DECLARATION OF PROTECTIVE COVENANTS FOR SPRING WATER FARMS AND SPRING WATER ESTATES

WHEREAS, the undersigned, Shelby Investments, LLC a Georgia limited liability company (which, together with its successors and assigns, is hereinafter referred to as "Developer") is the owner of all of that certain real property situated in Shelby County, Alabama which is more particularly described in <a href="Exhibit "A" attached hereto and incorporated herein by reference (the "Property")." The Property is known as Spring Water Farms and Spring Water Estates located in Shelby and Jefferson Counties, Alabama and shown as Exhibits A attached hereto. For the purpose of these Protective Covenants, the term "lot" or "lots" and any parcel of land subdivided within the meaning of these Covenants means all lots shown on Exhibits A and all lots which may be included under these Protective Covenants in the future by the Developer.

WHEREAS, the Developer desires to subject all of the real property located within the Subdivision Plat and each Lot located thereon to the easements, covenants, conditions, assessments, limitations and restrictions hereinafter set forth.

NOW THEREFORE, Developer does hereby expressly adopt the covenants and limitations for the Subdivision Plat as set forth in these Protective Covenants and does hereby declare that the real property shown on Exhibits A and each Lot located therein and any Lots that may be included in any future development property shall be and the same are hereby subject to the following easements, covenants, conditions, assessments, limitations and restrictions.

ARTICLE I DEFINITIONS

- Section 1. "Architectural Committee" shall mean the committee created pursuant to Article V hereof.
- Section 2. "Architectural Committee Rules" shall mean the rules, if any, adopted by the Architectural Committee.
- Section 3. "Declaration" shall mean this entire document, as same may from time to time be amended.
 - Section 4. "Developer" shall mean Shelby Investments, LLC a Georgia limited liability company
 - Section 5. "Living Area" shall mean as heated finished area, not to include porches, garages, basements, carports, or attics.

20181001000349900 1/10 \$42.00 Shelby Cnty Judge of Probate, AL 10/01/2018 03:09:59 PM FILED/CERT Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities of fee simple title to any Lot. "Owner" shall include the Developer until such time as Developer has sold all Lots owned by it. The foregoing does not include persons or entities who hold an interest in any Lot merely as security for the performance of an obligation. "Owner" shall also include the family, invitees, licensees and lessees of the Owner, together with any other person or parties holding any possessory interest granted by such Owner in any Lot. There shall be one vote for each Lot in the Property notwithstanding that a particular Lot is owned by more than one person.

Section 7. "Property" or "Project" shall mean and refer to all the Lots within Spring Water Farms and Spring Water Estates additionally all easements as reflected on the Record Map.

Section 8. "Protective Covenants" shall mean all of those covenants, conditions and restrictions contained in this entire Declaration.

Section 9. "Purchaser" shall mean any person who acquires any Lot.

ARTICLE II EXCLUSIVE OWNERSHIP

Section 1. Exclusive Ownership. Each owner shall have exclusive ownership and possession of his or her or their Lot.

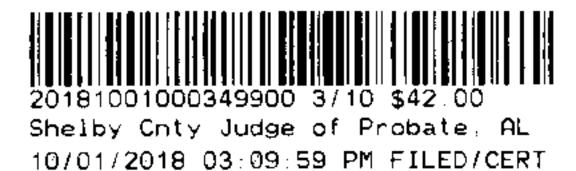
ARTICLE III PROPERTY SUBJECT TO RESTRICTIONS

Section 1. General Declaration. The Developer intends to sell and convey the Lots to Purchasers, subject to this Declaration and any subsequent amendment or supplement thereto. The Developer hereby declares that all of the Property is and shall be held, conveyed, hypothecated, encumbered, leased, occupied, built upon or otherwise used, improved or transferred in whole or in part, subject to this Declaration as amended or supplemented from time to time. This Declaration is declared to be established for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property and all parts thereof. All of the provisions of this Declaration shall run with the Property for all purposes and shall be binding upon and inure to the benefit of the Developer, all Owners, and their respective heirs, successors, and assigns.

ARTICLE IV EASEMENTS

Developer will construct a gravel road from South Shades Crest Road to the southernmost portion of the property of Spring Water Farms. This road shall lie within an easement that varies in width. The purpose of this easement is to provide ingress, egress, drainage and utilities to all subdivided property within the development. The developer shall at all times shall maintain the right to utilize this easement for the purposes enumerated above. It shall be the homeowners association's responsibility to maintain the roads, drainage and any environmental issues within the easement.

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ARTICLE V ARCHITECTURAL CONTROL

Section 1. Architectural Committee Membership. The Architectural Committee shall consist of three (3) lot owner or non-lot owner members, the initial members shall be appointed at the discretion of the Developer. In the event of death, resignation or other termination of any members, the Developer during the development stage (until all lots are sold by the developer) shall have full authority to appoint successor members. The Developer's appointed members shall serve until all lots are sold by the Developer whereupon, the Developer's control and authority and Developer's appointed members to the Architectural Committee shall cease and the Homeowners assume full control and authority over the Architectural Committee and may form an Association for such purpose. If the Developer, in its sole discretion, elects to relinquish this control before the sale of all the lots of the development, it shall have the authority to turn over developer's rights to the Homeowners.

Section 2. Release. Neither the Architectural Committee nor any member thereof shall be liable to any Owner or to any other party for any damage, loss or prejudice suffered on account of the approval or disapproval of any plans, drawings or specifications, whether or not defective, or the execution or filing of any action, motion, certificate, petition or protest in the courts of the United States or the State of Alabama, or with any other governmental board or body, whether or not the facts stated therein are true and correct.

Section 3. Members. The two (2) members of the Architectural Committee appointed by the Developer are as follows: Nathan Antonio and Mike Waits. The Architectural Committee shall serve without compensation for their routine, review and approval services.

ARTICLE VI RESTRICTIONS

Section 1. Use Restrictions. The Property will be used for residential purposes only except that a home business with a minimum of employees along with delivery services to that business is acceptable. No building or structure other than a single family residence including a detached barn or detached garage shall be erected on any Lot within the Property except as otherwise permitted herein. Detached guest houses or in-law suites on any lot will be permitted contingent on Architectural Committee approval.

Prohibited uses include, but are not limited to:

- (a) dangerous, noxious, offensive or excessively noisome activities which may be or become an annoyance or nuisance to Owners; and
- (b) keeping of any animals, birds, or fowl; provided that an Owner shall be permitted to keep dogs, cats, or other household or domestic pets so long as they are not kept, bred or maintained for any business or commercial use and they are not allowed by the Owner to become an annoyance or nuisance to other Owners; provided, however, that one (1) grazing animal (such as a horse or cow) per one and one-half ($1\frac{1}{2}$) acre will be allowed and eight (8) chickens per Lot will be allowed. No roosters shall be allowed at any time.

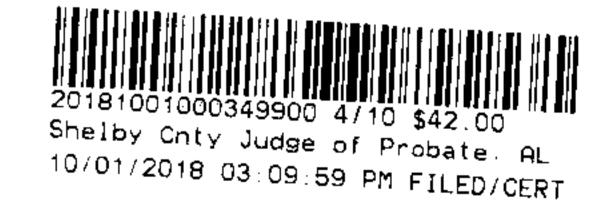
- (c) exploring, mining, boring, quarrying, drilling, or otherwise removing oil or other hydrocarbons, minerals, gravel or natural gas; provided that timber harvesting and logging shall be permissible, provided that the lot owner shall be responsible for any road damage caused by such activity
- (d) use of a single family residence by more than a single family unit.
- (e) any fence constructed along the right of way of the main roadway or within an easy view of the main road must be a three (3) rail split fence that matches the existing three (3) rail fence near the main entrance. All fences and gates must be approved by the Architectural Committee.
- (f) no mobile or manufactured homes shall be allowed.

Any owner may request from the Architectural Committee at any time a determination of whether a prospective use of a Lot is permitted. A certificate to that effect signed by a majority of the Architectural Committee shall be deemed to be dispositive of this issue.

Section 2. Limitation on Size and Location of Structure.

- (a) No structure shall be erected, altered, placed or permitted to remain on any lot other than a Single Family Residence not to exceed two and one half stories and a private garage for not more than four cars. Other than the reference to a barn in Section 1 above, no detached building other than the Single Family Residence shall be constructed or permitted on any Lot unless previously approved by the Architectural Committee. The Single Family Residence shall be located on each Lot in conformity with the setback requirements. No residence or other improvement on any Lot may be constructed within any easement area shown on the Subdivision Record Map. Additionally all Lots are subject to local zoning ordinances and buildings and improvements must adhere to said requirements unless waived or varied in writing by appropriate authorities.
- (b) Minimum floor areas for homes in Spring Water Farms and Spring Water Estates as follows:
- (1) 2200 square feet living area for a one story residence and 2600 square feet. for a one and one-half story residence
- (2) Two or more adjacent lots may be used to construct a Single Family Residence.
- (3) The Developers shall have the right to allow variances on minimum square footage for residences that are not visible from any roadway.

Section 3. Maintenance. All Single Family Residences, landscaping and other improvements upon individual Lots shall be continuously maintained by the Owner thereof so as to preserve a well-kept appearance, especially along the perimeters of any Lot.



Section 4, Storage of Boats, Trailers and Other Vehicles. No boats, or trailers may be parked or stored in any location that can be seen from the road for a period in excess of 48 hours, provided boats, recreational vehicles and the like may be stored indefinitely if they are stored in such a manner that they are incapable of being seen by another lot or home site.

No service trucks, vans or vehicles or wrecked or disabled vehicles shall be stored or located on any Lot or street in the subdivision.

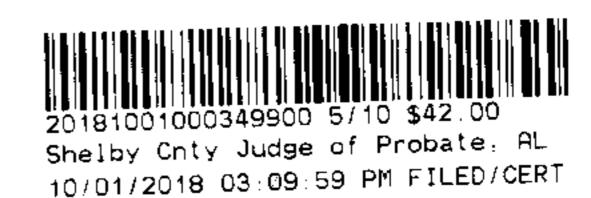
Section 5. Enforcement. If a determination is made by the Architectural Committee or Homeowners Association that any of the restrictions in this Article VI are being or have been violated upon any Lot, then the Architectural Committee or Homeowners Association shall so notify the Owner in writing, specifying the violation. If within thirty (30) days from such notification, the Architectural Committee shall make a second determination that sufficient progress has not been made to remedy the violation, the Architectural Committee may itself, direct such actions to be taken as shall be necessary or appropriate to remedy such violation. The Owner shall be liable for the cost and expense of all such actions, including legal fees, and the Architectural Committee may treat all such costs and expenses therefore as a charge which shall become a lien of the Architectural Committee on the affected Lot enforceable by appropriate proceedings at law or in equity.

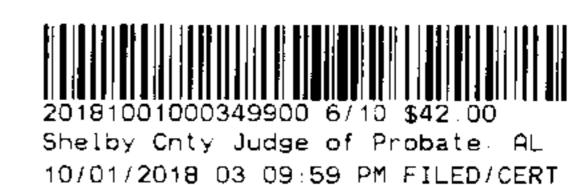
ARTICLE VII COMMON AREA ASSESSMENTS

Section 1. Assessments and Creation of Lien.

Each Owner of a Lot, except for Developer, 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 an Annual Assessments for road and other common area maintenance and upkeep. All Assessments, together with late charges, interest and all court costs and attorneys' fees incurred by the Developer to enforce or collect such Assessments shall be an equitable charge and a continuing lien upon each Lot for which the Owner thereof is responsible for the payment of the same, which lien may be enforced. Each Owner shall be personally liable for the payment of all Assessments coming due while he is the Owner of a Lot and his grantee shall take title to such Lot subject to the equitable charge and continuing hence therefore, but without prejudice to the

rights of such grantee to recover from his grantor any amounts paid by such grantee to the Association which were the legal obligations of the grantor. All Assessments, together with late charges and interest at the Applicable Rate, 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 at the time such Assessments and other costs and charges were assessed or incurred. In the event of co-ownership of any Lot, all of the co-Owners shall be jointly and severally liable for the entire amount of such Assessments. All Assessments shall be paid in such manner and on such dates as may be fixed by the Developer. 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, Common Area, or any other portion of the Development or any other cause or reason of any nature.





Section 2. Computation of Assessments for Road and Common Area Maintenance, including landscaping, the gate, and the roadway.

- (a) Notwithstanding anything provided to the contrary in this Declaration, the Assessment for each Lot within the Development, except Lots owned by Developer and lots exempted shall commence and be due and payable initially on January 1, 2019 on a pro-rata basis and in the full amount on January 1st of each subsequent year. Annual Assessments shall be due and payable on January 1st and continuing until and including December 31st of each year and shall be One Thousand Five Hundred Dollars (\$1,500.00) per year for each lot in the Development, except those owned by the Developer and those exempted. Any purchaser of any Lot sold after January of any year shall pay a pro rate share of the above Annual Assessment.
- (b) Any lot may be subdivided, provided that each lot that is subdivided must be at least (7) acres. In the event that any lot is subdivided into the minimum seven (7) acre lots and both lots are owned by the same person or entity, then under that scenario, dues shall be paid only on the original lot. In the event that any lot is subdivided into the minimum seven (7) acre lots and the subdivided lots are owned by different persons or entities, then under that scenario, dues shall be paid on both of the subdivided lots.
 - (c) Dues are subject to change when the Developer no longer owns lots with Spring Water Farms and Spring Water Estates and a majority of the lot owners vote to change the dues to the required amount to properly maintain the roads and common areas within Spring Water Farms and Spring Water Estates
 - (d) Any dues that are not disbursed during the calendar year for which they were collected will be credited or disbursed to the lot owners.

ARTICLE VIII NATURE OF PROTECTIVE COVENANTS: DEFAULTS AND REMEDIES

Section 1. Protective Covenants Running with the Land. The foregoing Protective Covenants shall constitute a servitude in and upon the Property and shall run with such Property and inure to the benefit of and be enforceable by the Developer, its designated successors and assigns, or by any Owner and his respective heirs, successors and assigns for a term of fifty (50) years from the date this Declaration is recorded, after which time the said Protective Covenants shall automatically be extended for successive period of ten (10) years, unless an agreement which has been signed by Owners who own two-thirds (2/3) or more of the then existing Lots of the Property, agreeing to terminate or modify this Declaration, has been recorded in the Probate Court of Shelby County, Alabama.

Section 2. Remedies for Default. The existence of any default hereunder by any person or entity subject to the terms, conditions, covenants and restrictions of this Declaration shall give the Developer, its successors or assigns, any Owner, and/or their respective heirs, successors and assigns, in addition to all other remedies specified herein, the right to proceed at law or in equity to compel compliance with the terms of these Protective Covenants and to prevent the violation or breach of any of them.

Section 3. Nature of Remedies, Waiver All rights, remedies and privileges granted to the Developer and the Owners, their respective heirs, successors and assigns, pursuant to the provisions of this Declaration shall be deemed to be cumulative, and the exercise of any one or more of them 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 point in time to enforce any covenant or restriction shall in no event be deemed a waiver of the right thereafter to enforce such covenant or restriction.

Section 4. No Reverter. No restriction or provision herein is intended to be, or shall be construed as, a condition subsequent or as creating any possibility of a reverter.

ARTICLE IX PERIOD OF DEVELOPER CONTROL

Section 1. Period of Developer Control. In view of the Developers investment, commitment and obligations in and to the Spring Water Farms Development, the Developer hereby reserves unto itself, its successors and assigns, the right to manage all of the affairs of the subdivision and development thereof in accordance herewith and any amendments hereto, and also the exclusive right to amend these Protective Covenants until the Developer sells one hundred percent (100%) of the lots within the subdivision or until the developer elects to terminate its control of the project whichever shall first occur. This period of time shall be known as the "Control" Period".

Section 2. Notices. Any notice required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed by United States mail, postage prepaid, return receipt requested, to the street address of the Lot owned by such Owner, or such other address as the Owner may have furnished Developer.

Section 3. Severability. Invalidation of any provision or provisions hereof by judgment or court order shall in no way affect any previous other provision, all of which shall remain in

full force effect.

Section 4. Effective Date. This Declaration shall become effective upon its recordation in the Probate Court of Shelby and Jefferson County, Alabama.

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Section 5. Amendment by Owners. Subsequent to the "Control Period" heretofore referred to in Article VIII, an amendment may be proposed by written instrument signed by the Owners of not less than one-fourth (1/4) of the Lots within the Property. Such proposed amendment or amendments shall be considered at a meeting of the Owners alter written or printed notice of such meeting stating the time and place thereof, and reciting the proposed amendment or amendments in reasonably detailed form, shall be mailed to the Owners not less than ten (10) days nor more than fifty (50) days, before the date set for such meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States mail, addressed to each Owner at the street address of his Lot, the postage thereon being prepaid. Any Owner may, by written waiver of notice signed by such Owner, waive such notice, and such waiver whether before or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such Owner. At such meeting, the amendment or amendments proposed must be approved by the affirmative vote of Owners who own not less than two-thirds (2/3) of the total Lots of the Property in order for such amendment or amendments to become effective. Thereupon, such amendment or amendments to the Declaration shall be transcribed and certified by the Architectural Committee as having been duly adopted and the original or executed copy of such amendment or amendments so certified and executed with the same formalities as a deed shall be recorded in the Probate Court of Shelby County, Alabama, within twenty (20) days from the date on which the same became effective, such amendment or amendments to specifically refer to the recording identifying this Declaration. Thereafter, a copy of said amendment or amendments, in the form in which the same were placed of record, shall be delivered to all of the Owners, but mailing or delivering a copy thereof shall not be condition precedent to the effectiveness of such amendment or amendments. At any meeting held to consider such amendment or amendments, the written vote of any Owner shall be recognized if such Owner is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered at or prior to such meeting.

This the 27+1 day of 1, 2018

Shelby Investments, LLC a Georgia limited

liability company

Timothy Webster, managing member

Notary Acknowledgement on next page

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STATE OF ALABAMA SHELBY COUNTY

I, the undersigned, a Notary Public in and for said County, in said State hereby certify that Timothy Webster, whose name as Managing Member of Shelby Investments, LLC a Georgia limited liability company, is signed to the foregoing Declaration and who is known to me, acknowledged before me, that, being informed of the contents of the Declaration, he, as such Managing Member, executed the same voluntarily on the day the same bears date.

Given under my hand and seal this the 77t

day of 2018.

Notary Public CUNN/

THE STATE AND THE

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EXHIBIT A

Spring Water Farms

Lots 1, 2, 3 and 4 according to the Survey of Spring Water Farms, as recorded in Map Book 49, page 90, in the Office of the Judge of Probate of Shelby County, Alabama, and in Map Book 49, Page 75, in the Office of the Judge of Probate of Jefferson County, Alabama, Bessemer Division.

Also, a parcel of land situated in the NW ¼ of the NW ¼ of Section 6, Township 20 South, Range 4 West Shelby County, Alabama; thence N 00 degrees 39' 36" W along the West line of said Section 6 a distance of 1018.94' to a point on the South right of way line of South Shades Crest Road; thence N 75 degrees 12'45" E along of said right of way a distance of 127.07' to the point of curve to the left having a radius of 2525.00', a central angle of 2560.00', a central angle of 3degrees26'49", and subtended by a chord which bears N 67 degrees 21'15" E, a chord distance of 153.98; thence along said curve and right of way an arc distance of 154.01'; thence with a compound curve to the right having a radius of 1225.00', a central angle of 7degrees57'53", and subtended by a chord which bears N 73 degrees 03'36", a chord distance of 170.15; thence along said curve and right of way an arc distance of 170.29'; thence with a compound curve to the right having a radius of 525.00', a central angle of 4 degrees 30'54", and subtended by a chord which bears N 79 degrees 17'59" E, a chord distance of 41.36'; thence along said curve and right of way arc distance of 41.37'; thence S 88 degrees 51'004" E along said right of way a distance of 114.46'; thence S 50 degrees 06'10" W a distance of 447.10'; thence S 112 degrees 19'04" W a distance of 502.28' to the South line of the NW ¼ of the NW ¼ of said Section 6; thence N 88 degrees 38'02" W along said South line a distance of 526.51' to the point of beginning.

Spring Water Estates

Lots 1 and 2 according to the Survey of Spring Water Estates, as recorded in Map Book 49, page 83, in the Office of the Judge of Probate of Shelby County, Alabama, and in Map Book 49, Page 71, in the Office of the Judge of Probate of Jefferson County, Alabama, Bessemer Division.

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