

**DECLARATION OF COVENANTS, CONDITIONS, AND
RESTRICTIONS
OF
MILL POINT SUBDIVISION**

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DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS**OF****MILL POINT SUBDIVISION**

This **DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS OF MILL POINT SUBDIVISION** (this "Declaration") is made as of the 9th day of October, 2025 by **FORESTAR (USA) REAL ESTATE GROUP INC.**, a Delaware corporation (the "Declarant").

RECITALS:

WHEREAS, Declarant is the Owner of certain real property situated in Shelby County, Alabama, more particularly described on Exhibit "A" attached hereto (the "Property"). Declarant intends to develop, improve, lease and sell the Property for residential uses, subject to certain easements, covenants, conditions, restrictions, requirements, and obligations, in order to protect the value and desirability of the Property and to have a flexible and reasonable method for the development, administration, and maintenance of the Property.

NOW, THEREFORE, DECLARANT HEREBY DECLARES, that subject to the provisions hereof, all of the Lots (hereinafter defined) shall be held, sold and conveyed by the Owners and the Common Area (hereinafter defined) shall be held by the Association (hereinafter defined) subject to the restrictions, covenants and conditions contained herein for the purposes of protecting the value and desirability of, and which shall run with, the Property (hereinafter defined) and be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner of any portion thereof.

ARTICLE 1**GENERAL PROVISIONS**

1.1 Restrictive Covenants and Easements Running with the Land. The use of the Property shall be in accordance with the provisions and restrictions of this Declaration, all of which are to be construed as restrictive covenants and/or easements, as applicable, running with the land and with the title to each and every Lot and shall be binding upon all Owners and other persons having interests therein and upon their heirs, personal representatives, successors, grantees and assigns.

1.2 As used in this Declaration, the following terms shall have the following meanings, which meanings shall be applicable to both the singular and plural forms and tenses of such terms:

(a) "**Additional Property**" shall mean and refer to that certain real property described on Exhibit "B" attached hereto that may be added to the Subdivision and submitted to this Declaration by the Declarant or its assigns in accordance with Article 10 or by amendment to this Declaration.

(b) "**Architectural Review Committee**" or "**ARC**" means the Architectural Review Committee as established in accordance with the Bylaws.

(c) "**Assessment**" shall mean the Assessments to be assessed against the Owners pursuant to the authority vested in the Association, and such term shall include the Annual Assessments, Special Assessments, Individual Assessments, and Initial Capital Contribution Assessments.

(d) "**Association**" means Mill Point Homeowners Association, Inc., an Alabama non-profit corporation.

(e) "**Board**" or "**Board of Directors**" means the Board of Directors of the Association, established in accordance with the Certificate of Incorporation and Bylaws of the Association.

(f) "**Builder**" means any commercial home builder or contractor who owns one or more Lots in the Subdivision and is in the business of constructing residential structures.

(g) "**Bylaws**" means the Bylaws of the Association, as the same may hereafter be amended, altered or repealed from time to time.

(h) "**Certificate of Incorporation**" or "**Certificate**" means the Certificate of Incorporation of Mill Point Homeowners Association Inc. an Alabama non-profit corporation, as recorded in the records of the Office of the Secretary of State of Alabama as the same may hereafter be amended, altered or repealed from time to time.

(i) "**Common Area**" shall mean all real property within the Subdivision which is owned by or leased to the Association, or dedicated for use or maintenance by the Association or its Members, regardless of whether title has been conveyed to the Association.

(j) "**Declarant**" means Forestar (USA) Real Estate Group Inc., a Delaware corporation, its successors and assigns which expressly are assigned and assume the Declarant's rights as "Declarant" hereunder.

(k) "**Declaration**" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions for Mill Point Subdivision, together with all amendments thereto.

(l) "**HOA Act**" shall mean the Alabama Homeowners' Association Act, currently codified at Chapter 20 of Title 35 of the Code of Alabama (1975), as the same may hereafter be altered, amended, replaced, and/or restated from time to time.

(m) "**House**" or "**Home**" means any single family dwelling unit situated upon a Lot.

(n) "**Lot**" shall mean and refer to any portion of the Property upon which it is intended that a House be constructed thereon. Upon the recordation of any Plat of Subdivision for any portion of the Property, each Lot indicated thereon (other than any Lots designated thereon as Common Areas or which subsequently become Common Areas) shall be deemed a Lot for purposes of this Declaration; provided, however, that a Lot may be unplatted and may be described by metes and bounds legal description.

(o) "**Member**" means a Member of the Association, as determined in accordance with the Certificate of Incorporation and Bylaws.

(p) "**Mortgage**" shall mean any first Mortgage or other security instrument encumbering a Lot or any interest therein which has been duly and properly recorded in the Probate Office.

(q) "**Mortgagee**" means the named Mortgagee, holder or beneficiary expressly identified in a Mortgage.

(r) "**Occupant**" shall mean and include any Owner, the family members, guests, tenants, agents, employees or invitees of any Owner and their respective family members, guests, tenants, agents, employees, invitees and any other person who occupies or uses any Home within the Subdivision. All action or omission of any Occupant is and shall be deemed the action or omission of the Owner of such Home.

(s) "**Owner**" means the record Owner, whether one or more persons or entities, of a fee simple title to any Lot, but excluding Mortgagees, lien holders, lessees, tenants, and those having such interests solely as security for the performance of an obligation.

(t) "**Plat of Subdivision**" means the Final Plat of Mill Point Phase 1, recorded on October 7, 2025 in Map Book 62, Pages 30A-30C, in the Office of the Judge of Probate of Shelby County, Alabama.

(u) "**Probate Office**" shall mean and refer to the Office of the Judge of Probate of Shelby County, Alabama, and any successors thereto which serves as the official public registry for the public recording of real estate documents in Shelby County, Alabama.

(v) "**Property**" shall mean and refer to the real property more particularly described on Exhibit "A" attached hereto, including all the Lots described on Exhibit "A" and all easements as reflected on the Plat of Subdivision.

(w) "**Rules and Regulations**" shall mean Rules and Regulations adopted from time to time by the Board of Directors of the Association that are deemed necessary for the enjoyment of the Subdivision, provided they are not in conflict with the HOA Act, the Certificate of Incorporation, the Bylaws, or this Declaration.

(x) "**Secretary of State**" shall mean the Office of the Secretary of State of Alabama.

(y) "**Single Family Unit**" shall mean a group of one or more persons each related to the other by marriage or legal adoption, or a group of not more than three persons not all so related, who maintain a common household in a House.

(z) "**Subdivision**" means Mill Point Subdivision as shown on the Plat of Subdivision, including any of the Additional Property made subject to this Declaration in accordance with the terms of Section 10.2.

(aa) "**Turnover**" means the earlier to occur of: (i) Declarant relinquishing control of the Association in a written instrument recorded in the Probate Office of Shelby County, Alabama; or (ii) three (3) months after one hundred percent (100%) of the Lots in the Subdivision, including Lots to be created out of the Additional Property in accordance herewith, have been conveyed to persons other than Declarant or Declarant's successors or assigns (for avoidance of doubt purposes, the event described in this clause (ii) shall not be deemed to have occurred prior to Declarant's having annexed all of the Additional Property into the Subdivision and having sold all of the Lots therein.).

(bb) "**Voting interests of the Members**" shall mean, with respect to any percentage or number of Members required to affirmatively vote for, consent to or otherwise take any action, such percentage or number calculated in accordance with the Bylaws.

ARTICLE 2 **COMMON AREAS**

2.1 **Common Area.** The Association, subject to the rights of the Owners set forth in this Declaration, the Certificate of Incorporation, and the Bylaws, shall be responsible for the exclusive maintenance, management, and control of the Common Area and all improvements thereon, and shall keep the Common Area in good, clean, attractive, and sanitary condition, order, and repair pursuant to the terms and conditions of this Declaration. The Association has the right to restrict the use and govern the operation of the Common Area by promulgating reasonable Rules and Regulations, including with respect to any Common Area facilities, the right to charge each Owner (whether or not such Owner is a Member in good standing with the Association and/or is then entitled to use such Common Area) reasonable one-time or periodic fees for the use thereof by the Members as the Association deems necessary or appropriate. Rules and Regulations may be established by the Association in accordance with the Bylaws to regulate the use of the Common Area.

2.2 **Right of Enjoyment.** Subject to any restrictions set forth in the Rules and Regulations promulgated by the Board of Directors and the terms and conditions of the HOA Act, the Certificate of Incorporation, and the Bylaws, every Owner, in its capacity as a Member of the Association, shall have a right and easement of enjoyment of the Common Area, and such easement shall be appurtenant to and pass with the title to each Lot. Without limiting the foregoing, each Owner, by taking title to a Lot, acknowledges and agrees that its right and easement with respect to all or any portion of the Common Area may be restricted as a result of such Owner's status and/or standing as a Member of the Association, or during any time in which

an Owner has entered into an agreement to permit a third party to occupy all or a portion of its Lot, pursuant to the Rules and Regulations, the Certificate of Incorporation, and the Bylaws, and shall cease entirely in the event such Owner's status as a Member of the Association ceases or is terminated.

2.3 Lots Subject to Covenants, Restrictions, Limitations and Term. Each Lot that shall be conveyed, held, devised, leased, or demised at any time hereafter shall be subject to all the terms, conditions, covenants, restrictions, and limitations herein contained, and the obligation to observe and perform the same whether or not it be so expressed in the deed or other instrument of conveyance of the Lot or real property, and such shall run with the Lot or real property and be appurtenant thereto as if fully set out in such deed or instrument of conveyance, subject to the terms and conditions hereof.

2.4 Overhead Wires. No Lot shall be served with any overhead electrical or communications service, and no Owner shall erect power poles for such service; provided, however, that nothing herein shall be construed to prohibit overhead street lighting or ornamental yard lighting provided that such lighting is constructed in accordance with the terms and conditions hereof.

2.5 Control of Common Area. The Association may, upon approval by the Board of Directors, sell, subdivide, lease, mortgage, grant easements over or otherwise encumber the Common Area, or exchange all or any portion of the Common Area for Lots or other real property, or purchase or acquire any additional real property and dedicate the same as Common Area subject to the terms of this Declaration.

2.6 Condemnation. In the event of a taking by eminent domain of any portion of the Common Area on which improvements have been constructed, the Association shall restore or replace such improvements so taken on the remaining Common Area, unless, within sixty (60) days after such taking, an alternative plan is approved by at least seventy-five percent (75%) of the voting interests of the Members. The provisions of this Declaration applicable to replacement or restoration of damaged improvements on the Common Area shall also apply to and govern the actions to be taken in the event that the improvements are not restored or replaced after a condemnation.

2.7 Liability. Subject to any Rules and Regulations, Owners, Occupants and their guests shall use and enjoy the Common Area at their own risk and shall assume sole responsibility for their personal belongings used or stored there. The Association, Declarant and their respective officers, directors, employees, representatives and agents shall not be held liable for personal injury to any person, nor for loss or damage to personal belongings used or stored on any of the Common Area. The Association shall not be liable for injury or damage to any person or property (a) caused by the elements or by an Owner or any other person, (b) resulting from any rain or other surface water which may leak or flow from any street, pipe, plumbing, drain, conduit, appliance, equipment, security system, or utility line or facility, the responsibility for the maintenance of which is that of the Association, or (c) caused by any street, pipe, plumbing, drain, conduit, appliance, equipment, security system, utility line, facility or from any portion of the

Common Area, the responsibility for the maintenance of which is that of the Association, becoming out of repair. Nor shall the Association be liable to any Owner or Occupant for loss or damage, by theft or otherwise, of any property of such Owner or Occupant.

2.8 Assumption of Risk and Indemnification by Owners. Each Owner, by its purchase of a Lot, hereby expressly assumes the risk of noise, bodily injury or property damage caused by maintenance, operation or use of the Common Areas, including, but not limited to: (i) noise from equipment to maintain, repair or replace the same, it being specifically understood that certain maintenance, repairs or replacements may take place around sunrise, sunset, or at night, (ii) noise caused by users of the Common Areas, (iii) use of pesticides, herbicides and fertilizers, (iv) wildlife within Common Areas, (v) view restrictions caused by planting and maturation of trees, shrubbery and berms (whether planted or installed prior to the Owner's occupancy of a Lot or subsequently planted or installed, (vi) reduction in privacy caused by traffic on the roadways, or other Common Areas or the removal or pruning of shrubbery or trees on the Common Areas, and (vii) design or modification of the Common Areas. Each Owner, on behalf of themselves and their family, guests and invitees, agrees that except for gross negligence or willful misconduct, neither the Declarant, the Association, nor any entity managing the Common Area (including Board members, officers, employees, agents, contractors, subcontractors, successor and assigns of any of the foregoing) shall be liable to Owner, its family members, its guests, its invitees or any other person claiming any loss or damage, including indirect, special or consequential loss or damage arising from bodily injury, destruction of property, trespass, or loss of enjoyment or any other alleged wrong or entitlement to remedy based upon, due to, arising from or otherwise related to the proximity of Owner's Lot to the Common Area, including, without limitation, any claim arising in whole or in part from the negligence of the Association or any other entity owning, managing, and/or maintaining the Common Area. The Owner hereby agrees to indemnify and hold harmless, except for gross negligence or willful misconduct, the Declarant, the Association, and any entity managing the Common Area (including Board members, officers, employees, agents, contractors, subcontractors, successor and assigns of any of the foregoing) against any and all claims by Owner's, their family, guests, invitees, tenants, and others. Notwithstanding anything to the contrary contained herein or in the Certificate of Incorporation, Bylaws, any rules and regulations adopted by the Association, or any other document governing or binding the Association, the Association shall not be a guarantor or insurer of, the health, safety or welfare of any Owner, occupant, or user of any portion of the Common Area, or the Owner's guests, invitees, agents, servants, contractors or subcontractors or for any property of any such persons. The Association is not empowered, and has not been created, to act as an agency which enforces or ensures compliance with the laws of the State of Alabama or Shelby County or the prevention of tortious activities.

2.9 Indemnification by Association. The Association shall to the broadest extent possible by applicable statute, indemnify and hold harmless every officer, director, and committee member against any and all expenses, including counsel and paralegal fees, reasonably incurred by or imposed upon such officer, director, or committee member in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, director, or committee member. The officers, directors, and committee members shall not

be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers, directors and committee members shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers, directors, or committee members may also be members of the Association), and the Association shall indemnify and forever hold each such officer, director, and committee member free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, director, or committee member, or former officer, director, or committee member may be entitled. The Association shall, as a common expense, maintain adequate general liability and directors' and officers' liability insurance to fund this obligation.

ARTICLE 3

ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

3.1 Membership. Each Owner shall be a Member, subject to the terms and conditions of the Certificate of Incorporation, the Bylaws and the Rules and Regulations.

3.2 Voting. Voting by Owners, in their capacities as Members, shall be in accordance with, and subject to the terms, conditions and restrictions more particularly set forth in the Certificate of Incorporation, the Bylaws and the Rules and Regulations.

3.3 Assignment. The share of an Owner, including but not limited to its share in its capacity as a Member, in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner except as an appurtenance of said Owner's Lot.

ARTICLE 4

COVENANT FOR MAINTENANCE ASSESSMENTS

4.1 Personal Obligation of Assessments. Declarant, for each Lot, and each Owner of any Lot (jointly and severally with all other Owners of the same Lot) by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) Annual Assessments or charges, (2) Special Assessments, and (3) any Individual Assessments, fines or charges charged against the Lot or Owner, as such Assessments are hereinafter established and shall be collected as hereinafter provided. All Assessments, together with late charges, interest as provided in Section 4.8 below, and all court costs and attorneys' fees and expenses incurred by the Association to enforce or collect such Assessments shall be an equitable charge and a continuing lien upon each Lot and Home for which the Owner thereof is responsible for the payment of the same, which lien may be enforced in the manner provided in Section 4.8 below.

4.2 Purpose of Assessments. The Assessments levied by the Association shall be used to provide for the operation of the Association and the management, care and maintenance of the Common Area and any improvements constructed thereon, including provision for appropriate insurance against casualty and liability. At the Board's discretion, the Association may establish and maintain a reserve fund with such sums as the Board determines in good faith are

necessary and adequate for the periodic maintenance, repair, and replacement of improvements to the Common Area (the "Reserve Account").

4.3 Annual Assessments. To provide the total sum necessary for the insurance purchased by the Association hereunder, the Reserve Account, the maintenance, repair and replacement (as applicable) of any improvements located on the Common Area, and any and all other expenses of the Association (whether pertaining to the ownership, operation, use, maintenance, and/or repair of the Common Areas or otherwise), each Owner for each Lot owned by such Owner shall, jointly and severally with each other Owner of such Lot, pay a portion of the total amount necessary for such purposes to the Association. The portion to be paid by each Owner (jointly and severally with all other Owners of the same Lot) for each Lot shall be determined in accordance with Section 4.6 hereof.

4.4 Special Assessments for Capital Improvements Upon Common Area. In addition to the Annual Assessments authorized above, the Board of Directors 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, reconstruction, repair or replacement of a capital improvement upon the Common Area and any entrance wall or signage, including fixtures and personal property related thereto; provided, however, that the total of all such Special Assessments for any given calendar year for the purpose of a capital improvement shall not exceed \$500 per Lot, unless such Special Assessments in excess of such total are approved by the affirmative vote of a majority of the voting interests of the Members in the Association.

4.5 Date of Commencement of Annual Assessments and Due Dates. The Assessments provided for herein shall only be assessed against Lots upon which a House has been constructed and will commence as to a particular Lot upon conveyance of an interest in such Lot to any Owner who is not the Declarant or a Builder. The first Annual Assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the Annual Assessment against each Lot at least thirty (30) days in advance of each Annual Assessment period. Written notice of the Annual Assessment shall be sent to every Owner subject thereto, but failure of an Owner to receive such written notice shall not affect the validity of the Annual Assessment levied against the Lot. The Board of Directors shall determine if Annual and Special Assessments will be collected annually, quarterly or at some other interval and shall set due dates for Assessment payments. If the Board of Directors does not fix an Annual Assessment in advance of any Annual Assessment period, the Annual Assessment for the period will be the same as for the prior period until the Board fixes a new Annual Assessment amount.

4.6 Assessment Shares. Each Owner shall be responsible for a portion of any monthly or Special Assessments levied against the Owners equal to a fraction calculated in accordance with the following: the numerator of such fraction shall be the number of Lots owned in whole or part by such Owner and the denominator of which shall be the total number of Lots in the Subdivision at the time such Assessment is levied. The quotient of such fraction shall be multiplied by the total sum of the applicable Assessment, and the resulting figure shall be the portion of such Assessment that is owed by the Owner. In the event any Owner is obligated for Assessments applicable to more than one Lot (whether as the only Owner of one or more Lots or

jointly and severally with any other Owner of the same Lot), any payment received by such Owner may be applied by the Association to Assessments due with respect to any one Lot or distributed among more than one Lot owned or co-owned by such Owner in such manner and in such amount(s) as the Association determines in its sole and absolute discretion. The Association owes no duty to any co-Owner of a Lot to cause payments received from any other co-Owner of the same Lot to be applied to the particular Lot co-owned if the paying co-Owner owns other Lots for which Assessments are outstanding. The total number of Lots in the Subdivision may be increased from time-to-time by Declarant in its sole and absolute discretion in accordance with Section 10.2 hereof, and any such increases in the total number of Lots in the Subdivision shall be taken into account in calculating any Assessments in accordance with this Section.

4.7 Deficit Funding. The Declarant may, but shall not be obligated to, fund or subsidize the budget of the Association or any portion thereof through a deficit fund (the “Deficit Fund”). Any such Deficit Fund shall be furnished at the sole and absolute discretion of the Declarant and shall be treated by the Declarant as either a non-reimbursable contribution to the Association or as a reimbursable loan to the Association, as the Declarant shall determine in its sole and absolute discretion. In the event any such Deficit Fund is treated as a loan, the Association shall be obligated to repay the Declarant in accordance with terms specified by the Declarant, which terms may include interest and a repayment schedule, and said loan may be evidenced by a note and mortgage to secure the repayment.

4.8 Initial Capital Contribution Assessment. An Assessment is hereby levied against, and due upon the closing of the sale of, each Lot in an amount to be determined by the Board of Directors against the purchaser (jointly and severally with any co-purchaser) of each Lot (whether such Lot has a completed Home located upon it or otherwise); provided, however, that in the case of sales of Lots by Declarant to a Builder, the Builder shall be exempt from such Assessment. The Board of Directors shall set the amount of the Initial Capital Contribution when it adopts the initial budget of the Association. The proceeds of such Assessments may be used by the Association for any purpose for which the Association is authorized under the Certificate of Incorporation or this Declaration.

4.9 Reservation of Lien; Effect of Nonpayment of Assessments; and Remedies of the Association. Any Assessment not paid within thirty (30) days after the due date shall bear interest thereon at a rate to be set by the Board of Directors but in no event greater than the maximum percentage rate as may then be permitted under the laws of the State of Alabama. There is hereby created a continuing lien on each Lot and Home, with power of sale, in favor of the Association, which secures the payment to the Association of any and all Individual, Special, Initial Capital Contributions, and Annual Assessments levied against or upon such Lot or Home, all late fees or charges, interest, and all attorneys’ fees and expenses, court costs and all other expenses paid or incurred by the Association in collecting any Assessments. If any portion of any Assessments remains unpaid for more than thirty (30) days following the due date for the payment of such Assessments, then, at any time thereafter, the Association, through the Board or any officer or authorized representative thereof, may, but shall not be obligated to, make written demand on such defaulting Owner, which demand shall state the date and amount of delinquency. Each default shall constitute a separate basis for a demand and claim of lien, but any number of defaults

may be included in a single demand or claim of lien. If such delinquency is not paid in full within ten (10) days after the giving of such demand, or even without giving demand, the Association may file a claim of lien and perfect its lien against the Lot or Home of such delinquent Owner, which claim shall be executed by any member of the Board or any officer of the Association, contain the following information and be recorded in the Probate Office:

- (a) The name of the delinquent Owner;
- (b) The legal description and street address, if any, of the Lot or Home upon which the lien claim is made;
- (c) The total amount claimed to be due including late charges, interest, collection costs and attorneys' fees and expenses incurred to date and a statement, if applicable, that such charges and costs shall continue to accrue and be charged until full payment has been received; and
- (d) A statement that the claim of lien is made by the Association pursuant to this Declaration and/or is claimed against such Lot or Home in an amount equal to that stated therein.

The lien provided for herein shall be in favor of the Association and may be foreclosed in the same manner as a foreclosure of a mortgage on real property containing a power of sale under the laws of the State of Alabama, as the same may be modified or amended from time to time. The Association shall have the right and power to bid at any such foreclosure sale and to purchase, acquire, hold, lease, mortgage, convey and sell any such Lot or Home. Each Owner, by acceptance of a deed to any Lot or Home, shall be deemed to (1) grant to and vest in the Association and its agents, the right and power to exercise the power of sale granted herein and foreclose the lien created herein, (2) grant to and vest in the Association and its agents the right and power to bring all actions against such Owner personally for the collection of all amounts due from such Owner, (3) expressly waive any objection to the enforcement and foreclosure of the lien created herein and (4) expressly waive the defense of the statute of limitations which may be applicable to the commencement of any such suit or action for foreclosure.

4.10 Lien Rights under the HOA Act. The lien rights granted and reserved to the Association in accordance with Section 4.8 above shall be in addition to, and shall not be in lieu of, the lien rights that are granted to the Association by Section 35-20-12 of the HOA Act. The Association shall have the right, exercisable by the Board of Directors in its sole and absolute discretion, to elect from time to time whether to establish, record, enforce, foreclose or otherwise treat a lien against an Owner's Lot as being (a) an Assessment Lien granted and reserved in accordance with this Declaration or (b) a lien granted to the Association by Section 35-20-12 of the HOA Act. Any lien granted to the Association by Section 35-20-12 of the HOA Act and sought to be enforced by the Association shall be enforced in accordance with the terms and conditions of the HOA Act.

4.11 Election of Remedies. Institution of a suit at law to collect payment of any delinquent Assessment shall not be deemed to be an election by the Association which shall

prevent it thereafter seeking enforcement of the collection by foreclosure of any sums remaining owing to it, nor shall proceeding by foreclosure to effect such collection be deemed to be an election precluding the institution of a suit at law to collect any sum then remaining owing to the Association. The Association shall be entitled to bid at any sale held in connection with the foreclosure of the Assessment Lien and may apply as a cash credit against its bid all sums secured by the lien enforced.

4.12 Subordination of the Lien to Mortgages. The Assessment Lien shall be subordinate to the lien of any Mortgage on a Lot which was filed prior to the Assessment Lien. Sale or transfer of any Lot shall not affect the Assessment Lien; provided, however, the sale or transfer of any Lot pursuant to foreclosure of a Mortgage on said Lot superior to the Assessment Lien, shall extinguish the Assessment Lien as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the Assessment Lien associated therewith or relieve the prior Owner (or Owners if more than one) from any personal liability for any unpaid Assessments occurring prior to said sale or transfer.

4.13 Estoppel Letter. The Association shall, within thirty (30) days after receiving a written request therefor and for a reasonable charge, as established by the Board of Directors, certify to the amount of any unpaid Assessments levied against a specified Lot. A certification letter signed by an officer of the Association or the Association's managing agent, if any, as to the amount of Assessments due with respect to a Lot shall be binding upon the Association.

ARTICLE 5 **MAINTENANCE AND REPAIR**

5.1 Maintenance.

(a) The Association shall maintain, repair, and replace the Common Areas including any common irrigation system, the entry monument, and the common landscaping. In addition, the Association shall have the right, but not the obligation, to maintain other property not owned by the Association, whether within or without the Subdivision, and to enter into easement and covenant to share costs agreements regarding such property where the Board has determined that such action would benefit the Association. Without limiting the foregoing, the Association shall have a reasonable right of entry upon any Lot to make emergency repairs and to do other work reasonably necessary for the proper maintenance and operation of the Common Area and to carry out its rights and duties set forth in this Declaration.

(b) Each Owner shall, jointly and severally with each other Owner of the same Lot, maintain his or her respective Lot and shall also maintain and repair, at such Owner's sole cost and expense, said Owner's House and yard area, keeping the same in good condition and making all structural repairs and maintenance, external and internal, as may be required from time to time, including, but not limited to maintenance, repair, and replacement of any enclosed patio area, screens and screen doors, exterior door and

window fixtures, glass, and other hardware. Each Owner shall also be responsible for the maintenance, repair, and replacement of any fence or fences erected on such Owner's Lot and gates appurtenant thereto.

5.2 Failure to Maintain. In the event an Owner shall fail to maintain, repair, and replace as needed, his Lot and the improvements situated thereon, as provided for herein and provided that the failure to maintain causes damage or injury to the adjoining Lot or to common structural elements or shared, private utility lines which affect an adjoining Lot, the Association, after approval by a majority vote of the Board of Directors, shall have the right, through its agents and employees, to enter upon said Lot and to repair, maintain, and restore the Lot and the House and any other improvements erected thereon. The cost of the same shall be added to and become part of the Assessment levied against the Lot; provided, however, if a dispute arises concerning the foregoing between the Owner and the Association, the matter may be submitted to arbitration in accordance with the mutual agreement of the parties.

5.3 Damage to Common Area. Notwithstanding anything contained in this Article 5 to the contrary, each Owner shall be personally responsible and personally liable for any damage to the Common Area, or any portion thereof, caused by the Owner or Occupant and/or the Owner or Occupant's family members, guests, invitees, lessees or licensees as a consequence of the negligence, recklessness or willful misconduct of such person. The cost of repair for any damage so caused by the Owner or Occupant or their family members, guests, invitees, lessees or licensees shall be an Individual Assessment against the Owner responsible therefor and the Lot of such Owner or Occupant, regardless of whether or not such Lot is owned by more than one Owner.

ARTICLE 6 **ARCHITECTURAL CONTROL**

6.1 Submission of Plans and Specifications. No House, building, fence, wall, or other structure or improvement shall be constructed, erected, or maintained upon any Lot, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications of the same shall have been submitted by an Owner to and approved in writing as in harmony with this Declaration by the Architectural Review Committee. Two (2) copies of the building or construction plans and specifications (collectively, the "Plans") shall be submitted to the Architectural Review Committee. Prior to commencement of any construction activities on a Lot, an Owner's Plans must be approved by the Architectural Review Committee as to conformity and harmony with this Declaration. The Architectural Review Committee may, in its sole discretion, assess a charge against the Owner requesting the Architectural Review Committee's review of the Plans representing the reasonable costs incurred by the Architectural Review Committee in its review of the Plans, which costs must be paid by the Owner regardless of whether the Architectural Review Committee approves or disapproves said Plans. The Architectural Review Committee may, from time to time, establish additional written design guidelines for the Subdivision, and a copy of any such guidelines then in effect shall be made available to any Owner requesting a copy of the same from the Association. If any Lot is owned by more than one Owner, submission of Plans by any one Owner shall be deemed authorized by each other Owner of the same Lot and the Architectural Review Committee shall be entitled to conclusively rely on such

authorization without any duty to inquire or seek approval by any other Owner. Notwithstanding anything contained in this Article 6.1 to the contrary, any Builder shall be exempt from any charge from the Architectural Review Committee for the review of Plans.

6.2 Approval or Disapproval. The Architectural Review Committee shall indicate its approval or disapproval of such Plans by delivering, in writing, notice of such approval or disapproval to the requesting Owner. In the event the Architectural Review Committee fails to approve or disapprove such design and location within sixty (60) days after said Plans have been submitted to it, approval shall be deemed automatically given.

6.3 Right of Inspection. The Architectural Review Committee shall have the right, but not the obligation, to inspect the Owner's Lot and improvements during construction and prior to occupancy, to inspect whether construction is proceeding in accordance with the construction plans submitted and approved by the Architectural Review Committee. Failure of an Owner to comply with the provisions of this Section 6.3, or failure of an Owner to carry out construction in accordance with the provisions of this Article Six, shall subject each Owner of such Lot to such remedies as might be available at law or in equity (including, but not limited to, specific performance and injunction, payment of the prosecuting parties' reasonable legal fees and expenses).

6.4 Limited Review. The scope of review by the Architectural Review Committee is limited to appearance only and does not include any responsibility for structural soundness, suitability of construction or materials, compliance with building or zoning codes or standards, this Declaration, or any other similar or dissimilar factors.

6.5 Waiver of Liability. Neither the Architectural Review Committee nor any architect nor agent thereof, nor the Association, nor any Member, Director, agent or employee of any of the foregoing shall be responsible in any way for the failure of any improvements to comply with the requirements of this Declaration, nor for any defects in any Plans submitted, revised or approved in accordance with the foregoing provisions, nor for any structural or other defects in any work done according to such Plans, and all persons relying thereon or benefiting therefrom agree not to sue or claim against the entities and persons referred to in this Section for any cause arising out of the matters referred to herein and further agree to and do hereby release said entities and persons for any and every such cause.

ARTICLE 7 **USE RESTRICTIONS**

7.1 Residential Use; Commercial Activity. Except as is hereinafter provided in this Section and in Section 10.1(c) hereof, each Lot is hereby restricted to a private, single-family House for residential use. No commercial activities of any kind whatsoever shall be conducted in any Home, any other building located on a Lot, or any portion of any Lot; provided, however, that (a) an Owner may conduct a business entirely within his Home so long as (i) such business uses only ten percent (10%) of the total square footage of such Home, (ii) such business does not result in parking of additional vehicles on the Subdivision streets or Common Areas, (iii) such business is secondary to the use of the Lot for residential purposes, (iv) such business shall not violate any

applicable zoning ordinances, (v) such business shall not be apparent or detectable from the outside of the Home in any way, including by sight, sound, or smell, (vi) such business does not solicit within the Subdivision, and (b) Builders shall have the right to use a House as a "model home" and to operate a sales office from such model home.

7.2 Subdivision of Lots. Each Lot shall be conveyed as a separately designated and legally described freehold estate subject to the terms, conditions, and provisions hereof, to easements and rights-of-way, and matters of public record. No Lot may be subdivided into a smaller Lot or Lots unless approved by the Association; provided, however, that an entire Lot may be combined with an entire adjacent Lot and occupied as one Lot but assessed and governed as two Lots.

7.3 Signs. No sign of any kind shall be displayed on any Lot (including, without limitation, any signage within a Home that is visible from the exterior of such Home), except (i) that any Owner or co-Owners of the same Lot actively attempting to sell his or their Lot may place one (but not more than one) "for sale" sign of less than four (4) square feet on his Lot; (ii) during the building of homes in the Subdivision, Declarant and/or the Builders in the Subdivision may place signs at the entrance and/or on any Lot to advertise the Subdivision and the Lots for sale therein; and (iii) any Owner or co-Owners of the same Lot may display one (but not more than one) sign of reasonable size provided by a contractor for security services within ten (10) feet of any entrance to the Home.

7.4 Noxious and Offensive Activity. No noxious or offensive activity shall be carried on, in or upon any Lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to any other Owner or Occupant.

7.5 Design Criteria; Structure. All improvements to be constructed or otherwise located on a Lot by an Owner shall comply with the following requirements:

(a) Except as listed herein, any House shall contain a minimum of one thousand five hundred (1,500) square feet of heated and cooled living space.

(b) No House may exceed three (3) habitable stories above grade.

(c) All sidewalks shall be constructed along the street right-of-way of each Lot in accordance with a uniform plan established by the Declarant. Accordingly, each site Plan submitted to the Architectural Review Committee shall show the location and material to be used for construction of the sidewalk, all as required and approved by the Architectural Review Committee. Each Owner shall construct or cause to be constructed on his or her Lot the approved sidewalk upon completion of the House on his or her Lot and before occupancy thereof. It shall be each Owner's responsibility to maintain any portion of a sidewalk situated on the Owner's Lot so that such sidewalk remains in an attractive, well-kept condition.

(d) The residential structure may contain a garage or carport; provided however, that no garage or carport may have a flat roof and any such garage or carport

shall be in conformity with the general architecture of the primary residential building or structure.

(e) No window air-conditioning units shall be permitted on the front or sides of any residence so as to be visible from the front line of such Lot.

(f) Underground electrical distribution facilities are required and no overhead electrical or similar wiring or lines shall be permitted.

(g) All outside radio and T.V. antennas (including satellite dishes and other signal receiving/transmitting equipment) shall be installed in such a way as to minimize visibility from the front of the Lot and shall be placed on the back or side of any roof.

(h) No plumbing or heating vent shall be placed on the front side of any roof.

(i) Driveways must be made of concrete, unless an alternative surface is approved by the Architectural Review Committee in its sole discretion; provided, however, that in no event may any Driveway be painted, scored or otherwise colored.

(j) During construction, all vehicles, including those delivering supplies, must be parked so as not to unnecessarily damage trees on a Lot or Common Area.

(k) All building debris, stumps, trees, etc., must be removed from each Lot by the Owner thereof as often as necessary to keep the House and Lot attractive. Such debris shall not be dumped in any area of the Subdivision.

(l) Fences constructed or erected on any Lot shall be of wood construction. Each fence must be a picket fence design, privacy fence design, or shadowbox fence design. No fence shall exceed six feet in height. The application of paint or stain to a fence resulting in any solid color appearance is strictly prohibited, provided, however, that clear stain or waterproof coating may be applied to fences to maintain the natural wood appearance. Walls or other designs are not permissible. No fence shall be constructed from the front property line to 20 feet behind the corner of the house nearest front property line. All Lots shall be grassed in the entire designated yard area by sodding and the yard shall be landscaped upon the completion of construction and before occupancy. No fence upon any residential Lot shall be constructed over or within the boundaries of any dedicated easement in the Subdivision. Any portion of a fence which faces a street, alley, or Common Area shall have a finished side appearance facing said street, alley, or Common Area. Notwithstanding anything contained in this paragraph to the contrary, any fence located on a Lot that faces or abuts a wet pond or lake must be constructed of metal and measure four feet (4') in height. It shall be the Owner's responsibility to maintain any landscaping or fences situated on a Lot so that such improvements remain in an attractive, well-kept condition.

(m) No outside clothes lines shall be permitted.

(n) Following construction of a Home on a Lot, existing drainage shall not be altered in any manner, and specifically shall not be altered in such a manner as to divert the flow of water onto an adjacent Lot.

(o) Any roof constructed over any structure on any Lot must be covered with composite shingles or such other types of roof coverings of a higher grade and quality than composite shingles as are approved by the ARC.

7.6 Animals. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot except that dogs, cats, and other household pets may be kept subject to the Rules and Regulations adopted by the Association, provided that they are not kept, bred, or maintained for any commercial purpose. Pets must be kept leashed and/or under control at all times. No more than three (3) domesticated pets may be kept on any Lot without the permission of the Board of Directors and no potbellied pigs, venomous snakes, or animals, including particular breeds of dogs and cats, deemed vicious or dangerous by the Board may be brought onto or kept on the Property at any time. No land fowl, livestock, or any animal creating excessive noise or nuisance to the community may be brought onto or kept on any Lot or Property at any time. The Board of Directors shall be entitled to adopt Rules and Regulations relating to the maintenance of pets on the Property and the Association may charge a fee or deposit for the privilege of maintaining pets on the Property. Notwithstanding the foregoing, the restrictions in this Section 7.6 shall not apply to any service animals, support animals, and any other animals permissible under the Americans with Disabilities Act.

7.7 Waste. No rubbish, trash, garbage, or other waste material shall be kept or permitted upon any Lot except in sanitary containers located in appropriate area, screened and concealed from view.

7.8 Accessory Structures. Except as otherwise provided for herein, no patio cover, building or storage unit of any kind shall be erected, placed or set on any Lot unless such structure is attached to the House erected on the same Lot and the architecture and character of such structure matches that of said House. Notwithstanding the foregoing, one (1) accessory building may be erected, placed or set on any Lot if such structure is: (a) no more than twelve (12) feet by sixteen (16) feet in size; (b) no more than nine (9) feet in height; (c) located upon the back yard of such Lot; (d) enclosed on all sides by a wooden fence of six (6) feet in height; (e) of the same architecture and character of the House located on such Lot; and, (f) approved by the Architectural Review Committee. Without limiting the foregoing, the roof shingles of the accessory building and the House must match.

7.9 Temporary Structures. No structure of a temporary character, trailer, mobile home, motor home, modular building unit, basement, tent, shack, garage, barn, or other outbuilding shall be used at any time on the Lots as a residence, either temporarily or permanently.

7.10 Vehicles.

(a) No inoperative cars, trucks, trailers, boats, campers or other types of vehicles shall be allowed to remain either on or adjacent to any Lot for a period in excess

of forty-eight (48) hours; provided, however, this provision shall not apply to any such vehicle being kept in an enclosed garage.

(b) No trucks larger than a one-ton pickup shall be parked in the Subdivision, except those reasonably necessary to complete approved improvements.

(c) Recreational vehicles and campers shall not be parked or stored on any Lot. Boats shall be parked in garages or basements or shall be stored out of sight from all neighbors and fully screened by a privacy fence of no less than six (6) feet in height.

(d) Parking in yards, on sidewalks and in front of private driveways is strictly prohibited.

(e) There shall be no major repair performed on any motor vehicle on or adjacent to any Lot unless performed inside an enclosed garage.

(f) No noxiously loud or dangerous vehicles shall be allowed to be operated on any Lot, including, without limitation, all-terrain vehicles (aka ATVs).

7.11 Construction. Any and all improvements on any Lot shall comply with the standards and provisions of Shelby County, Alabama and its applicable building code. The use of dumpsters for cleaning of construction sites is permitted in accordance with the Rules and Regulations.

7.12 Pollution. There shall be no noxious emission of smoke, dust, odor, fumes, glare, noise, vibration, electrical or magnetic disturbance, detectable at the Lot line or beyond.

7.13 Outdoor Lighting. No exterior lighting fixture (other than fixtures approved by the Architectural Review Committee) shall be installed within or upon any Lot without adequate and proper shielding of the fixture. No lighting fixture shall be installed that may become an annoyance or a nuisance to other Owners or Occupants of adjacent properties. No flood lights or security lights shall be allowed on any Lot. No light shall be attached to the soffits of any improvements on the Lot unless the light is approved by the Architectural Review Committee in accordance with Article Six hereof and is recessed.

7.14 Garbage and Refuse Disposal. No Lot shall be used or maintained as a dumping ground for rubbish, trash, garbage, or waste. All storage equipment for such material shall be kept in a clean and sanitary condition.

7.15 Oil and Mining Operations. No activity or hardware used for the purpose of exploration or extraction of minerals, oil, or gas shall be allowed on any Property at any time.

7.16 Firearms and Fireworks. The display or discharge of firearms or fireworks on any Lot or any Common Area is prohibited; provided, however, that the display of lawful firearms on the Common Area is permitted by law enforcement officers and also is permitted for the limited purpose of transferring firearms across the Common Area to or from an Owner's Lot.

The term "firearms" includes "B-B" guns, pellet guns and other firearms of all types, regardless of size.

7.17 No Hanging of Items. No clothes, sheets, blankets, towels, laundry, flags or other decorative items or other articles shall be hung out or exposed on any portion of a Lot. Notwithstanding the foregoing, each Owner may exhibit or display on such Owner's Lot a current flag of the United States that is not in excess of that which is permitted by Section 35-1-5 of the Alabama Code (1975), as the same may be altered, amended, and/or replaced from time to time hereafter, and on a pole that does not extend beyond the highest point on the roof of such Owner's Home.

7.18 Hazardous Items. No one shall use or permit to be brought onto any Lot or upon any of the Common Area any flammable oils or fluids such as gasoline, kerosene, naphtha or benzene, or other explosives or articles deemed hazardous to life, limb or property, without the written consent of the Board of Directors; provided, however, that an Owner may store and possess gasoline and other flammable or hazardous materials typically used in the operation and maintenance of a single family residence and yard, in reasonable quantities for personal use upon such Owner's Lot without obtaining such written consent. The Board of Directors may require removal of any flammable or hazardous materials from the Subdivision if it determines, in its sole and absolute discretion, that any type or quantity of material is in violation of this Section.

7.19 Water and Sewer Service. The Owner of each Lot shall be required to connect to and use the central water distribution system and central sanitary sewage disposal system serving the Subdivision, and shall be responsible for paying all connection fees and assessments. No septic tanks or wells will be permitted.

7.20 Windows and Window Treatments. Reflective glass shall not be permitted on the exterior of any House or other structure. No foil or other reflective materials shall be installed on any windows or used for sunscreens, blinds, shades or for other purposes. All exterior window styles, materials, and colors must be approved by the Architectural Review Committee; provided, however, that in no event shall burglar bars and/or wrought iron doors be permitted.

7.21 Solar Panels. No solar panels and/or solar collectors (as applicable, "Solar Equipment") may be placed on a Home without prior written approval from the Architectural Review Committee; provided, however, that if such approval is granted by the Architectural Review Committee, such solar equipment must be located on the rear elevations of the Home. Notwithstanding the foregoing, if a Home's rear elevation is in the line of sight of any lake, pond or Common Area, and such line of sight is unobstructed in the opinion of the Architectural Review Committee, then the Architectural Review Committee may prohibit the installation of Solar Equipment on such Home. The Architectural Review Committee shall have the right to grant variances if needed to comply with any future changes to applicable laws.

7.22 Lots on Wetland Areas, Body of Water. No Lot shall be increased in size by filling in of any wetlands, body of water, creek or any waterway on which it may abut without appropriate governmental permits (if any are required) and prior written approval of the Architectural Review Committee.

7.23 Compliance With Law. In all cases, each Owner shall comply in all respects with all applicable laws, rules and regulations (including, without limitation, applicable zoning ordinances) promulgated by any governmental authority having jurisdiction over the Lots and the Common Area.

7.24 Swimming Pools. No swimming pools shall be constructed, altered or maintained upon any Lot without the prior written approval of the Architectural Review Committee in accordance with Article Six hereof. Notwithstanding the foregoing, any such swimming pool must also be constructed, equipped, and maintained in accordance with the laws, ordinances, regulations, rules and standards of any city, county, and/or state authorities having jurisdiction over the Subdivision. Any Owner who desires to construct a swimming pool on such Owner's Lot shall also, prior to completion of such swimming pool, construct a fence around such swimming pool, which fence must also be approved by the Architectural Review Committee in accordance with Article Six hereof. Notwithstanding anything contained herein to the contrary, above-ground pools are expressly prohibited.

7.25 Outdoor Equipment. No outdoor equipment, tools, generators, or sporting equipment (including but not limited to basketball goals) may be installed or affixed to any Lot or House without prior written approval from the Architectural Review Committee; provided, however, that portable outdoor equipment, tools, generators, or sporting equipment may be used on a temporary basis and removed from view immediately after use. Certain outdoor equipment including firepits, grills, patio furniture, artificial vegetation, playground equipment and/or trampolines may be placed on a Lot, however such items must be placed behind the House, on the rear side of the Lot, and enclosed with a fence, with prior approval of the Architectural Review Committee required for the fencing design, materials, height and location for such fencing.

7.26 Holiday Displays. Notwithstanding anything to the contrary in this Declaration, including but not limited to those certain restrictions set forth in Section 7.13, holiday lighting and holiday decorations shall be permitted to be placed, installed, located, and/or erected upon the exterior portion of the Home or Owner's Lot beginning no earlier than thirty (30) days before a holiday, and shall be removed in their entirety no later than fourteen (14) days following such holiday. In no way limiting the foregoing, the Architectural Review Committee and/or the Association may establish additional standards and/or rules and regulations regarding holiday lights and/or decorations. The Association may require the removal of any holiday lighting and/or decoration that creates a nuisance, which includes but is not limited to, spillover to adjacent Lots, excessive noise, light shining directly onto adjacent Homes, and/or the cause of excessive vehicular traffic within the Subdivision.

7.27 Rules and Regulations. The Association may, from time to time, establish additional written use guidelines for the Subdivision, and a copy of any such guidelines then in effect shall be made available to any Owner requesting a copy of same from the Association.

7.28 Stormwater Drainage Improvements. Owners shall not alter, fill or otherwise change any stormwater improvements made to such Owner's Lot by Declarant in the development of the Subdivision or by any Builder during the construction of a Home on such

Owner's Lot, including, without limitation, any drainage ditches and/or swales, without the prior written approval of the Association, which may be withheld by the Association in its sole and absolute discretion.

ARTICLE 8 **ADDITIONAL RESTRICTIONS**

8.1 Leasing. Entire Homes and Lots may be leased by an Owner for residential purposes only. The term of said lease shall be no less than one (1) year and no more than thirty-six (36) months unless approved in writing by the Board of Directors which approval may be denied without reason. No individual rooms may be rented by any means including online rental agencies such as VRBO™ or Airbnb, Inc. Any Owner who leases his Home shall be responsible (jointly and severally with each other Owner of the same Lot) for the acts of his tenants, including, without limitation, the violation of this Declaration and/or any Rules and Regulations promulgated by the Association hereunder.

8.2 Restrictions on Mortgaging Lots. Nothing contained herein shall be construed to place any restrictions on an Owner's right to mortgage his Lot.

8.3 Regulations. Reasonable regulations concerning the use of the Lots and the Common Area may be made and amended from time to time by the Board of Directors.

8.4 Lender's Notices. An institutional holder, insurer, or guarantor of a Mortgage, who provides written request to the Association (such request to state the name and address of such holder, insurer, guarantor and the Residence number, therefore becoming an “Eligible Holder”), will be entitled to timely written notice of:

(a) any condemnation loss or any casualty loss which affects a material portion of the Property or which affects any Lot on which there is a Mortgage held, insured, or guaranteed by such Eligible Holder;

(b) any delinquency in the payment of Assessments or charges owed by an Owner of a Lot subject to the Mortgage of such eligible holder, where such delinquency has continued for a period of sixty (60) days; provided, however, notwithstanding this provision, any holder of a Mortgage, upon request, is entitled to written notice from the Association of any default in the performance by an Owner of a Lot of any obligation under the Declaration or Bylaws of the Association which is not cured within sixty (60) days;

(c) any lapse, cancellation, or material modification of any insurance policy maintained by the Association; or

(d) any proposed action which would require the consent of a specified percentage of Eligible Holders. Should the Association send notice of any action requiring the affirmative vote of the Eligible Holders, and the Eligible Holders shall not respond within sixty (60) days from notice of such right, the Eligible Holders shall be deemed to have given their implied consent to such action.

ARTICLE 9
ENFORCEMENT; DURATION; AMENDMENT

9.1 Enforcement. The Association, the Board of Directors, the Architectural Review Committee and/or any Owner shall have the right to enforce by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges imposed by the provisions of this Declaration. Failure by the Association, the Board of Directors, the Architectural Review Committee and/or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

9.2 Enforcement by Owners. An Owner may file a legal action for the violation of this Declaration (the "Complainant"), provided that the following procedure is strictly followed:

(a) The Complainant must first give the Association written notice of the alleged violation of this Declaration together with a demand seeking that the Association enforce the terms of this Declaration as against said violator; and

(b) The Association must fail to cause a cure of the alleged violation or, if the alleged violation has not been cured, fail to commence legal proceedings against said violator for the enforcement of the terms and conditions of this Declaration within one hundred twenty (120) days of the date of the Association's receipt of the notice referenced in subsection (a) hereof.

9.3 Attorneys' Fees. In any action (whether in advance of or prior to the initiation of any legal or equitable proceeding, in arbitration, in trial, in any administrative or other similar proceedings, or in any appeal from any of the same) pertaining to any condition, restriction or covenant herein contained (due to their alleged violation or breach) or for the enforcement of any lien against any Lot or against any person, unless otherwise expressly provided in this Declaration to the contrary for specific instances and conflicts, the prevailing party shall be entitled to recover all costs, including reasonable legal fees and expenses.

9.4 Term. This Declaration is to take effect upon recordation and shall be binding upon the Association and all Owners and all persons and entities claiming title under and through them for fifty (50) years after the date this Declaration is recorded in the public records, after which it shall be automatically extended for successive ten (10) year periods unless an instrument in writing, signed by Members holding at least eighty percent (80%) of the voting interests of the Members, has been recorded within the year preceding the beginning of each successive period of ten (10) years, agreeing to change said covenants and restrictions, in whole or in part, or to terminate the same, in which case this Declaration shall be modified or terminated as specified therein.

9.5 No Additional Restriction. Except as provided in Article Ten, no amendment of this Declaration shall place an additional restriction on any Lot where an Owner of such Lot does not join in said amending instrument.

9.6 Amendments. Except as provided in Article Ten, this Declaration may be amended by a vote of the Members having sixty-seven percent (67%) of the voting interests of the Association, or by a written instrument signed by the same percentage of Members; provided, however, that unless, and until, Turnover has occurred, no such amendment may be effected without the written consent of Declarant to such amendment, which consent may be withheld by Declarant in Declarant's sole and absolute discretion. Declarant shall have and reserves the right at any time and from time to time, without the joinder or consent of any other party, to amend this Declaration by any instrument in writing duly signed, acknowledged and filed for record for the purpose of correcting any typographical or grammatical error, ambiguity or inconsistency appearing herein, provided that any such amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidenced by this Declaration and shall not impair or adversely affect the vested property or other rights of any Owner or such Owner's Mortgagee.

ARTICLE 10 **RESERVED DECLARANT RIGHTS**

10.1 General Reserved Rights. Until Turnover, Declarant reserves unto itself, its successors and assigns:

(a) A right-of-way and easement for ingress and egress and easement for utilities, drainage, maintenance, repairs and other related uses over, along, and across the Common Area for all purposes relating in any manner to the subdividing, developing or aiding in the development of the Subdivision or any parts or parts thereof or additions thereto by Declarant or others.

(b) The right to grant easements and rights-of-way of ingress and egress and for drainage, utilities, maintenance and repairs along, over, across and under the Common Area to any person, firm, corporation or entity for use as ingress or egress or for drainage, utilities, maintenance and repairs.

(c) The right to maintain, and grant Builders the right to maintain, a sales office and/or a management office and/or one or more model homes in the Subdivision and to maintain signs therein advertising the Subdivision and to conduct its business and sales activities pertaining to the Subdivision therein and therefrom.

Except as set forth in Section 10.4, all of the above rights and interests reserved by Declarant may be exercised by Declarant without the consent or concurrence of the Association or any Owner or holder of any other easement or encumbrance.

10.2 Right to Submit Additional Property. Until such time as Turnover has occurred, Declarant hereby reserves the right, exercisable in its sole and absolute discretion, to (a) make any or all of the Additional Property subject to all or any of the terms and conditions of this Declaration and/or (b) permit Owners of Additional Property to become Members of the Association. Declarant shall not be obligated to submit any Additional Property to this Declaration. Declarant reserves the right to submit any portion or portions of the Additional

Property in phases at different times in the Declarant's sole discretion. No assurances can be made with respect to the boundaries of any portions of any Additional Property that might be submitted to this Declaration. The Additional Property may be submitted in accordance with this Section by an amendment to this Declaration, which amendment may be made and entered into by Declarant in its sole and absolute authority and discretion without the consent, approval or signature of the Association, any Owner, any Mortgagee or any holder of any other easement or encumbrance of record. Notwithstanding anything contained in this Section to the contrary, (aa) no Additional Property shall be subject to this Declaration unless and until Declarant executes an amendment to this Declaration affirmatively exercising Declarant's rights hereunder and records such amendment in the office in which this Declaration is recorded, and (bb) in the event Declarant exercises its right to submit any Additional Property in accordance with this Section, Declarant shall also have the sole and exclusive right (i) to alter or amend the terms of Article Seven hereof as those terms pertain to any Lots created out of such Additional Property, (ii) exempt any Lots created out of such Additional Property from any or all of the requirements of Article Seven hereof, and/or (iii) impose additional covenants and obligations on any Lots created out of such Additional Property.

10.3 Amendment of Declaration by Declarant. Until Turnover, Declarant reserves unto itself the right, authority and power to amend this Declaration in any manner Declarant deems necessary and appropriate. Any amendment to this Declaration made in accordance with this Section shall require only the signature of Declarant and shall not require the signature of the Association, any Owner, any Mortgagee or any holder of any other easement or encumbrance of record, except as required by Section 10.4.

10.4 Turnover. All rights of Declarant hereunder shall automatically terminate upon Turnover, except those rights that Declarant holds as an Owner and not by virtue of being the Declarant under this Declaration, which shall continue as long as Declarant is an Owner.

ARTICLE 11 **INSURANCE; CASUALTY**

11.1 Insurance on Common Area. The Association shall obtain the insurance coverage for the Common Areas necessary to satisfy the requirements, if any, of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the U.S. Department of Veterans Affairs, and the U.S. Department of Housing and Urban Development, as applicable to the Subdivision. Without limiting the foregoing, the Board shall obtain casualty insurance for all insurable improvements, whether or not located on the Common Area, which the Association is obligated to maintain. This insurance shall provide, at a minimum, fire and extended coverage and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. The Board shall obtain a public liability policy applicable to the Common Area covering the Association and the Owners for all damage or injury caused by the negligence of the Association or any of the Owners or agents, and, if reasonably available, directors' and officers' liability insurance. Policies may contain a reasonable deductible as determined by the Board. In addition to the other insurance required by this Section, the Board shall obtain worker's compensation insurance, if and to the extent necessary to satisfy the requirements of applicable laws, and a fidelity bond or bonds on

directors, officers, employees and other persons handling or responsible for the Association's funds, if reasonably available. If obtained, the amount of fidelity coverage shall cover the maximum funds that will be in the custody of the Association or its management agent at any time while the policy is in force, or any lesser amount of fidelity coverage allowable under the applicable FNMA guidelines. Fidelity coverage shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation. All such insurance coverage shall be written in the name of the Association. The expense of all insurance coverage obtained by the Association in accordance with this Section shall be subject to payment from Annual and/or Special Assessments.

11.2 Individual Insurance. By virtue of taking title to an interest in any Lot subject to the terms of this Declaration, each Owner acknowledges that the Association has no obligation to provide any insurance for any portion of individual Lots and each Owner covenants and agrees with all other Owners and with the Association that each Owner shall carry all-risk casualty insurance on the Lot and all insurable structures constructed thereon and a liability policy covering damage or injury occurring on a Lot caused by the Lot Owner or Occupant. The casualty insurance shall cover loss or damage by fire and other hazards commonly insured under an all-risk policy, if reasonably available and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. The policies required hereunder shall be in effect at all times.

11.3 Damage and Destruction — Insured by Association. Not later than ninety (90) days after damage or destruction by fire or other casualty to any portion of any improvement covered by insurance written in the name of the Association, the Board or its duly authorized agent shall obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Section, means repairing or restoring the property to substantially the same condition and location that existed prior to the fire or other casualty, allowing for any changes or improvements necessitated by changes in applicable building codes. Any damage or destruction to property covered by insurance written in the name of the Association shall be repaired or reconstructed unless, within one hundred twenty (120) days after the casualty, a proposal not to repair or reconstruct such property is approved by at least seventy-five percent (75%) of the voting interests of the Members. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within such period, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed one hundred eighty (180) days. If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall be entitled, without the necessity of a vote of the Members, to levy a Special Assessment against the Owner (or jointly and severally against all Owners, if more than one) of each Lot. Additional Assessments may be made in like manner, as necessary, at any time during or following the completion of any repair or reconstruction. If the funds available from insurance exceed the costs of repair or reconstruction or if the improvements are not repaired or reconstructed, such excess shall be deposited to the benefit of the Association. In the event that it should be determined by the Association in the manner described above that the damage or destruction shall not be

repaired or reconstructed and no alternative improvements are authorized, the property shall thereafter be maintained by the Association in a neat and attractive condition.

11.4 Damage and Destruction — Insured by Owners. The damage or destruction by fire or other casualty to all or any portion of any improvement on a Lot shall be repaired by the Owner (or Owners, if more than one) thereof within ninety (90) days after such damage or destruction or, where repairs cannot be completed within ninety (90) days, they shall be commenced within such period and shall be completed within a reasonable time thereafter. Alternatively, Owner (or Owners, if more than one) may elect to demolish all improvements on the Lot and remove all debris therefrom within ninety (90) days after such damage or destruction.

ARTICLE 12 **MISCELLANEOUS**

12.1 Savings. If any provision or provisions of this Declaration, or any article, section, sentence, clause, phrase, or word herein, or the application thereof, is in any circumstances held invalid, the validity of the remainder of this Declaration and the application thereof shall not be affected thereby.

12.2 Captions. The captions in this Declaration are for convenience only and are not a part of this Declaration and do not in any way limit or amplify the terms and provisions of this Declaration.

12.3 Applicable Law. The laws of the State of Alabama shall govern this Declaration. All actions or proceedings in any way, manner or respect, arising out of or from or related to this Declaration shall be litigated only in courts having situs within the county in which the Subdivision is located. Each Owner hereby consents and submits to the jurisdiction of any local, state or federal court located within said county and state and hereby waives any rights it may have to transfer or change the venue of any such litigation. The prevailing party in any litigation in connection with this Declaration shall be entitled to recover from the other party all costs and expenses, including, without limitation, fees of attorneys and paralegals, incurred by such party in connection with any such litigation.

12.4 Effect of Waiver or Consent. A waiver or consent, express or implied, to or of any breach or default by any person in the performance by that person of its obligations hereunder is not a consent or waiver to or of any breach or default in the performance by that person of the same or any other obligations of that person. Failure on the part of a person to complain of any act or to declare any person in default hereunder, irrespective of how long that failure continues, does not constitute a waiver by that person of its rights with respect to that default.

12.5 Headings. The headings and captions herein are used solely as a matter of convenience and shall not define, limit or expand any term or provision of this Declaration.

12.6 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation

of a subdivision in accordance with Alabama law. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provision or any other provision hereof.

12.7 Notice. All notices required or desired under this Declaration to be sent to the Association shall be sent via certified mail, return receipt requested, by hand delivery or by a recognized overnight courier who maintains verification of delivery, to the Secretary of the Association, at such address as the Association may designate from time to time by notice in writing to all Owners. All notices to any Owner shall be delivered by hand delivery, recognized overnight courier, first (1st) class mail, regular mail, or email to the address of such Owner's Lot, to such Owner's email address as shown in the books of the Association, or to such other address or email address as he may have designated from time to time, in a writing duly received, to the Association; provided, however, that notice to any Owner of a Lot shall be deemed notice to all other co-Owners (if more than one) of the same Lot.

12.8 Conflict Between Documents. In the event of any conflict or ambiguity between the terms, provisions, definitions, covenants and conditions set forth herein in this Declaration and the HOA Act, then the provisions of the HOA Act shall at all times control. If there is any conflict or inconsistency between the terms and conditions of this Declaration and the terms and conditions of the Certificate of Incorporation, the Bylaws or any Rules and Regulations promulgated hereunder, the terms and conditions of this Declaration shall control. If there is any conflict or inconsistency between the terms and conditions of the Certificate of Incorporation and the terms and conditions of the Bylaws or any Rules and Regulations promulgated hereunder, the terms and conditions of the Certificate of Incorporation shall control. If there is any conflict or inconsistency between the terms and conditions of the Bylaws and the terms and conditions of any Rules and Regulations promulgated hereunder, the terms and conditions of the Bylaws shall control.

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9th IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed on the day of October, 2025.

DECLARANT:

**FORESTAR (USA) REAL ESTATE GROUP
INC.**

a Delaware Corporation

By: [Signature]
Print Name: CHRIS FRANKS
Its: VP Real Estate Investments & Development

STATE OF ALABAMA)

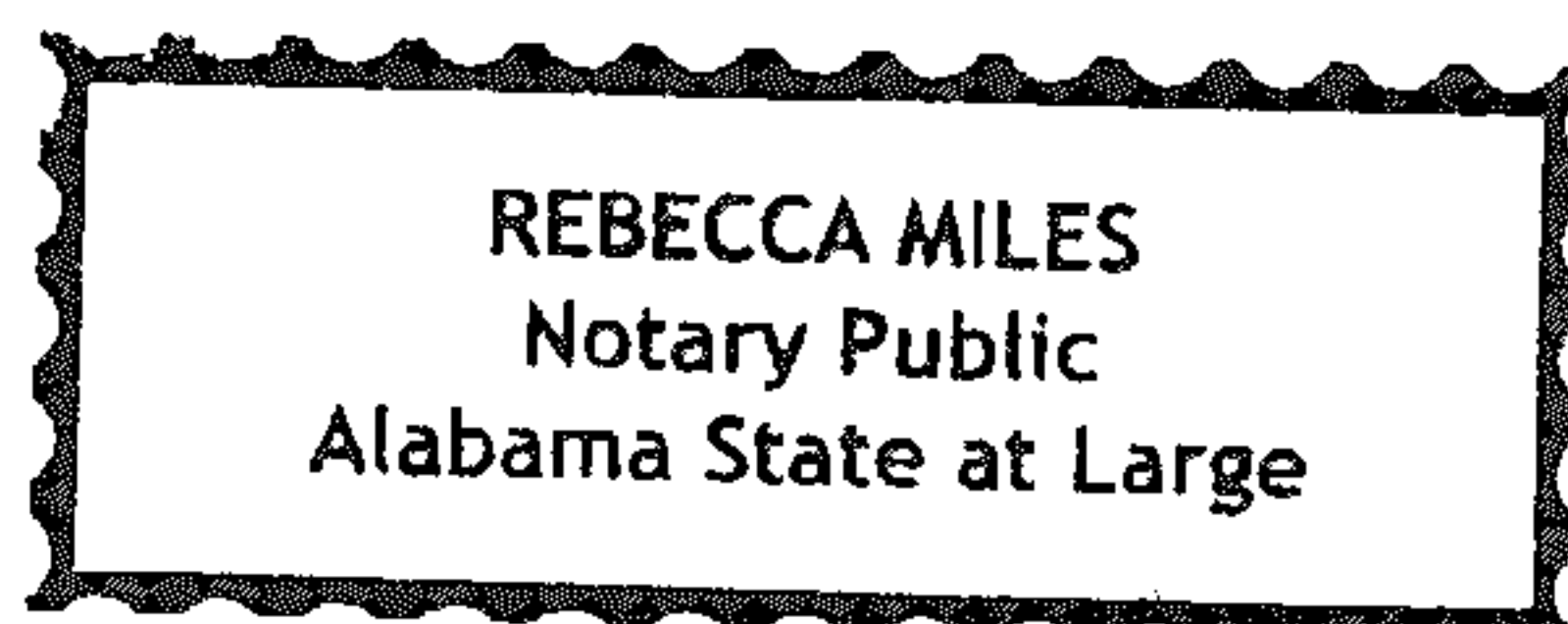
COUNTY OF JEFFERSON)

I, Rebecca Miles, a Notary Public in and for said County, in said State, hereby certify that Chris Franks whose name as VP - Real Estate Investments & Development of Forestar (USA) Real Estate Group Inc., a Delaware Corporation is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that being informed of the contents of said instrument, he/she, in such capacity and with full authority, executed the same voluntarily for and as the act of said limited liability company, acting in his/her capacity as aforesaid.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this, the 9th day of October, 2025.

Rebecca Miles
Notary Public

[SEAL]



My Commission Expires: May 30, 2029

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

All property shown on the Final Plat of Mill Point Phase 1, recorded on October 7, 2025 in Map Book 62, Pages 30A-30C, in the Office of the Judge of Probate of Shelby County, Alabama.

EXHIBIT B**ADDITIONAL PROPERTY****PHASE 2 and 3**

A parcel of land located in the Southeast one quarter of Section 35 and the Southwest one quarter of Section 36, Township 21 South, Range 2 West Shelby County, Alabama. Said parcel being more particularly described as follows:

Begin at a found 3 inch capped pipe marking the Southeast corner of the Northwest one quarter of the Southwest one quarter of the above mentioned Section 36; thence run North 88 Degrees 05 Minutes 42 Seconds West along the South line of the Northwest one quarter of the Southwest one quarter of said Section 36 for a distance of 1317.17 feet to a found 1/2 inch rebar marking the Southwest corner of said quarter-quarter section; thence run North 88 Degrees 13 Minutes 35 Seconds West along the South line of the Northeast one quarter of the Southeast one quarter of the above mentioned Section 35 for a distance of 1319.16 feet to a found 3 inch capped pipe marking the Southwest corner of the Northeast one quarter of the Southeast one quarter of said Section 35; thence run North 00 Degrees 01 Minutes 47 Seconds East along the West line of the Northeast one quarter of the Southeast one quarter of said Section 35 for a distance of 1126.93 feet to a found capped rebar stamped EDG; thence leaving said West line run South 88 Degrees 29 Minutes 07 Seconds East for a distance of 208.75 feet to a found capped rebar stamped EDG; thence run North 00 Degrees 00 Minutes 51 Seconds West for a distance of 208.78 feet to a found capped rebar stamped EDG, said point lying on the North line of the Northeast one quarter of the Southeast one quarter of said Section 35; thence run South 88 Degrees 26 Minutes 35 Seconds East along said North line for a distance of 1083.58 feet to a found capped rebar stamped EDG, said point lying the West line of Mill Point Phase 1; thence run along the West and South line of said Mill Point for the following calls: thence run South 00 Degrees 23 Minutes 43 Seconds East for a distance of 134.28 feet to a point; thence run South 88 Degrees 30 Minutes 10 Seconds West for a distance of 14.33 feet to a point; thence run South 01 Degrees 21 Minutes 30 Seconds East for a distance of 190.15 feet to a point; thence run South 89 Degrees 07 Minutes 13 Seconds West for a distance of 4.53 feet to a point; thence run South 00 Degrees 02 Minutes 36 Seconds West for a distance of 195.27 feet to a point; thence run South 89 Degrees 57 Minutes 24 Seconds East for a distance of 9.49 feet to a point; thence run South 00 Degrees 02 Minutes 36 Seconds West for a distance of 130.00 feet to a point; thence run South 89 Degrees 57 Minutes 24 Seconds East for a distance of 517.88 feet to a point; thence run North 88 Degrees 17 Minutes 39 Seconds East for a distance of 49.20 feet to a point; thence run North 85 Degrees 25 Minutes 04 Seconds East for a distance of 17.50 feet to a point; thence run North 81 Degrees 46 Minutes 22 Seconds East for a distance of 66.45 feet to a point; thence run North 78 Degrees 38 Minutes 19 Seconds East for a distance of 144.85 feet to a point; thence run North 11 Degrees 21 Minutes 54 Seconds West for a distance of 45.00 feet to a point; thence run North 78 Degrees 38 Minutes 06 Seconds East for a distance of 125.00 feet to a point; thence run South 11 Degrees 21 Minutes 54 Seconds East for a distance of 40.00 feet to a point; thence run North 78 Degrees 38 Minutes 06 Seconds East for a distance of 85.34 feet to a point; thence run North 11 Degrees 21 Minutes 54 Seconds West for a distance of 40.00 feet to a point; thence run North 78 Degrees 38 Minutes 06 Seconds East for a distance of 185.00 feet to a point; thence run North 11 Degrees 21 Minutes 54 Seconds West for

a distance of 51.16 feet to a point; thence run North 78 Degrees 38 Minutes 06 Seconds East for a distance of 135.00 feet to a point; thence run South 87 Degrees 21 Minutes 14 Seconds East for a distance of 68.45 feet to a found capped rebar stamped Carr, said point lying on the East line of the Northwest one quarter of the Southwest one quarter of the above mentioned Section 36; thence leaving said subdivision line run South 00 Degrees 52 Minutes 39 Seconds West along said East line for a distance of 971.52 feet to the POINT OF BEGINNING. Said parcel contains 2,733,623 square feet or 62.76 acres more or less.

EXHIBIT C

BYLAWS

BYLAWS
OF
MILL POINT HOMEOWNERS ASSOCIATION, INC.

BYLAWS
OF
MILL POINT HOMEOWNERS ASSOCIATION, INC.

These Bylaws (these “Bylaws”) of **MILL POINT HOMEOWNERS ASSOCIATION, INC.** (hereinafter referred to as the “Association”), a nonprofit corporation, incorporated under the laws of the State of Alabama are hereby created and adopted pursuant to the Certificate of Incorporation of the Association filed in the office of the Secretary of State (the “Certificate”). The Association has been organized for the purpose of providing various services and benefits with regard to the Subdivision (as it is defined in the Certificate).

ARTICLE 1
ASSOCIATION

1.1 Declaration. The provisions of these Bylaws are expressly subject to the terms and provisions of the Declaration of Covenants, Conditions, and Restrictions of Mill Point Subdivision, as recorded in the Office of the Judge of Probate of Shelby County, Alabama (which, together with all subsequent amendments thereto, is hereinafter referred to as the “Declaration”). *Capitalized terms not otherwise expressly defined herein shall have the same meanings given to them in the Declaration.*

1.2 Principal Office. The principal office of the Association in the State of Alabama shall be located at 1 Chase Corporate Drive, Suite 450, Hoover, AL 35244. The Association may have such other offices, either within or without the State of Alabama, as the Board of Directors may designate from time to time.

1.3 Registered Office. The initial registered office of the Association shall be located at 1 Chase Corporate Drive, Suite 450, Hoover, AL 35244.

1.4 Fiscal Year. The fiscal year of the Association shall be the calendar year.

ARTICLE 2
MEMBERS

2.1 Qualification. The Declarant (until Declarant is no longer an Owner of an interest in a Lot) and each Owner that subsequently establishes its status as a record Lot Owner (a “Record Lot Owner”) shall each be a Member of the Association until such Owner’s status as a Member is terminated in accordance with these Bylaws.

2.2 Voting Rights. The right of any Member to vote on a matter that is subject to a vote, approval or consent of the Members (or any percentage or number of the Members) shall be determined in accordance with Article 3 of these Bylaws.

2.3 Establishment/Change of Membership. Membership in the Association shall be appurtenant to, and may not be separated from, an Owner’s ownership interest in a Lot, as determined by the Association herein. A change of membership in the Association from the original Member(s) or from any subsequent Member(s) due to a change in such Member’s

ownership of an interest in a Lot shall be established by recording in the Probate Office a deed or other instrument conveying a record title to an interest in a Lot and the delivery to the Association of a recorded copy of such instrument (a "Lot Deed"). With respect to the membership(s) appurtenant to a Lot identified in a Lot Deed delivered to the Association, (i) each grantee Owner designated in a Lot Deed delivered to the Association shall become a new Member and a new Owner with respect to such Lot, and (ii) each grantor Owner designated in a Lot Deed delivered to the Association shall cease to be a Member and shall cease to be an Owner with respect to such Lot. Any change in ownership shall be subject to the relevant Subdivision documents, including the Declaration. The Association reserves the right (but has no obligation) to independently confirm whether the most recently identified Owner continues to be the Owner and, therefore, the Member with respect to a membership appurtenant to any Lot, and the determination of the Association shall control.

ARTICLE 3 **MEMBERS' MEETINGS**

3.1 Place. All meetings of the Members shall be held: (i) at such place within Shelby County, Alabama, as may be stated in the notice of the meeting; and (ii) by means of remote communication, as may be stated in the notice of the meeting.

3.2 Annual Meeting.

(a) After Turnover (as defined in the Declaration), regular or annual meetings of the Members shall be held annually on a date chosen by the Board of Directors that is not a legal holiday.

(b) The purpose of the annual meeting is to elect Directors and to transact any other business authorized to be transacted by the Members. The annual meeting may be waived by agreement of two-thirds (2/3) of the voting interests of the Members, in writing. If the election of Directors shall not be held on the day designated herein for any annual meeting of the Members, or any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Members pursuant to Section 3.3 as soon thereafter as may be convenient.

3.3 Special Meetings. Special meetings of the Members for any purpose may be called at any time by the President, and shall be called by the President or Secretary at the request, in writing, of either a majority of the Board of Directors or twenty percent (20%) of all voting interests of the Members. Such request shall state the purpose of the proposed meeting. Business transacted at all special meetings shall be confined to the matters stated in the notice thereof.

3.4 Notice. Written or printed notice (or wireless transmission via electronic mail) stating the place, day and hour of the meeting, if the meeting will be held solely by means of remote communication, and, in case of a special meeting, or of a meeting which is required by statute to be held for any special purpose, or of any annual meeting at which special action is to be taken, the purpose or purposes for which the meeting is called, or the special action which is proposed to be taken, shall be delivered not less than ten (10) nor more than fifty (50) days before

the date of the meeting, either personally or by mail, electronic mail or facsimile, by or at the direction of a majority of the Board of Directors, the President, the Secretary, or the officer or persons calling the meeting, to each Member.

3.5 Waiver of Notice. Whenever any notice is required to be given to any Member under the provisions of the Alabama Constitution, Alabama Nonprofit Corporation Law, the Alabama Homeowners' Association Act or the Certificate or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

3.6 Proxies. At all meetings of the Members and in all ballot votes of the Members held pursuant to Section 3.10 below, each Member entitled to vote may vote either in person (including virtually if the Member is participating using the virtual meeting method provided for by the Board) or by proxy executed in writing by such Member or by his duly authorized attorney-in-fact. Such proxy shall be filed with the Secretary of the Association before or at the time of the meeting or at the time of any ballot vote held pursuant to Section 3.10 below. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

3.7 Quorum. Twenty-five percent (25%) of the total number of voting rights of the Members of the Association present in person or represented by proxy shall constitute a quorum at all meetings of the Members for the transaction of business, except as otherwise provided by statute or these Bylaws. For the purposes of these Bylaws, "in person" shall include attendance by remote communication when attendance by remote communication is permitted by the Board of Directors. If a quorum is not present at any meeting, the Members present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

3.8 Vote Required to Transact Business. Except where otherwise required under the provisions of the Declaration, the Certificate of Incorporation or these Bylaws, when a quorum is present at any duly organized meeting, the vote of the holders of a majority of voting interests of the Members present and represented at the meeting (whether in person or via proxy) shall decide any question brought before the meeting and shall be binding upon the Members. If the question is one which requires more than a majority vote by express provision of any statute, the Certificate, the Declaration or these Bylaws, the express provision shall govern and control the number of votes required. In all cases where reference is made to percentage of the vote of Members, percentage of the Members, or percentage of the Members for purposes of determining the vote thereof, the percentage stated shall mean the percentage of the voting interests of the Members present and represented at the meeting (whether in person or via proxy).

3.9 Voting by Members.

(a) Subject to the provisions of Section 2.1 above, the remaining terms and provisions of this Section 3.9 and Section 3.12 below, each Member shall be entitled to one (1) vote for each Lot of which he is an Owner. When one or more persons is an Owner, all such persons may be Members, but in no event shall more than one vote be cast with respect to all memberships appurtenant to such Lot. If a Member is a corporation or other

entity, the person entitled to cast the vote for such Member shall be designated by a certificate duly executed by such corporation or other entity and filed with the Secretary of the Association. Such certificate shall be valid until revoked or until superseded by a subsequent certificate. The votes of any Member who is an Owner of interests in more than one Lot cannot be divided for any issue and must be voted as a whole. Voting may take place by proxy executed and delivered in the manner set forth herein.

(b) If a Lot is owned by more than one (1) person, such Owners may designate one of them as the Member entitled to cast the Members' vote with respect to all memberships appurtenant to such Lot. If a Lot is owned by more than one (1) person, and such Owners do not designate one of them as the Member entitled to cast the Members' vote with respect to all memberships appurtenant to such Lot as contemplated hereinabove, the following provisions shall apply:

(i) If more than one (1) such Owner of the same Lot are present at any meeting, and said Owners are unable to concur on a decision on any subject requiring a vote, said Owners shall lose their right to cast the Members' vote with respect to all memberships appurtenant to such Lot on that subject at that meeting; however, said vote or votes shall be included in the determination of the presence of a quorum.

(ii) If only one (1) such Owner is present at a meeting, such person attending shall be entitled to cast the Members' vote with respect to all memberships appurtenant to such Lot.

(c) For purposes of the Declaration, these Bylaws and the Certificate of Formation, the vote of a "majority" of the voting interests of the Members shall mean the vote, either in person or by proxy, of at least fifty-one percent (51%) in interest of the total number of votes entitled to be cast by those present (either in person or by proxy) at either (i) a duly constituted annual or special meeting of the Members (i.e., an annual or special meeting at which a quorum is present) or (ii) a ballot vote held in accordance with the terms and provisions of Section 3.10 hereof; provided, however, that any Member whose voting rights in the Association are suspended shall not be (1) entitled to vote on any matters submitted to the Members for approval, (2) included in any determination as to whether a quorum exists, (3) included in the determination of whether the minimum number of votes are cast in a ballot vote, and (4) included in the calculation of the total number of votes in the Association at the time of any such vote. Unless a greater proportion is specified in the Declaration, these Bylaws or the Certificate of Formation and, subject to the terms and provisions of this Section 3.9 of these Bylaws, any matter which requires the vote of, approval, disapproval or consent of the Members in good standing of the Association or of the Owners shall be deemed to have been given if a "majority" of the voting interests of the Members in good standing of the Association represented at a duly constituted meeting or at a ballot vote held in accordance with the terms and provisions of Section 3.10 below, either in person or by proxy, affirmatively vote for, approve, disapprove or consent to the same.

3.10 Ballot Voting in Lieu of Meetings.

(a) Notwithstanding anything provided to the contrary in the Declaration, the Certificate of Incorporation or these Bylaws, any matter which is required or permitted to be approved by the Members, including, without limitation, amendments to the Declaration, the Certificate of Incorporation and the Bylaws which require any consent or approval of the Members, the election and removal of members of the Board of Directors and the approval of Special Assessments, may be submitted to the Members by a ballot vote, without any requirement that either an annual or special meeting of the Members be held, subject to the satisfaction of the following terms and conditions:

(i) Any matters to be submitted to the Members for approval pursuant to a ballot vote shall (1) be set forth on a ballot, the form of which must be approved by the Board of Directors, (2) subject to the provisions of Section 3.12 below, be mailed to all Members not less than ten (10) days nor more than fifty (50) days before the date such ballots shall be counted by the Board of Directors and (3) specify that all such ballots must be returned to and received by the Association no later than 12:00 p.m. on the date specified on such ballot as the date on which the ballots will be counted by the Board of Directors; and

(ii) Any matter submitted to the Members for approval by ballot vote shall be deemed approved only if (1) a majority of the total number of votes entitled to be cast on such matter are cast by Members in good standing pursuant to ballots with respect to such proposal (regardless of whether such ballots are cast for or against such matter) and (2) a majority (or such higher percentage of votes as may be required by the Declaration) of all votes actually cast by Members in good standing pursuant to (1) above approve such matter.

(b) The ballot voting procedures set forth above may be utilized in lieu of the holding of any annual or special meeting of the Members.

3.11 Action by Written Consent. Action required or permitted to be taken at a Members' meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all Members entitled to exercise all votes that could be cast at such meeting with respect to the subject matter thereof. The consent shall have the same force and effect as a unanimous vote and may be stated as such in any filing instrument filed with either the Probate Office or Secretary of State, if such filing is required. Action taken under this Section 3.11 shall be effective on the date the last consenting Member entitled to exercise a vote signs the consent, unless the consent specifies a different effective date.

3.12 Suspension of Voting Rights. Any Member who has not timely paid any Assessments due to the Association pursuant to any of the provisions of the Declaration may not, at the discretion of the Board of Directors, be entitled to vote on any matters submitted to the Members for a vote. A Member shall be deemed "in good standing" and "entitled to vote" so long as all Assessments payable by such Member have been paid in full, the Member is in compliance with the covenants and restrictions set forth in the Declaration and the Member is otherwise entitled to vote pursuant to the other provisions of this Article 3.

3.13 Order of Business. The order of business at annual Members' meetings and, as far as practicable, at all other Members' meetings, shall be:

1. Call to order.
2. Calling of roll and certifying of proxies and quorum.
3. Proof of notice of meeting or waiver of notice.
4. Reading and disposal of any unapproved minutes.
5. Reports of officers.
6. Reports of committees.
7. Election of Directors.
8. Unfinished business.
9. New business.
10. Adjournment.

ARTICLE 4 **DIRECTORS**

4.1 General Powers. The business and affairs of the Association shall be managed by or under the direction of its Board of Directors (individually a "Director" and collectively, the "Directors"). All actions required or permitted to be taken by the Association under the Declaration shall be taken by the sole action of the Board of Directors without any requirement that any Owners or Mortgagees consent to such actions.

4.2 Number. The affairs and business of the Association shall be managed by a Board of Directors, consisting of not less than three (3) nor more than seven (7) persons. The number of Directors shall be determined pursuant to these Bylaws. The Declarant shall have the right to change the number of Directors until Turnover, provided, however, that there shall be at least three (3) Directors. After Turnover, the Members shall have the right to change the number of Directors by a majority vote of the voting interests of the Members. Each Director shall be a person entitled to cast a vote in the Association or an authorized representative of a Member that is an entity, except for the members of the initial Board of Directors. The number of Directors constituting the initial Board of Directors shall be three (3), as designated in the Certificate.

4.3 Term. Each Director shall hold office until the earlier of (i) his or her resignation, (ii) his or her removal, or (iii) his or her successor shall have been elected and qualified.

4.4 Vacancy and Replacement. If the office of any Director becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining Directors, though less than a quorum, at a special meeting of Directors duly called for this purpose, shall choose a successor or successors who shall hold office for the unexpired term in respect to which such vacancy occurred.

4.5 Nomination of Directors.

(a) The then-serving Board of Directors shall set the terms and procedures for the nomination of Directors in the notice of the meeting at which the election will occur.

(b) If the Board of Directors do not provide for a nomination procedure, nominations can be made in advance of the meeting at which Directors will be elected by providing notice to the Secretary of the Association or at the meeting at which Directors will be elected up until the time of voting.

(c) Any Member or authorized representative of an entity that is a Member may nominate himself as a candidate for the Director position. Any Member or authorized representative of an entity that is a Member may nominate another Member as a candidate for the Director position as long as the candidate is willing to serve as Director.

4.6 Election of Directors. Election of Directors shall be conducted in the following manner.

(a) Directors shall be elected by Members entitled to vote and such election shall be at a meeting of the Members.

(b) The election shall be by secret ballot (unless dispensed with by unanimous consent). The nominees receiving the greatest number of votes cast shall be elected to the Board.

4.7 Removal. Directors may be removed for cause by an affirmative vote of a majority of the voting interests of the Members that are entitled to vote for the election of such Director. Except with respect to the initial Board of Directors, (a) no Director shall continue to serve on the Board if, during his term of office, his membership in the Association shall be terminated for any reason whatsoever, (b) no authorized representative of a Member that is an entity shall continue to serve on the Board if, during his term of office, the entity's membership in the Association shall be terminated for any reason whatsoever, and (c) no authorized representative of a Member that is an entity shall continue to serve on the Board if, during his term of office, the entity revokes his status as an authorized representative thereof or his status as an authorized representative of such entity is otherwise terminated.

4.8 Powers and Duties of Board of Directors. All of the powers and duties of the Association under Alabama law shall be exercised by the Board of Directors, or its delegate, subject only to approval by the Members when such approval is specifically required by law or by the Association's governing documents. The powers and duties of the Directors shall include, but are not limited to, the following:

(a) To prepare an annual budget and assess and collect an annual Assessment against Members to pay the expenses incurred by the Association in carrying out the objects and purposes of the Association.

(b) To suspend a Member's right to use facilities or services provided directly by or through the Association for the nonpayment of Assessments to the extent that access to the Member's Lot is not denied.

(c) To use the proceeds of Assessments in the exercise of its powers and duties.

(d) To enjoin or seek damages from the Members for violation of these Bylaws, the Declaration and the terms and conditions of any Rules and Regulations applicable to the use of the Subdivision or any portion thereof.

(e) To assess reasonable penalties against a Member or tenants of a Member as permitted by Section 35-20-11 of the Alabama Code (1975); provided, however, that before doing so, the Board of Directors shall have a hearing upon such matter and shall provide the Member or tenant of a Member against which it seeks to assess penalties with at least ten (10) days written notice of such hearing stating the date, time and place of such hearing. Proceedings before the Board of Directors shall be informal, without technical rules of evidence, and each party aggrieved and/or charged shall be entitled to be present in person and/or by their attorney, and to be heard. The Board of Director's determination shall be dispositive in the event of any disagreements concerning violations, including without limitation, disagreements regarding the proper interpretation and effect of these Bylaws and any Rules and/or Regulations of the Association.

(f) To employ and contract with service contractors in connection with carrying out the objects and purposes of this Association.

(g) To adopt and publish Rules and Regulations governing the use of the Common Areas and facilities within the Subdivision, and the personal conduct of the Members, Occupants, and their guests thereon, and to establish penalties for the infraction thereof.

(h) To maintain a class action, and to settle a cause of action, on behalf of Owners with reference to the Common Areas, the roof and structural components of a building or other improvement, and mechanical, electrical and plumbing elements serving an improvement or a building; and to bring an action, and to settle the same, on behalf of two (2) or more of the Owners as their respective interests may appear, with respect to any cause of action relating to the Common Areas; all as the Board deems available.

(i) To elect the officers of the Association and otherwise exercise the powers regarding officers of the Association as set forth in these Bylaws.

(j) To determine who shall be authorized to make and sign all instruments on behalf of the Association and the Board.

(k) To employ a management agent or manager, at a compensation established by the Board, to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in this Section.

(l) To take appropriate action to enforce the provisions of the Declaration, any Rules and Regulations adopted by the Association, and the Bylaws. In connection with same, the Board is authorized to file or defend appropriate suits or request for arbitration filed under any of said instruments, acts or provided for by the laws of Alabama.

(m) To employ attorneys, accountants, and other persons or firms reasonably necessary to carry out the provisions of the Declaration, Bylaws, Certificate of the Association and the Rules and Regulations.

4.9 Eligibility. A person who is delinquent in the payment of any fee, fine, or other mandatory obligation to the Association for more than ninety (90) days is not eligible for Board membership. A person who has been convicted of any felony in Alabama or in a United States District or Territorial Court, or has been convicted of any offense in another jurisdiction which would be considered a felony if committed in Alabama, is not eligible for Board membership unless such felon's civil rights have been restored for at least five (5) years as of the date on which such person seeks election to the Board. A person who would be subject to removal pursuant to Section 4.7 is not eligible for Board membership.

4.10 Annual Statement. The Board will present a full and clear statement of the business and condition of the Association and an account of the financial transactions of the past year at the annual meeting of the Members.

4.11 Compensation. The Directors shall not be entitled to any compensation for service as Directors, but Directors may be reimbursed for approved out-of-pocket expenses incurred on behalf of the Association.

4.12 Resignations. Any Director of the Association may resign at any time either by oral tender of resignation at any meeting of the Board of Directors or by giving written notice thereof to the Secretary of the Association. Any such resignation shall take effect upon receipt of such notice or at any later time specified therein. Unless otherwise specified in the notice, the acceptance of such resignation shall not be necessary to make it effective.

ARTICLE 5 **DIRECTORS' MEETINGS**

5.1 Organizational Meeting. The first meeting of each new Board elected by the Members shall be held immediately upon adjournment of the meeting at which they were elected or as soon thereafter as may be practicable. The annual meeting of the Board shall be held at the same place as the general Members' meeting.

5.2 Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally, by mail, by electronic mail, or by telephone, at least three (3) days prior to the day named for such meeting.

5.3 Special Meetings. Special meetings of the Board may be called by the President on ten (10) days-notice to each Director. Special meetings shall be called by the

President or Secretary in like manner and on like notice upon the written request of one-third (1/3) of the Directors.

5.4 Waiver of Notice. No written notice of a Board meeting shall be required if all of the Directors meet by unanimous consent. The Directors may, by resolution duly adopted, establish regular monthly, quarter-annual, semi-annual or other periodic meetings. If such resolution is adopted, no notice of such regular meetings of the Board shall be required. Any required notice may be waived in writing signed by the person entitled to such notice whether before or after the time stated therein. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. The purpose of any regular or special meeting of the Board of Directors need not be specified in the notice or waiver of notice of such meeting.

5.5 Quorum. A quorum at a Directors' meeting shall consist of a majority of the entire Board. The act of a majority of the Directors present at a duly convened meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by statute, the Certificate of Incorporation or these Bylaws. As used herein, the term "majority of the Directors" or "a majority of the number of Directors" or similar terms relating to any action to be taken by the Directors shall mean at least fifty-one percent (51%) of all of those Directors present at a duly convened meeting of the Board of Directors have approved or consented to such proposed action or matter.

5.6 Adjourned Meetings. If at any duly convened meeting of the Board there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned, duly convened meeting any business that might have been transacted at the meeting as originally called, may be transacted without further notice.

5.7 Joinder in Meeting by Approval of Minutes. The joinder of a Director in any action taken at a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of such Director for the purpose of determining a quorum.

5.8 Presiding Officer. The presiding officer of a Directors' meeting shall be the President of the Association. In the absence of the presiding officer, the Directors present shall designate one Director to preside.

5.9 Action Without a Meeting. Action required or permitted to be taken at a Board meeting may be taken without a meeting if the action is taken by all members of the Board. The action must be evidenced by one or more written consents describing the action taken, signed by each Director, and included in the minutes or filed with the corporate records reflecting the action taken. Action taken under this Section 5.9 shall be effective when the last Director signs the consent, unless the consent specifies a different effective date.

5.10 Committees. The Board of Directors, by resolution adopted by a majority of the Directors, may designate any individual who need not be a Member to serve on one or more committees. No such committee shall have the authority of the Board of Directors except for the ARC. Such committee or committees shall have such name or names as may be determined from

time to time by resolution adopted by the Board of Directors. The designation of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any Director of any responsibility imposed upon it or such Director by law.

ARTICLE 6

ARCHITECTURAL REVIEW COMMITTEE; OFFICERS

6.1 Architectural Review Committee. The Architectural Review Committee (herein “ARC”) shall consist of three (3) members at all times, who initially shall be Rebecca Miles, Jim Idleman, and Jacob Martin. Their address is 1 Chase Corporate Drive, Suite 450, Hoover, AL 35244. If any member of the Architectural Review Committee shall resign or become unable to serve prior to Turnover, then the remaining member(s) shall appoint a successor member(s) to the Architectural Review Committee. Members of the ARC are not required to be an Owner. If, prior to Turnover, no member of the ARC remains to appoint new members of the ARC, then the Declarant shall have the exclusive right to appoint members of the ARC until Turnover. After Turnover, the ARC members will be elected, appointed and removed in the same manner as the executive officers of the Association.

6.2 Officers. The executive officers of the Association shall be a President, Vice President, Treasurer, and Secretary, each of whom shall be elected at the annual meeting of the Board of Directors. The Board may elect more than one Vice President. The Board may appoint such other officers and agents that it may deem necessary, who shall hold office at the pleasure of the Board and have such authority and perform such duties as from time to time may be prescribed by said Board.

(a) The initial officers are as follows:

- (i) Rebecca Miles – President
- (ii) Jim Idleman – Vice President
- (iii) Jacob Martin – Secretary/Treasurer

6.3 Qualification. Except with respect to the office of the Secretary, no person shall be entitled to hold office except a Member or an authorized representative of a Member that is an entity. The President and Vice President must be members of the Board.

6.4 Term. The officers of the Association shall hold office until the earlier of (i) their resignation, (ii) their removal, or (iii) their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board may be removed at any time by the affirmative vote of sixty-seven percent (67%) of the voting interests of the Members. Notwithstanding the foregoing, (a) no officer that is a Member shall continue to serve as an officer of the Association if, during his term of office, his membership in the Association shall be terminated for any reason whatsoever, (b) no authorized representative of a Member that is an entity shall continue to serve as an officer of the Association if, during his term of office, the entity’s membership in the Association shall be terminated for any reason whatsoever, and (c) no authorized representative of a Member that is an entity shall continue to serve as an officer of the Association if, during his

term of office, the entity revokes his status as an authorized representative thereof or his status as an authorized representative of such entity is otherwise terminated.

6.5 Subordinate Officers; Agents and Employees. In addition to the principal officers, the Association may have such other subordinate officers, agents and employees as the Board of Directors may deem advisable each of whom shall hold office for such period and have such authority and perform such duties as the Board of Directors may from time to time determine.

6.6 President. The President shall be the chief executive officer of the Association; he shall preside at all meetings of the Members and Directors; shall be an ex-officio member of all standing committees; shall have general management of the business of the Association, and shall see that all orders and resolutions of the Board are carried into effect.

6.7 Secretary.

(a) The Secretary shall keep the minutes of the Members' meetings and of the Board of Directors' meetings in one or more books provided for that purpose. Resolutions shall be maintained in one such minute book.

(b) The Secretary shall see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law.

(c) The Secretary shall be custodian of the corporate records and of the seal of the Association.

(d) The Secretary shall keep a register of the post office address and electronic mail address of each Member, which shall be furnished to the Secretary by such Member.

(e) In general, the Secretary shall perform all duties incident to the office of the Secretary and such other duties as may be assigned to him or her by the President or by the Board of Directors.

6.8 Vice President. The Vice President shall be vested with all the powers and required to perform all the duties of the President in his or her absence, and such other duties as may be prescribed by the Board of Directors.

6.9 Treasurer. The Treasurer shall be vested with all powers, and shall be required to perform all of the duties, as may be prescribed by the Board of Directors.

6.10 Delegation of Duties of Officers. The Board of Directors may delegate the duties and powers of any officer of the Association to any other officer or to any Director for a specified period of time for any reason that the Board of Directors may deem sufficient.

6.11 Vacancies. If any office becomes vacant by reason of death, resignation, disqualification or otherwise, the remaining Directors by a majority vote may choose a successor or successors who shall hold office for the unexpired term.

6.12 Removal of Officers or Agents. Any officer or agent of the Association may be removed by the Board of Directors at any time, either with or without cause, and the Board of Directors may appoint a successor to such removed officer and agent. Election or appointment of any officer or agent shall not of itself create contract rights.

6.13 Resignations. Any Director or other officer may resign his office at any time. Such resignation shall be made in writing, to the Secretary, and shall take effect at the time of its receipt by the Association, unless some time be fixed in the resignation, and then from that date. The acceptance of a resignation shall not be required to make it effective.

6.14 Compensation. The compensation, if any, of all employees of the Association shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee of the Association.

ARTICLE 7 **LIABILITY AND BOOKS AND RECORDS**

7.1 Liability. The Association assumes no responsibility for injuries sustained by or damages resulting from the acts or omissions of Members or contractors of the Association.

7.2 Conflicts of Interest. No contract or other transaction between the Association and one or more of its Directors, officers or any other corporation, firm, association or entity in which one or more Directors or officers of the Association are Directors or officers or are financially interested, shall be either void or voidable because of such relationship or interest. Any Director of the Association, or any corporation, firm, association or entity of which any Director or officer of the Association is a Director or officer or is financially interested, may be a party to, or may have a pecuniary or other interest in such contract or transaction shall be disclosed or known to the Board at the meeting of the Board or a committee thereof which authorizes, approves or ratifies such contract or transaction and, if such fact shall be disclosed or known, any Director or officer of the Association so related or interested. Any Director or officer of the Association may vote on any contract or other transaction between the Association and any affiliated corporation without regard to the fact that he or she is also a Director or officer of such affiliated corporation.

7.3 Records. The Association shall compile, organize, and maintain full and complete records of the Association, which will be available to any Member upon request within a reasonable time, not to exceed thirty (30) days from the date of the request, and upon the payment of reasonable associated costs. The Association, acting through its officers, may provide the records and information in paper or electronic form or direct the Member to the location of any public record containing the record or information sought by such Member.

7.4 Annual Budgets and Assessments. The Board of Directors shall adopt an annual budget for the Association for each calendar year on or before December 31 of the preceding calendar year. A copy of the budget shall be provided to Members following its adoption. If the Board of Directors fails to adopt an annual budget for any particular year, the Association shall operate using the most recent budget that has been properly adopted until such time as the Board of Directors adopts a new budget.

ARTICLE 8

AMENDMENT OF BYLAWS

8.1 Bylaws. The Bylaws of the Association may be altered, amended or repealed by a majority vote of the Directors or unilaterally by the Declarant, until such time as Turnover has occurred.

ARTICLE 9

CONFLICT

9.1 Conflict. In the event there shall exist a conflict between these Bylaws and the Certificate, the Certificate shall govern. In the event there shall exist a conflict between these Bylaws and the Declaration, the Declaration shall govern. In the event of any conflict or ambiguity between the terms, provisions, definitions, covenants and conditions set forth herein in these Bylaws and the Alabama Homeowner's Association Act (Title 35, Chapter 20, Code of Alabama 1975, as amended from time to time (the "HOA Act")), then the provisions of the HOA Act shall at all times control.

ARTICLE 10

INDEMNIFICATION

10.1 The Association shall indemnify, defend and hold harmless any person who was or is a party or is threatened to be made a party to any threatened, pending or completed claim, action, suit or proceeding, whether civil, criminal, administrative or investigative, including appeals (other than an action by or in the right of the Association), by reason of the fact that such person is or was a Director, officer, employee or agent of the Association (including any person designated by the Board of Directors to serve as an agent and representative of the Association or as a committee member on any committee established by the Board of Directors) or is or was serving at the request of the Association as a Director, officer, member, partner, employee or agent of another corporation, limited liability company, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such claim, action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Association; and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any claim, action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

10.2 The Association shall indemnify, defend and hold harmless any person who was or is a party or is threatened to be made a party to any threatened, pending or completed claim, action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that such person is or was a Director, officer, employee or agent of the Association (including any person designated by the Board of Directors to serve as an agent and representative

of the Association or as a committee member on any committee established by the Board of Directors) or is or was serving at the request of the Association as a Director, officer, member, partner, employee or agent of another corporation, limited liability company, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith in a manner he reasonably believed to be in or not opposed to the best interests of the Association; provided, however, that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for willful, deliberate or wanton misconduct in the performance of his duty to the Association unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

10.3 To the extent that a Director, officer, employee or agent of the Association (including any person designated by the Board of Directors to serve as an agent and representative of the Association or as a committee member on any committee established by the Board of Directors) has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Paragraphs 9.1 or 9.2 above, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith, notwithstanding that such person has not been successful on any other claim, issue or matter in any such action, suit or proceeding.

10.4 Any indemnification under Paragraphs 10.1 or 10.2 above (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the Director, officer, employee or agent of the Association (including any person designated by the Board of Directors to serve as an agent and representative of the Association or as a committee member on any committee established by the Board of Directors) is proper in the circumstances because such person has met the applicable standard of conduct set forth in Paragraphs 9.1 and 9.2 above. Such determination shall be made (1) first, by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to, or who have been wholly successful on the merits or otherwise with respect to, such claim, action, suit or proceeding, or (2) second, if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion, or (3) if (1) and (2) above are not applicable (or are not utilized), then by a majority vote of the Members of the Association voting on such matter at an annual or special meeting of the Members or a ballot vote of the Members held, in either case, in accordance with the terms, provisions and requirements of the Bylaws of the Association.

10.5 Expenses (including attorneys' fees) incurred in defending a civil or criminal claim, action, suit or proceeding may be paid by the Association in advance of the final disposition of such claim, action, suit or proceeding as authorized in the manner provided in Paragraph 9.4 above upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent of the Association (including any person designated by the Board of Directors to serve as an agent and representative of the Association or as a committee member on any committee established by the Board of Directors) to repay such amount if and to the extent that it

shall be ultimately determined that such person is not entitled to be indemnified by the Association as authorized in this Article 10.

10.6 The indemnification authorized by this Article 10 shall not be deemed exclusive of and shall be in addition to any other right to which those indemnified may be entitled under any statute, rule of law, provisions of this Certificate of Incorporation, the Bylaws of the Association or any other agreement, vote of Members or disinterested Directors, or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director, officer, employee or agent of the Association (including any person designated by the Board of Directors to serve as an agent and representative of the Association or as a committee member on any committee established by the Board of Directors) and shall inure to the benefit of the heirs, executors and administrators of such a person.

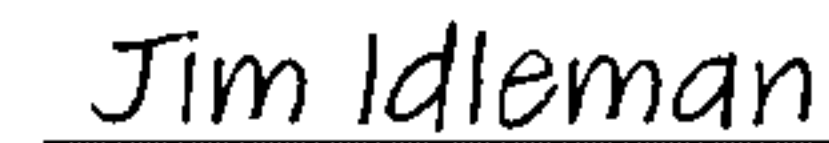
10.7 The Association shall purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Association (including any person designated by the Board of Directors to serve as an agent and representative of the Association or as a committee member on any committee established by the Board of Directors) or is or was serving at the request of the Association as a Director, officer, member, partner, employee or agent of another corporation, limited liability, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity or arising out of his status as such, whether or not the Association would have the power to indemnify such person against such liability under the provisions of this Article 1-.

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IN WITNESS WHEREOF, we, being all of the Directors of Mill Point Homeowners Association, Inc. have hereunto set our hands this 4th day of August, 2025, and certify that these are the duly adopted Bylaws of Mill Point Homeowners Association, Inc.


Rebecca Miles (Aug 4, 2025 14:07:06 CDT)

Rebecca Miles


Jim Idleman (Aug 4, 2025 15:04:49 EDT)

Jim Idleman


Jacob Martin (Aug 4, 2025 14:05:36 CDT)

Jacob Martin



**Filed and Recorded
Official Public Records
Judge of Probate, Shelby County Alabama, County
Clerk
Shelby County, AL
10/23/2025 08:17:43 AM
\$169.00 JOANN
20251023000324840**

