Prepared by, and after recording please return to:

Hand Arendall Harrison Sale, LLC Attn: Christopher M. Gill, Esq. P.O. Box 123 Mobile, Alabama 36601

STATE OF ALABAMA COUNTY OF SHELBY

# DECLARATION OF RESTRICTIVE COVENANTS (ALABAMA – OAK TREE)

THIS DECLARATION OF RESTRICTIVE COVENANTS (this "<u>Declaration</u>") is executed as of June 24, 2024 (the "<u>Effective Date</u>"), by DHIR – BIRMINGHAM I, LLC, a Delaware limited liability company ("<u>Declarant</u>").

#### **RECITALS**:

- 1. Declarant is the current owner of those certain single-family residential lots situated in Shelby County, Alabama, legally described on <u>Exhibit "A"</u> attached hereto and incorporated herein (the "<u>Restricted Lots</u>"), and either has or will in the future construct homes thereon (such Restricted Lots, and any homes now or hereafter thereon, are collectively referred to as the "<u>Restricted Homes</u>", and each referred to as a "<u>Restricted Home</u>", whether or not the such Restricted Homes are detached single-family residential or attached single-family residential).
- 2. The Restricted Homes are in a single-family residential development commonly known as "Oak Tree Subdivision". This Declaration does not in any manner encumber title to any lot, home, or other property that is not a Restricted Home.

NOW THEREFORE, for good and valuable consideration, Declarant declares that the Restricted Homes are and shall be held, transferred, sold, conveyed, occupied, and enjoyed subject to the following terms, covenants and restrictions, as well as any other matters previously filed of record to the extent the same are valid and subsisting and are not abrogated or superseded herein:

- a. <u>Ownership and Use</u>. For a period of time commencing on the date this Declaration is filed in the records of the Office of the Judge of Probate of Shelby County, Alabama (the "<u>Official Records</u>"), and continuing until the ninth (9<sup>th</sup>) anniversary of the Effective Date (the "<u>Restrictive Covenant Term</u>"), the Restricted Homes shall be subject to the following restrictions (collectively, the "<u>Restrictions</u>"):
- i. No Restricted Home shall be occupied by the owner of such Restricted Home. All Restricted Homes shall be used for rental purposes only, pursuant to a bona fide third party lease between the owner of the Restricted Home and the primary occupant or occupants of such Restricted Home.
- ii. Regardless of the fact that the Restricted Homes are constructed on individually platted lots, no Restricted Home may be conveyed separately from all other Restricted Homes. The foregoing restriction on conveyances shall not prohibit the leasing of Restricted Homes in accordance with subsection a. above.

Nothing in this <u>Section a.</u> is intended to prevent ownership of all of the Restricted Homes by a partnership, corporation, limited liability company, trust, or other business entity that may be established under the laws of the State where the Restricted Homes are situated or other applicable law (an "<u>Entity</u>"), as long as a Controlling Interest in the Entity is not vested in, owned by, or held by, directly or indirectly, or beneficially or otherwise, any persons who are occupants of a Restricted Home pursuant to a lease in accordance with <u>Section a.i.</u> above. "<u>Controlling Interest</u>" means the possession, directly or indirectly, of more than ten percent (10%) of the ownership interest in the Entity, or if less, the power to direct or cause the direction of the management and policies of the Entity, whether through the ownership of voting securities, by contract or otherwise.

- b. <u>Term</u>. The terms, covenants, conditions and restrictions set out in this Declaration will run with and bind the Restricted Homes for the Restrictive Covenant Term, and are for the sole benefit of the Benefited Parties (hereinafter defined).
- c. <u>Amendment</u>. This Declaration may only be amended (including, without limitation, an amendment that terminates this Declaration) by the recording of a written instrument in the Official Records, executed and acknowledged by all of (a) D.R. Horton, Inc. Birmingham, an Alabama corporation ("<u>DHI</u>"), or its successors or assigns, and (b) the owner of the Restricted Homes at the time of any such amendment or termination (all of the foregoing being collectively referred to herein as the "<u>Benefited Party</u>").
- d. <u>Enforcement and Nonwaiver</u>. Each Benefited Party, without the joinder of the other, shall have the right to enforce all of the provisions of this Declaration. Such right of enforcement includes both damages for and injunctive relief against the breach of any provision hereof. Every act or omission whereby any provision of this Declaration is violated, in whole or in part, is hereby declared to be a nuisance and may be enjoined or abated by each Benefited Party, without the joinder of the other. The Benefited Parties' failure to enforce any provision of this Declaration at any time will not constitute a waiver of the right thereafter to enforce any such provision or any other provision of this Declaration.
- e. <u>Attorneys' Fees</u>. If a Benefited Party prevails in any action to enforce this Declaration, then such prevailing party will be entitled to recover reasonable attorneys' fees, court costs, expert witness fees, and other litigation related expenses, and other costs of enforcement from the non-prevailing party or parties.
- f. <u>Construction</u>. The provisions of this Declaration will be deemed independent and severable, and the invalidity or partial invalidity of any covenant, restriction, or other provision or portion hereof will not affect the validity or enforceability of any other covenant, restriction, or provision. Unless the context requires a contrary construction, the singular will include the plural and the plural the singular. All captions and titles used in this Declaration are intended solely for convenience of reference and will not enlarge, limit, or otherwise affect that which is set forth in any of the paragraphs or sections hereof.
- g. <u>Governing Law</u>. THIS DECLARATION AND ALL RIGHTS AND OBLIGATIONS CREATED HEREBY SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE WHERE THE RESTRICTED HOMES ARE LOCATED.

IN WITNESS WHEREOF, the undersigned has executed this Declaration to be effective as of the Effective Date.

### **DECLARANT:**

DHIR - BIRMINGHAM I, LLC, a Delaware limited liability company

BY: D.R. Horton, Inc. - Birmingham, an Alabama corporation, its authorized agent

By: Bill W. Wheat

Title: Chief Financial Officer

STATE OF COUNTY OF COUNTY OF

I, the undersigned, a notary public in and for said county in said state, hereby certify that of D.R. Horton, Inc. - Birmingham, an Alabama corporation, in its capacity as authorized agent of DHIR – Birmingham I, LLC, a Delaware limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, s/he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation acting in its capacity as authorized agent of such limited liability company.

Given under my hand and official seal this U day of U, 2024.

AL SEAL Erin M Cartwright
Notary Public, State of Texas
Notary ID 13126787-7
My Commission Exp. 09-01-2025

Notary Public

My Commission Expires:

## EXHIBIT "A"

#### LEGAL DESCRIPTION

Lot 1-A, a resurvey of Lot 1, Oak Tree Subdivision, recorded in Map Book 58, Page 50 in the Office of the Judge of Probate of Shelby County, Alabama.

Lots 2 through 55, inclusive, together with common buffer area A and common buffer area B, Oak Tree Subdivision, recorded in Map Book 57, Pages 32A and 32B in the Office of the Judge of Probate of Shelby County, Alabama.



Filed and Recorded
Official Public Records
Judge of Probate, Shelby County Alabama, County
Clerk
Shelby County, AL
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