots")

Therefore, in order to enhance and protect the value and attractiveness of the Property and in furtherance of the plan, therefore all of the Property shall be subject to the following:

PART 1
DEFINITIONS

1. Association - shall mean and refer to the Colonial Oaks Homeowner's Association, Inc. it's successors and assigns.
2. Owner - shall mean the owner of record, whether individual or entity but shall exclude those with only a security interest or mortgage.
3. Property - the property herein described with such additions as may be brought under the Association.
4. Common Area - all real property, including improvements, sign easements, light poles, light fixtures, storm water drainage easements, storm water detention pond, all pipes or flumes, utility easements, brick walls and walking trails/jogging paths to be owned by the Association. The Common Area to be owned by the Association at the time the last lot is conveyed and is designated Common Area on the recorded plat map. The Developer expressly reserves the right

to create additional non-exclusive common utility easements, drainage easements, water retention, sanitary sewer and ingress & egress easements until such time as Developer conveys Common Area to the Association.

The maintenance of the Common Area shall be the sole responsibility of the homeowner's association at such time as specified in Part 2, Number 1A.

5. Lot - any plot of land with any improvements as shown on the record map.

6. Declarant & Developer- Sherwood, Inc. No mortgagee shall become Developer by virtue of acquiring an ownership interest in the Developer's interest in all or part of the property. If Sherwood, Inc. ceases to function as the Developer and if no other entity has assumed the duties of Developer, the Association shall be deemed the Developer. Note: The terms Declarant and Developer are used interchangeably throughout this document.

7. Maintenance - reasonable care to keep the lots and common area in condition comparable to the original condition. All drainage structures shall be constructed and maintained according to the various regulations of Shelby County.

8. Articles - as recorded.

9. By-Laws-as recorded.

PART 2 PROPERTY RIGHTS

1A. TITLE TO COMMON AREAS - Developer shall retain legal title to the Common Area so long as it owns at least one lot subject to these covenants. On or before the conveyance of the last lot which Developer owns in Colonial Oaks Subdivision, Developer shall convey the Common Areas to the Association subject to the taxes for the year and to restrictions, conditions, limitations, reservations and easements of record. The Developer expressly reserves the right to create additional non-exclusive common utility easements, drainage easements, water retention, sanitary sewer and ingress & egress easements until such time as Developer conveys Common Area to the Association

1. OWNER'S EASEMENT OF ENJOYMENT - Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be included to and shall pass with the title to every lot, subject to the following provisions.

A. All provisions of this Declaration, any map or plat of the Property, and the articles and the by-laws.

B. Rules and Regulations in connection with the Common Area

C. The rights of the Association to convey or dedicate any part of the Common Area to any public authority or utility. This shall require the signature of 2/3 members of the Association.

D. Easements for installation of utilities, drainage and sign easements as shown on record map.

2. DELEGATION OF USE - Any owner may delegate right to use Common Area to family, tenants or contract purchasers.

3. RIGHT OF ENTRY - Developer or successors or assigns through agents has a right to reenter after reasonable notice to maintain any lots but nothing herein shall be deemed a requirement for Developer to perform any maintenance.

4. RESERVATION OF EASEMENT FOR WALKING TRAIL & RETAINING WALL - Developer does hereby establish and reserve for itself and the Association and their respective successors and/or assigns, a permanent and perpetual easement appurtenant over, across, through and upon a strip of land running along the common boundary of each lot or dwelling for the purpose of constructing, installing, maintaining, repairing, replacing a retaining wall as shown on the record map along the lots abutting Shelby County Highway 24 and walkway or walking trail, provided however, that neither Developer or the Association shall have any obligation to construct any of the foregoing improvements.

PART 3
COLONIAL OAKS HOMEOWNER'S ASSOCIATION, INC.

1. The structure of the Association is contained in its Articles of Incorporation and By-Laws which should be consulted for a full explanation of the rights and obligations concerning membership in the Association.

2. Every owner of a lot shall be a member of the Association. Membership shall be appurtenant to and not separated from ownership of the lot subject to assessment.

3. Each Lot Owner shall be entitled to one vote, which vote is not divisible. The vote shall be cast by the Lot Owner, in the manner provided for herein and in the Bylaws. Provided however, that until four (4) months after the Declarant has completed and sold 100% of the lots in all phases of the Developement, or until first (5) five years from the date the first lot is sold, or until Declarant elects to terminate its control of the Planned Unit Development, whichever shall first occur, the Bylaws and rules adopted by Declarant shall govern and there shall be no meeting of the members of the Association, unless a meeting is called by the Board of Directors of the Association.

4. At such time as the Developer no longer owns any interest in any Lot or dwelling within the property, a special meeting of the Association shall be called within a reasonable time thereafter at which time the Owners shall elect a new Board which shall undertake the responsibilities of the Board. At such time a document entitled Transfer of Control Over the Architectural Control Committee and Association shall be signed by the Developer and an representative of the lot owners representing the Association. Thereafter, the Lot Owners shall have control of the Association

5. Neither the Lot Owners nor the Association, nor the use of the property by Lot occupants shall interfere with the completion of the contemplated improvements and the sale of the lots. The Declarant may make such use of the unsold lots and the Common Areas and facilities as may facilitate the completion and sale, including, but not limited to, showing the property and the display of signs.

6. Each Owner shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be members. However, in no event shall more than one vote be cast with respect to any one lot.

7. The Association and the ARC shall be allowed to contract with a professional company in the business of managing homeowner's associations.

8. The Association shall and does hereby indemnify, defend and agree to hold harmless each and every officer, agent, representative and member of the Board of the Association, each member of the ARC and the Developer, and its partners, agents, and representatives, from and against all expenses, including court costs and reasonably attorney's fees, suffered or paid by and such person in connection with any action or suit, including the settlement of any action or suit, if approved by the Board to which person may be made a party by reason of being or having been an officer, agent, representative or member of the Board of the Association or ARC.

PART 4 COVENANT FOR MAINTENANCE ASSESSMENT

1. CREATION OF LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS -

Each owner by acceptance of the deed is deemed to covenant to pay the Association (1) annual assessment (2) special assessment for capital improvements. Any assessments with interest, costs and reasonable attorney's fees shall be a charge on the land and shall be continuing lien upon the property and same shall be personal obligation of the Owner of such lot.

2. PURPOSE OF ASSESSMENTS - shall be used to promote the health, safety, welfare and association of the residents. The common expenses to be funded by annual Assessments may include but are not limited to, salaries, other compensation for the Association for its employees, agents, officers or members of the Board, management fees and expenses of the Board, utility charges for any utilities serving the common areas, the costs of insurance policies purchased for the benefit of the Association as required or permitted by this Declaration, including, without limitation, fire, flood or other hazardous coverage, public liability coverage and such other insurance coverage as the Board determines to be in the best interest of the Association, including, errors and omissions insurance, directors and officers liability insurance and other liability insurance coverage for the benefit of the Association, the members of the Board, any officers, employees, agents or representatives of the Association or for any members of the ARC.

3. MAXIMUM ANNUAL ASSESSMENTS - Until January 1st of the year immediately following the conveyance of the last lot to an Owner, the maximum annual assessment shall be \$500.00. These assessments shall be billed on an annual basis for the time period from January 1st through December 31st. The Developer and thereafter the Homeowner's Association is entitled to levy a reasonable late charge on unpaid assessments if said assessments remain unpaid by more than thirty days after the due date.

A. Annual Assessments may be increased by 5% above the maximum by a vote of 2/3 of members of the association in person or proxy, at a meeting duly called for this purpose. The Board of Directors shall have the power to fix the annual assessment at an amount not in excess of the maximum.

4. SPECIAL ASSESSMENT FOR CAPITAL IMPROVEMENTS - The Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part the cost of any construction, repair or replacement of any capital improvement upon the Common Area, provided that any such assessment shall have the assent by 2/3 of the votes of the lots owned by members of the homeowner's association. Developer shall have the sole responsibility of contracting for maintenance services for the common areas for any year in which it owns at least one lot in the development.

5. Special Account - The Developer shall maintain a separate account for any monies collected pursuant to any provisions contained herein. The account shall be managed at the sole discretion of the Developer and shall be transferred to the Association under the provisions in Part 3, No. 4.

PART 5 ARCHITECTURAL CONTROL

There shall be an Architectural committee (hereinafter, sometimes ARC or Committee) composed of three individuals designated and re-designated from time to time by the Declarant or Association. Provided until such time as Declarant no longer owns or has right to acquire any property, the Architectural Committee shall be composed of three individuals designated by Declarant and Declarant may remove and replace any such member at any time, in its discretion. The current members at the execution of this document are **LARRY ROBINSON, RICHARD A. BOYLE & MICHAEL ROBINSON**. The Architectural Committee may designate in writing one of its members or any other person as its representative for the functions to be carried out by the Architectural Committee.

No building, fence, wall, or other structure shall be commenced, erected or maintained upon the property, nor shall any exterior addition or alteration be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approval in writing has to the harmony of external design and location by the Architectural Committee.

Neither the Architectural Committee, nor any agent therefor nor the Declarant shall be responsible to check for any defects in any plans and specifications submitted, revised, reviewed, or approved according to the above.

Neither the Architectural Committee nor any member nor the Declarant shall be liable to any owner or any party for damages or loss suffered on account of approval or disapproval of any plans, whether or not defective or the filing of any action whether or not the facts stated therein are true and correct.

All required plans must be submitted to Sherwood, Inc. until such time as the Association has been formed and representative(s) appointed.

PART 6 EXTERIOR MAINTENANCE

In the event an owner of a lot in the property shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors of the Association, after approval by 2/3 vote of the Board of Directors, shall have the right to enter upon said parcel and to repair, maintain and restore the Lot and exterior of any improvements thereon. The cost of such exterior maintenance shall be added to the assessment to which such lot is subject. In the event, said assessment remains unpaid, it shall be subject to any method of enforcement or remedy of the Association contained herein.

PART 7 GENERAL RESTRICTIONS

1A. Design Criteria - The type of exterior materials, among others, are acceptable subject to final approval of the actual appearance and type of such materials by the Developer and thereafter the ARC.

1. Land use - The Real Estate shall be used exclusively for residential purposes. Only a single family residence shall be constructed not more than two stories in height. No building shall be used for any business, commercial, manufacturing, warehousing or other non residential purpose, except, Declarant may use the property as a model home site and may operate display and sales offices for so long as Declarant owns any portion of the property.

2. Parking - No automobile, truck, house trailer, camper, boat, dune buggy, ATV or any other type vehicle shall be parked or maintained on any permanent basis on any lot. Only vehicles used for day to day transportation for the property owners and their families may be kept on the property. No on-street parking is permitted more than two (2) hours at any given time. No over-night on-street parking is allowed or permitted.

3. Building Set-Backs and Dwelling Size - Each dwelling shall be set back from the front and back property line a minimum of twenty five feet (25') and a minimum of nine feet (9') from the side property lines. Every one story dwelling shall have a minimum of 1500 square feet of heated/cooled living area and every one and one half (1.5) or two (2) story dwelling shall have a minimum of 1800 square feet of heated/cooled living area.

4. Nuisances - no noxious or offensive activity, or activity which has or may become an unreasonable nuisance or annoyance to any lot owner shall be conducted or permitted. No loud noises or noxious odors shall be emitted or permitted on the property.

5. Temporary Structures - No out building, tent, shack or shed of any kind shall be placed upon any portion of the property, either temporarily or permanently or than those place temporarily by Declarant. All fire wood must be stored behind the residence.

6. Signs & Clotheslines - No sign, poster, display, billboard or other advertising device of kind shall be displayed to the public view on any portion on any property, except sale or rent signs no larger than 3 square feet. No clothes lines are permitted on any part of the property.

7. Oil and Mining - No exploration, drilling, development, refining, mining, or quarrying of any kind shall be permitted. No wells, tanks, tunnels, surface mines or underground mines shall be permitted.

8. Animals - No animals, livestock or poultry shall be kept for any reason, except the usual and ordinary household pets such as no more than two animals total including but not limited to dogs, cats, fish and birds provided these animals cannot be bred or maintained for any commercial purpose in an unreasonable manner.

9. Garbage - No garbage, rubbish or wastes shall be dumped or maintained on the property. All such garbage shall be kept in sanitary containers and no odors shall be permitted. There shall be no outside burning of waste material of any kind.

10. Window Coverings - Reflective glass shall not be permitted on the exterior of the dwelling, and no foil or other reflective material which produces the same effect as reflective glass shall be permitted. Curtains or mini-blinds or equivalent in a neutral color shall be placed in front windows.

11. Air Conditioners - No "through wall" nor window units shall be allowed. There shall be no exposed pipes or tubes in connection with any air conditioner or appliance.

12. Satellite Dishes; Exterior lighting and wiring - Satellite dishes not to exceed 18 inches may be permitted on the rear of the dwellings if properly screened. Any other antenna or receiver must be approved in writing by the ARC. No exterior lighting or wiring including low voltage or solar powered shall be permitted without the express written consent of the ARC.

13. Fences - Chain link, wire or metal fences of any type are allowed. All fences including materials and location must be approved by the ARC. No fence of any kind shall ever be erected to block access to any lot or any easement of any kind.

14. There is also reserved an easement for drainage & utilities as may be required resulting from topography and as shown on the record map.

14A. Easements for installation and maintenance of roads are reserved and created as shown on the record map.

15. Holiday Decorations - Such decorations of any kind and for any holiday shall be removed no later than thirty days immediately following said holiday. The failure to do remove said decorations is in direct violation of the ARC as well as the spirit of these covenants.

16. Uniform Mailboxes - The Developer shall specify the type, style and color of every mailbox in the development. The mailboxes must remain uniform for the time period in which these covenants are in force and effect. In the event a mailbox must be replaced, it must be of the same type, style and color as the original mailboxes specified by the Developer.

17. Covenants to Run with the Land - The covenants, restrictions, easements, rights, equitable servitudes, liens and charges set forth herein shall run with the land, be binding upon any and every person having any rights or title, their heirs and or assigns, inure to the benefit of every portion of the property, be binding and in effect for 25 years from the date this instrument is recorded in the Probate Office of SHELBY County, Alabama after which period the covenants, restrictions, easements, rights, equitable servitudes, liens and charges shall be automatically extended for successive periods by majority of the owners of not less that 3/4 of the lots.

18. Covenant with Respect to Maintenance of Lots and Improvements - No owner of any lot shall modify the structure by adding a room, changing the roof lines, adding decks, materially changing or altering the color or making other alteration in the exterior appearance of the structure without the express written approval of the ARC and the Planning Commission of SHELBY County, Alabama. Each owner, in acquiring title to his lot acknowledges that the decor, color scheme and design have been selected in such a manner to be consistent and harmonious with other houses within the subdivision and agrees to maintain his lot and structure in a manner as to maintain and perpetuate the visual harmony within the subdivision.

PART 9
SPECIAL RESTRICTIONS AFFECTING COMMON AREAS

1. Declarant expressly reserves the right to create additional non-exclusive easements, drainage easements, water retention easements, sewer easements and ingress and egress easements regardless of whether Declarant has conveyed any of the lots to individual owners.
2. The Association shall have the right to maintain the Common Areas and facilities within the Property which serve the Owners regardless of whether such Common Areas are owned by the Declarant or have been conveyed to the Association.
3. Entranceway improvements, property rights of way and rear service/access drives, if applicable, shall be kept and maintained, by and at the expense of the Association as part of the Common Area, in the manner originally constructed and installed and same are hereby declared to be part of the Common Area. In no event shall any portion of the items listed in this paragraph be modified, removed or extended in scope without prior written consent of the owners of the affected Parcel and the Association.
4. The Common Area cannot be mortgaged or conveyed without the consent of 2/3 of the Lot Owners, excluding the Declarant.

PART 10
ROADS AND STREETS

1. CONVEYANCE TO THE ASSOCIATION - The Association shall have the right to maintain the roads and streets within the Property regardless of whether they have been dedicated to the public, owned by the Declarant or have been conveyed to the Association. Declarant nor the Association shall have the right to dedicate all or any of the roads and streets to the public. Declarant is under no duty or obligation express or implied to maintain the roads and streets within the Property. The Association shall have the right & responsibility to maintain any and all public or private roads and streets within the Property and subject to the assessment provisions hereof, may charge fees or assessments as the Association deems appropriate for the proper maintenance thereof.
2. RESERVATION IN DEVELOPER - Developer reserves the right to make any road or any improvements within the Development, to change or extend the present road or other street grades, if necessary, without liability to the Lot Owners for any claims for damages.

PART 11 STORM WATER RETENTION

1. The Developer has constructed a storm water management and retention system over, through and under the property. The Developer shall maintain said storm water management and retention system during such time as the Developer owns at least one lot in the development. At such time as the control of the Association is transferred to the lot owners, the responsibility for maintaining the storm water management and retention system becomes the sole responsibility of the Association.
2. Certain maintenance items are required to prevent malfunctioning of this stormwater system. At a minimum, the maintenance and inspection listed below shall be performed.

Daily Operations:

No resident shall deposit or place by any means into the storm-water system any item that would tend to block or obstruct the storm-water system. Residents shall not place items in gutters, streets, ditches, or swales that could wash into the storm-water system.

Blockage on inlets can cause local flooding which could be a safety hazard. Common items that cause this type of problem are:

Blowing or raking leaves or other landscaping debris into inlets or gutters where the debris can wash into inlets.

Placing garbage bags or can in gutters where flowing water can wash these items downstream and into inlets or block inlets.

In the common area of the subdivision, there are three detention/retention ponds. The outlet structures for these ponds shall be kept free of debris and trash at all times. The outlet structures for these ponds shall be inspected before and after each rainfall event, with all trash and debris removed.

Monthly Inspection and Maintenance Items:

Inspect all inlets, manholes, junction boxes, headwalls, ditches, swales or other drainage structures and features. Remove any debris, rocks, silt, etc. found during inspection. **Warning: Manholes, Junction Boxes, Pipes, etc. are considered confined spaces and may contain certain gases or other dangers which could cause injury or death. Only persons properly trained and equipped to work in confined spaces shall enter these areas and shall comply with all laws and industry standards when doing so.**

Inspect the outlet structure of the detention/retention ponds for any cracks, settlement, damage or erosion. In the event of any cracks, settlement, damage or erosion is detected, the Homeowner's Association shall retain a Professional Engineer to inspect and make recommendations for repair of these structures.

Inspect the detention/retention ponds basins for excessive sedimentation. Sediment shall be removed to approximately the original ground level. Care should be taken not to disturb any part of the pond's basins not impacted by silt deposits. Erosion control shall be required per current ADEM standards while performing this work.

Inspect the site for any erosion or washes, especially slopes around the site which may be prone to erosion if the vegetation cover is lost or in exceptionally heavy rainfall events.

Further maintenance items:

Inspection of the detention/retention ponds shall not only occur in monthly intervals, but also after a major rainfall event. Inspection shall be as stated under "Monthly Inspection and Maintenance Items."

PART 12 ENFORCEMENT

1. In addition to the rights and remedies provided elsewhere in this Declaration, in the event any Owner or Occupant or their respective agents, contractors, or invitees violates any of the provisions of this Declaration, the Architectural Standards, the Articles of Incorporation, the Bylaws or any other rules and regulations adopted by the Board of the Association from time to time, then the Association, the Board, the ARC and the developer shall jointly and severally have the right and the power, at their option, to a) impose reasonable monetary fines which shall constitute an equitable charge and a continuing lien upon the lot and dwelling and shall be a personal obligation of such owner which is guilty of the violation, b) suspend an owner's right to vote in the Association, c) enjoin such violation or non compliance and/or d) through their respective agents, employees representatives and independent contractors, enter upon such lot or dwelling and take all necessary action to extinguish or correct said violation or breach. All costs and expenses incurred by the Association, the Board, the ARC or Developer incurred in enforcing any of the provisions of this Declaration, including, without limitation, attorney's fees, court costs, cost and expenses of witnesses, engineers, architects, designers, land planners and any other persons involved in the correction of any non compliance or the removal of such violation in a judicial proceeding, shall be paid by the owner who has violated or breached any provisions of this Declaration and all such costs shall be deemed individual assessments.

PART 13
COLONIAL OAKS SWIM AND TENNIS, INC.

1. Developer intends to use approximately five acres near the entrance of Colonial Oaks Subdivision as Colonial Oaks Swim and Tennis, Inc. Membership for owners of single family residences in Colonial Oaks Subdivision shall be mandatory in said Swim and Tennis Club in the event such improvement is built. The initial dues shall be \$1875.00 and shall be collected at the closing of the completed single family residences to homeowners. Annual dues shall be required. Colonial Oaks Swim and Tennis, Inc. shall be a complete and separate entity apart from Colonial Oaks Homeowner's Association and shall be governed by its own articles of incorporation and by-laws. The Developer nor the Association shall have any obligation to construct said Swim and Tennis Club. In the event the Swim and Tennis Club is not constructed, all dues plus a reasonable rate of interest shall be returned to the homeowners.

PART 14
GENERAL

1. GRANTEE'S ACCEPTANCE - The grantee of any parcel subject to this Declaration, by acceptance of the deed or conveyance whether from Declarant or subsequent owner shall be subject everything contained within this document.

2. INDEMNITY FOR DAMAGES - Each and every owner and future owner of any part of the Property in accepting the deed or conveyance agrees to indemnify Declarant and the Association from and against any (i) damage caused by such Owner, contractor or agent to roads, streets, gutters, walkways or other aspect of public ways, including all surfacing thereon, or to water, drainage or storm sewer lines or sanitary sewer lines owned by the Declarant or Association and (ii) any loss or damage, claim or liability that the Declarant or Association may suffer including costs of defense and attorney's fees arising out of breach or violation of the provisions of this Declaration.

3. SEVERABILITY - Every provision herein is independent of and severable from the rest of the provisions and invalidity of any one or more of the provisions shall in no way affect the other provisions which shall remain in full force and effect.

4. RIGHT OF DECLARANT TO MODIFY RESTRICTIONS - Declarant may include in any contract or deed hereinafter made such modifications and/or additions to this Declaration as Declarant in its sole discretion desires during such periods of time as the Developer owns any lots in the Development, so long as such amendment does not adversely affect or alter any Owner's right to use his lot. When Developer no longer owns any lots in the Development, Developer grants the right of amendment to the Colonial Oaks Homeowner's Association.

5. DECLARANT'S RIGHT TO REMOVE PORTIONS OF THE PROPERTY - Declarant shall have the right, at any time, to remove from the provisions of this Declaration, the Articles and Bylaws, any portion or portions of the Property as Declarant might determine.

6. ENFORCEMENT - In the event of a violation or breach of any provision of this Declaration by any owner, agent or assignee of any kind, the Owners, Association, Declarant their successors or assigns or any other party shall have the right to proceed at law or equity to compel compliance with the terms and conditions hereof, to prevent the violation or breach of said restrictions and provisions, to sue for and recover damages to other dues, or to 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 an aggrieved party to initiate an available remedy set forth herein shall be deemed a waiver of that party or an estoppel of that party or of any other party to assert any right available to him upon the recurrence or continuation of said violation. In addition, Mortgagees are not required to collect assessments. Failure to pay assessments does not constitute a default under an insured mortgage or any mortgage.

7. CERTIFICATE OF VIOLATION - In addition to any other rights or remedies available to the Association hereinunder or at law or equity, the Association shall have the right to file in the Probate Office of Shelby County, Alabama a CERTIFICATE OR NOTICE OF VIOLATION of this Declaration, (which violation may include, without limitation, non payment of the fees, assessments or charges, or failure to comply with architectural guidelines) upon failure of an Owner to correct a violation of this Declaration within 10 days after written notice of the violation has been given by the Association the Parcel Owner. Any such lien shall be subordinate to the lien of any first mortgage.

8. ASSIGNMENT BY ASSOCIATION - The Association shall have the right to assign its rights and properties to a successor non-profit membership corporation and in such event the assets shall be dedicated to a public body or conveyed to a nonprofit organization with similar purposes.

9. NO WAIVER - The failure of any party to enforce any of the provisions of this Declaration shall in no event be considered a waiver of the right to do so thereafter as to any violation or breach.

10. AMENDMENT - The approval of 2/3 of the lot owners is required to amend the covenants after such time as Declarant has relinquished control the development to the Association.

In Witness Whereof, the undersigned has duly executed this Declaration as of the date first above written.

Sherwood, Inc.

Larry Robinson

By:

Its:

STATE OF ALABAMA)
SHELBY COUNTY)

I, the undersigned authority, a Notary Public, in and for said county in said state, hereby certify that Larry Robinson whose name as President of Sherwood, Inc. a corporation organized and existing under the laws of the State of Alabama, and whose name is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of said conveyance, he/she, with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 29th day of OCTOBER 2007.

John L. Holliman

Notary

EXPIRES: 08-29-10

Prepared By:
John R. Holliman, Esq.
2491 Pelham Pkwy
Pelham, AL 35124