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DECLARATION OF COVENANTS, CONDITIONS AND  
RESTRICTIONS FOR  
DUBLIN FARMS

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Article I  
Definitions

Unless the context shall prohibit, certain words used in this Declaration shall be defined as set forth in Exhibit "B", attached hereto and by reference made a part hereof.

Article II  
Property Subject To This Declaration

Section 1. Property Hereby Subjected To This Declaration. The real property which is, by the recording of this Declaration, subject to the covenants and restrictions hereafter set forth and which, by virtue of the recording of this Declaration, shall be held, transferred, sold, conveyed, used, occupied, and mortgaged or otherwise encumbered subject to this Declaration is the real property described in Exhibit "A", attached hereto and by reference made a part hereof. It is contemplated that the described property will be developed in phases, subdivided and platted for additional lots and additions, and all such lots shall be subject to these protective covenants.

Section 2. Other Property. Only the real property described in Exhibit "A" attached hereto is hereby made subject to this Declaration; provided, however, by one or more Supplementary Declarations, ~~Declarant and~~ the Association ~~have~~has the right, but not the obligation, to subject other real property to this Declaration as hereinafter provided.

Article III  
Association Membership and Voting Rights

Section 1. Membership. Every Person who is the record owner of a fee or undivided fee interest in any Lot that is subject to this Declaration shall be deemed to have a membership in the Association. The foregoing is not intended to include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. No Owner, whether one or more Persons, shall have more than one (1) membership per Lot. In the event of multiple Owners of a Lot, votes and rights of use and enjoyment shall be as provided in this Declaration and in the By-Laws. Membership shall be appurtenant to and may not be separated from ownership of any Lot. The rights and privileges of membership, including the right to vote and to hold office, may be exercised by a member or the member's spouse, but in no event shall more than one (1) vote be cast nor office held for each Lot owned.

Section 2. Voting. Members shall be entitled to one (1) vote for each Lot owned. When more than one Person holds an ownership interest in any Lot, the vote for such Lot shall be exercised as those Owners themselves determine and advise the Secretary

49 prior to any meeting. In the absence of such advice, the Lot's vote shall be suspended  
50 in the event more than one Person seeks to exercise it.

51 ~~THE ASSOCIATION SHALL HAVE NO AUTHORITY TO ENFORCE THE~~  
52 ~~DECLARATION WITHOUT THE CONSENT OF THE DECLARANT, NOR SHALL THE~~  
53 ~~ASSOCIATION, WITHOUT CONSENT OF THE DECLARANT, HAVE ANY POWER OR~~  
54 ~~AUTHORITY TO PERFORM ANY ACTS REQUIRED OR ALLOWED UNDER THE~~

55 ~~DECLARATION UNTIL THE RIGHTS OF THE DECLARANT ARE TERMINATED~~  
56 ~~AND SURRENDERED UNDER THE PROVISIONS OF THIS DECLARATION. THE~~  
57 ~~FIRST ANNUAL MEETING OF THE HOMEOWNERS ASSOCIATION SHALL BE~~  
58 ~~CALLED BY THE DECLARANT AFTER ALL LOTS IN ALL PHASES, WHETHER NOW~~  
59 ~~OR HEREAFTER SUBJECTED TO THIS DECLARATION ARE SOLD, UNLESS THE~~  
60 ~~DECLARANT DEEMS OTHERWISE.~~

61 Article IV  
62 Assessments

63 Section 1. Purpose of Assessment. The assessments provided for herein shall be  
64 used for the general purposes of promoting the recreation, health, safety, welfare,  
65 common benefit, and enjoyment of the Owners and occupants of Lots, including the  
66 maintenance of real and personal property, all as may be more specifically authorized  
67 from time to time by the Board of Directors.

68 Section 2. Creation of the Lien and Personal Obligation for Assessments. The  
69 Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so  
70 expressed in such deed, covenants and agrees to pay to the Association: (a) annual  
71 assessments or charges; (b) special assessments, such assessments to be established  
72 and collected as hereinafter provided; and (c) specific assessments against any  
73 particular Lot that are established pursuant to the terms of this Declaration, including,  
74 but not limited to, reasonable fines, as may be imposed in accordance with the terms of  
75 this Declaration. All such assessments, together with late charges, interest, not to  
76 exceed the maximum legal rate, costs, and reasonable attorney's fees actually incurred,  
77 shall be a charge on the land and shall be a continuing lien upon the Lot against which  
78 each assessment is made. Each such assessment, together with late charges, interest,  
79 costs, and reasonable attorney's fees actually incurred, shall also be the personal  
80 obligation of the person who was the Owner of such Lot at the time the assessment fell  
81 due. Each Owner shall be personally liable for his or her portion of each assessment  
82 coming due while he or she is the Owner of a Lot, and his or her grantee shall be jointly  
83 and severally liable for such portion thereof as may be due and payable at the time of  
84 conveyance to the extent expressly assumed; provided, however, the liability of a  
85 grantee for the unpaid assessments of its grantor shall not apply to any first Mortgagee  
86 holder taking title through foreclosure proceedings or deed in lieu of foreclosure.

87           The Association shall, within five (5) days after receiving a written request  
88 therefor and for a reasonable charge, furnish a certificate signed by an officer of the  
89 Association setting forth whether the assessments on a specified Lot have been paid. A  
90 properly executed certificate of the Association as to the status of assessments on a Lot  
91 shall be binding upon the Association as of the date of issuance.

92           Assessments shall be levied equally on all Lots. Assessments shall be paid in  
93 such manner and on such dates as may be fixed by the Board of Directors, which may  
94 include, without limitation, acceleration, upon ten (10) days written notice, of the annual  
95 assessment for delinquents. Unless otherwise determined by the Board, the  
96 assessment shall be paid in annual installments.

97           Section 3. Computation. It shall be the duty of the Board to prepare a budget  
98 covering the estimated costs of operating the Association during the coming year, which  
99 shall include a capital contribution or reserve in accordance with a capital budget  
100 separately prepared. The Board shall cause the budget and the assessments to be  
101 levied against each Lot for the following year to be delivered to each member at least  
102 ten (10) days prior to the end of the current fiscal year. The budget and the assessment  
103 shall become effective unless disapproved, at a meeting by a Majority of the total  
104 Association vote ~~and the Declarant (so long as the Declarant has an option unilaterally~~  
105 ~~to subject additional property to this Declaration as provided in Article IX hereof).~~  
106 Notwithstanding the foregoing, however, in the event the membership disapproves the  
107 proposed budget or the Board fails for any reason so to determine the budget for the  
108 succeeding year, then and until such time as a budget shall have been determined, as  
109 provided herein, the budget in effect for the then current year shall continue for the  
110 succeeding year.

111           Section 4. Special Assessments. In addition to the other assessments authorized  
112 herein, the Association may levy special assessments from time to time if approved by  
113 two-thirds (2/3) of the total Association ~~vote and the Declarant (so long as the Declarant~~  
114 ~~has an option unilaterally to subject additional property to this Declaration as provided in~~  
115 ~~Article IX hereof). Further, so long as the Declarant has an option unilaterally to subject~~  
116 ~~additional property to this Declaration, the Declarant may unilaterally levy special~~  
117 ~~assessments from time to time as Declarant may elect, in Declarant's sole discretion.~~  
118 Special assessments shall be paid as determined by the Board, and the Board may  
119 permit special assessments to be paid in installments extending beyond the fiscal year  
120 in which the special assessment is imposed.

121           Section 5. Lien for Assessments. All sums assessed against any Lot pursuant to  
122 this Declaration, together with late charges, interest costs, and reasonable attorney's  
123 fees actually incurred, as provided herein, shall be secured by a lien on such Lot in  
124 favor of the Association. Such lien shall be superior to all other liens and encumbrances  
125 on such Lot, except for (a) liens for ad valorem taxes; or (b) liens for all sums unpaid on

126 | a first mortgage ~~or on any mortgage to Declarant duly recorded in the land records of~~  
127 | ~~the county where the Community is located and all amounts advanced pursuant to such~~  
128 | ~~mortgage and secured thereby in accordance with the terms of such instrument.~~

129 | All other persons acquiring liens or encumbrances on any Lot after this  
130 | Declaration shall have been recorded in such records shall be deemed to consent that  
131 | such liens or encumbrances shall be inferior to future liens for assessments, as  
132 | provided herein, whether or not prior consent is specifically set forth in the instruments  
133 | creating such liens or encumbrances.

134 | Section 6. Effect of Nonpayment of Assessments: Remedies of the Association.  
135 | Any assessments or installments that are not paid when due shall be delinquent. Any  
136 | assessment or installment which remains delinquent for a period of more than ten (10)  
137 | days shall incur a late charge in an amount as the Board may from time to time  
138 | determine. The Association shall cause a notice of delinquency to be given to any  
139 | member who has not paid within ten (10) days following the due date. If the assessment  
140 | is not paid within thirty (30) days, a lien, as herein provided, shall attach and, in addition,  
141 | the lien shall include the late charge, interest, not to exceed the maximum legal rate on  
142 | the principal amount due, and all late charges from the date first due and payable, all  
143 | costs of collection, reasonable attorney's fees actually incurred, and any other amounts  
144 | provided or permitted by law. In the event that the assessment remains unpaid after  
145 | sixty (60) days, the Association may, as the Board shall determine, institute suit to  
146 | collect such amounts and to foreclose its lien. Each Owner, by acceptance of a deed or  
147 | as a party to any other type of a conveyance, vests in the Association or its agents the  
148 | right and power to bring all actions against him or her, personally, for the collection of  
149 | such charges as a debt or to foreclose the aforesaid lien in the same manner as other  
150 | liens for the improvement of real property. The lien provided for in this Article shall be in  
151 | favor of the Association and shall be for the benefit of all other Owners. The Association,  
152 | acting on behalf of the Owners, shall have the power to bid on the Lot at any foreclosure  
153 | sale or to acquire, hold, lease, mortgage, or convey the same. No Owner may waive or  
154 | otherwise exempt himself from liability for the assessments provided for herein,  
155 | including, by way of illustration but not limitation, abandonment of the Lot. No diminution  
156 | or abatement of any assessment shall be claimed or allowed by reason of any alleged  
157 | failure of the Association to take some action or perform some function required to be  
158 | taken or performed by the Association under this Declaration or the By-Laws, or for  
159 | inconvenience or discomfort arising from the making of repairs or improvements that are  
160 | the responsibility of the Association, or from any action taken by the Association to  
161 | comply with any law, ordinance, or with any order or directive of any municipal or other  
162 | governmental authority. The obligation to pay assessments is a separate and  
163 | independent covenant on the part of each Owner.

164 | All payments shall be applied first to costs and attorney's fees, then to late  
165 | charges, then to interest, and then to delinquent assessments.

166 Section 7. ~~Date of Commencement of Assessments. The assessments provided~~  
167 ~~for herein shall commence on a per Lot basis at the time the Declarant conveys any Lot~~  
168 ~~owned by it to a Third Party<sup>1</sup>. The initial annual a~~Assessments owed to the Association  
169 shall be Two Hundred Seventy-Five and No/100 Dollars (\$275.00) per year, unless  
170 otherwise declared by the Board of Directors. ~~The first year's assessment is due and~~  
171 ~~payable in advance upon closing of any Lot to a Third Party. Subsequent a~~Annual  
172 assessments are due and payable in a manner and on a schedule specified by the  
173 Board of Directors.

174 Section 8. Specific Assessments. The Board shall have the power to specifically  
175 assess pursuant to this Section as, in its discretion, it shall deem appropriate. Failure of  
176 the Board to exercise its authority under this Section shall not be grounds for any action  
177 against the Association or the Board of Directors and shall not constitute a waiver of the  
178 Board's right to exercise its authority under this Section in the future with respect to any  
179 expenses, including an expense for which the Board has not previously exercised its  
180 authority under this Section. Fines levied pursuant to Article XII, Section 1 of this  
181 Declaration and the costs of maintenance performed by the Association for which the  
182 Owner is responsible under Article V, Section 1 and 2 of this Declaration shall be  
183 specific assessments. The Board may also specifically assess Lots for the following  
184 Association expenses, excluding expenses incurred for maintenance and repair of items  
185 that are the maintenance responsibility of the Association as provided herein:

186 (a) Expenses of the Association that benefit less than all of the Lots may be  
187 specifically assessed equitably among all of the Lots that are benefited according to the  
188 benefit received.

189 (b) Expenses of the Association that benefit all Lots, but which do not provide  
190 an equal benefit to all Lots, may be assessed equitably among all Lots according to the  
191 benefit received.

192 ~~Section 9. Budget Deficits During Declarant Control. For so long as the Declarant~~  
193 ~~has the authority to appoint the directors and officers of the Association, Declarant may:~~  
194 ~~(i) advance funds to the Association sufficient to satisfy the deficit, if any, between the~~  
195 ~~actual operation expenses of the Association (but specifically excluding an allocation for~~  
196 ~~capital reserves), and the sum of the annual, special and specific assessments~~  
197 ~~collected by the Association in any fiscal year. Such advances shall be evidenced by~~  
198 ~~promissory notes from the Association in favor of the Declarant; or (ii) cause the~~  
199 ~~Association to borrow such amount from a commercial lending institution at the then~~  
200 ~~prevailing rates for such a loan in the local area of the Community. The Declarant, in its~~  
201 ~~sole discretion, may guarantee repayment of such loan, if required by the lending~~  
202 ~~institution, but no Mortgage secured by the Common Property or any of the~~

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1 <sup>1</sup>A Third Party shall be any individual(s) or entity of which Declarant, or any individuals comprising the  
2 ownership of Declarant do not possess an ownership percentage.

203 improvements maintained by the Association shall be given in connection with such  
204 loan. The Declarant, pursuant to the authority granted by this Declaration, levy a special  
205 assessment for the purpose of curing any shortfall between the actual operating  
206 expenses of the Association and the sum of the annual, special and specific  
207 assessments collected by the Association in any fiscal year.

208 ~~Section 10. Initial Capital Contribution.~~ In addition to all other regular  
209 assessments and special assessments owed to the Association, a one-time initial  
210 capital contribution in the amount of \$275.00 ("Initial Capital Contribution") shall be  
211 assessed against the first Third Party purchaser acquiring any Lot following the  
212 construction of a single family residence. The Initial Capital Contribution shall be  
213 collected at the first closing wherein ownership is transferred following the issuance of a  
214 certificate of occupancy and shall be paid to the Association. The Initial Capital  
215 Contribution shall be a one-time assessment for each Lot and shall not be charged  
216 again at any subsequent transaction involving the same Lot. Notwithstanding the  
217 foregoing, the Initial Capital Contribution shall not apply to any Lots that have been sold  
218 to third parties heretofore, but may be waived at the sole discretion of the Declarant at  
219 any time.

220 ~~\_\_\_\_\_ (a). Notwithstanding anything in the preceding subsection 10 and to the~~  
221 ~~contrary, Stoneridge Homes, Inc. shall be exempt from obtaining formal architectural~~  
222 ~~review approval for any construction as long as the proposed construction is in harmony~~  
223 ~~with existing homes in the community."~~

224 ~~Section II. Stoneridge Homes, Inc. Notwithstanding anything herein to the~~  
225 ~~contrary, Stoneridge Homes, Inc. ("Stoneridge") shall not be responsible for payment of~~  
226 ~~any dues or assessments owed to the Association by Stoneridge related to the~~  
227 ~~ownership of any Lot(s) by Stoneridge. In lieu thereof, Stoneridge agrees to remit a one-~~  
228 ~~time expense to the Association at the time Stoneridge acquires any Lot(s): (i) \$300 per~~  
229 ~~Lot; Q1, (ii) an amount equal to the then regular rate of Association dues if such amount~~  
230 ~~is less than \$300.00. The amounts to be paid by Stoneridge noted above shall be in lieu~~  
231 ~~of any all dues, assessments and special assessments owed pursuant to the~~  
232 ~~Declaration. Simultaneous with the sale of any Lot(s) by Stoneridge to any Third Party,~~  
233 ~~all dues, assessments, special assessments and Initial Capital Contributions shall begin~~  
234 ~~to accrue.~~

235 Article V

236 Maintenance & Conveyance of Common Property to the Association

237 Section 1. Association's Responsibility. The Association shall maintain and keep  
238 in good repair the Common Property. This maintenance shall include, without limitation,  
239 maintenance, repair, and replacement, subject to any insurance then in effect, of all  
240 landscaping and improvements situated on the Common Property. The Association shall



241 maintain the entry features at the main entrance of the Community and shall maintain  
242 and pay the expenses for water or electricity, if any, provided to all such entry features.  
243 The Association shall also maintain all medians located in the Community. All property  
244 outside of Lots located within the Community that was originally maintained by  
245 Declarant, and any detention pond(s) located within the Community, including the trees  
246 and other vegetation that screen the detention pond(s), shall be maintained by the  
247 Association.

248 In addition, the Association shall have the right, but not the obligation, to maintain  
249 other property not owned by the Association, whether within or without the Community,  
250 where the Board has determined that such maintenance would benefit all Owners.

251 In the event that the Association determines that the need for maintenance,  
252 repair, or replacement, which is the responsibility of the Association hereunder, is  
253 caused through the willful or negligent act of an Owner, his or her family, guests,  
254 lessees, or invitees, and is not covered or paid for by insurance, in whole or in part, then  
255 the Association may perform such maintenance, repair or replacement at Owner's sole  
256 cost and expense, and all costs thereof shall be added to and become a part of the  
257 assessment to which such Owner is subject and shall become a lien against the Lot.

258 The foregoing maintenance shall be performed consistent with the Community-  
259 Wide Standard and shall conform to any applicable municipal ordinances and  
260 regulations.

261 Section 2. Owner's Responsibility. Except as provided in Section 1 above, all  
262 maintenance of the Lot and all structures, parking areas, landscaping, and other  
263 improvements thereon shall be the sole responsibility of the Owner thereof, who shall  
264 maintain such Lot in a manner consistent with the Community-Wide Standard and this  
265 Declaration. In the event that the Board of Directors of the Association determines that  
266 any Owner has failed or refused to discharge properly his obligations with regard to the  
267 maintenance, repair, or replacement of items for which he is responsible hereunder, the  
268 Association shall, except in an emergency situation, give the Owner written notice of the  
269 Association's intent to provide such necessary maintenance, repair, or replacement at  
270 the Owner's sole cost and expense. The notice shall set forth with reasonable  
271 particularity the maintenance, repairs, or replacement deemed necessary. The Owner  
272 shall have ten (10) days after receipt of such notice within which to complete such  
273 maintenance, repair, or replacement, or, in the event that such maintenance, repair, or  
274 replacement is not capable of completion within a ten (10) day period, to commence  
275 such work which shall be completed within a reasonable time. If any Owner does not  
276 comply with the provisions hereof, the Association may provide any such maintenance,  
277 repair, or replacement at Owner's sole cost and expense, and all costs shall be added to  
278 and become a part of the assessment to which such Owner is subject and shall become  
279 a lien against the Lot.



280 | ~~Section 3. Conveyance of Common Property by Declarant to Association. The~~  
281 | ~~Declarant, at any time, may transfer or convey to the Association any personal property~~  
282 | ~~and any improved or unimproved real property, leasehold, easement, or other property~~  
283 | ~~interest that is or may be subjected to the terms of this Declaration. Such conveyance~~  
284 | ~~shall be accepted by the Association, and the property shall thereafter be Common~~  
285 | ~~Property to be maintained by the Association for the benefit of all or a part of its~~  
286 | ~~Members. Declarant shall not be required to make any improvements whatsoever to~~  
287 | ~~property to be conveyed and accepted pursuant to this Section.~~

288 | Section 4. Party Walls and Party Fences

289 | (a) General Rules of Law to Apply. Each wall or fence built whether a part of  
290 | the original construction on the Lots, or later constructed, which shall serve and  
291 | separate any two (2) adjoining Lots shall constitute a party wall or fence and, to the  
292 | extent not inconsistent with the provisions of this Section, the general rules of law  
293 | regarding party walls and liability for property damage due to negligence or willful acts  
294 | or omissions shall apply thereto.

295 | (b) Sharing of Repair and Maintenance. The cost of installation and  
296 | reasonable repair and maintenance of a party wall or fence shall be shared by the  
297 | Owners who make use of the wall or fence in equal proportions.

298 | (c) Damage and Destruction. If a party wall or fence is destroyed or damaged  
299 | by fire or other casualty, then to the extent that such damage is not covered by  
300 | insurance and repaired out of the proceeds of insurance, any Owner who has used the  
301 | wall may restore it, and if the other Owner or Owners thereafter make use of the wall,  
302 | they shall contribute to the cost of restoration thereof in equal proportions without  
303 | prejudice, however, to the right of any such Owners to call for a larger contribution from  
304 | the others under any rule of law regarding liability for negligent or willful acts or  
305 | omissions.

306 | (d) Right to Contribution Runs With Land. The right of any Owner to  
307 | contribution from any other Owner under this Section shall be appurtenant to the land  
308 | and shall pass to such Owner's successors-in-title.

309 | Article VI  
310 | Use Restrictions and Rules

311 | Section 1. General. This Article, beginning at Section 2, sets out certain use  
312 | restrictions that must be complied with by all Owners and Occupants. These use  
313 | restrictions may only be amended in the manner provided in Article XII, Section 4,  
314 | hereof regarding Declaration of this Declaration. In addition, the Board may, from time to  
315 | time, without consent of the Owners, promulgate, modify, or delete other use restrictions

316 and rules and regulations applicable to the Community. Such use restrictions and rules  
317 shall be effective and shall thereafter be binding upon all Owners and Occupants until  
318 and unless overruled, canceled, or modified in a regular or special meeting by a Majority  
319 of the total Association vote entitled to vote thereon ~~and the consent of Declarant (so~~  
320 ~~long as the Declarant has an option unilaterally to subject additional property to this~~  
321 ~~Declaration as provided in Article IX hereof).~~

322           Section 2. Residential Use. All Lots shall be used for single-family residential  
323 purposes exclusively. No business or business activity shall be carried on in or upon  
324 any Lot at any time except with the written approval of the Board. For purposes of this  
325 Section, garage, porch or basement sales shall be considered a business activity.  
326 Leasing of a Lot shall not be considered a business or business activity. However, the  
327 Board may permit a Lot to be used for business purposes so long as such business, in  
328 the sole discretion of the Board, does not otherwise violate the provisions of the  
329 Declaration or By-Laws, does not create a disturbance, does not unduly increase traffic  
330 flow or parking congestion and is allowed as a home occupation by ordinances of the  
331 City of Madison. The Board may issue rules regarding permitted business activities. No  
332 structure of a temporary character including, without limitation, a trailer, basement, tent,  
333 shack, garage, barn or other outbuilding shall be used on any Lot at any time as a  
334 residence, either temporarily or permanently.

335           Section 3. Signs. No sign of any kind shall be erected by an Owner or occupant  
336 of a Lot within the Community without the prior written consent of the Architectural  
337 Control Committee. Notwithstanding the foregoing, an Owner shall have the right to  
338 erect reasonable and appropriate signs, "For Sale" and "For Rent", of not more than five  
339 (5) square feet and consistent with the Community-Wide Standard, upon any Lot, ~~and~~  
340 ~~any builder may erect one (1) sign not larger than ten (10) square feet to advertise the~~  
341 ~~property during the construction and sale period. This restriction shall not apply to entry~~  
342 ~~signs or signs advertising the property for sale placed by the Declarant, or any signage~~  
343 ~~in connection with homes constructed and advertised for sale by the Declarant or a~~  
344 ~~related entity such as Stoneridge Homes, Inc.~~ The provisions of this Section shall not  
345 apply to any Person holding a Mortgage who becomes the Owner of any Lot as  
346 purchaser at a judicial or foreclosure sale conducted with respect to a first Mortgage or  
347 as transferee pursuant to any proceeding in lieu thereof.

348           Section 4. Vehicles. The term "vehicles," as used herein, shall include, without  
349 limitation, motor homes, boats, trailers, motorcycles, mini-bikes, scooters, golf carts, go-  
350 carts, trucks, campers, buses, vans, recreational vehicles, tractors, mowers, airplanes,  
351 and automobiles. All vehicles shall be parked within garages, driveways or other paved  
352 parking areas located on a Lot. Parking of any vehicle in yards is prohibited. Parking  
353 any vehicle on the street overnight or on a regular or reoccurring basis is prohibited.

354 | ~~No~~ Any vehicle that is unlicensed or in a condition such that it is incapable of  
355 | being operated on the public highways may not be left upon any portion of the  
356 | Community, except in a garage or other area designated by the Board, for a period  
357 | longer than three (3) days ~~if it is unlicensed or if it is in a condition such that it is~~  
358 | ~~incapable of being operated upon the public highways~~. After such five (5) day period,  
359 | such vehicle shall be considered a nuisance and may be removed from the Community.

360 | No towed vehicle, boat, trailer, bus, camper, recreational vehicle, golf cart, motor  
361 | home, tractor, mower or mobile home shall be temporarily kept or stored in the  
362 | Community for any period in excess of three (3) days unless kept in a garage or other  
363 | area designated by the Board; vehicles parked in violation of this provision shall be  
364 | considered a nuisance and may be removed from the Community. Trucks with mounted  
365 | campers that are an Owner's or occupant's primary means of transportation shall not be  
366 | considered recreational vehicles, provided they are used on a regular basis for  
367 | transportation and the camper is stored out of public view upon removal. No eighteen  
368 | wheel trucks or the cabs of such trucks shall be parked, kept or stored within the  
369 | Community, and if so parked, kept, or stored shall be considered a nuisance and may  
370 | be removed from the Community.

371 | No motorized vehicles shall be permitted on pathways or unpaved Common  
372 | Property except for public safety vehicles and vehicles authorized by the Board.

373 | All residences shall contain a garage; carports shall not be permitted, unless  
374 | otherwise approved. Garage doors shall be kept closed at all times, except when the  
375 | garage is in use.

376 | Section 5. Leasing. Lots may be leased for residential purposes only. All leases  
377 | shall have a minimum term of six (6) months. All leases shall require, without limitation,  
378 | that the tenant acknowledge receipt of a copy of the Declaration, By-Laws, use  
379 | restrictions and rules and regulations of the Association. The lease shall also obligate  
380 | the tenant to comply with the foregoing and shall provide that in the event of  
381 | noncompliance, the Board, in addition to any other remedies available to it, may evict  
382 | the tenant on behalf of the Owner and specifically assess all costs associated therewith  
383 | against the Owner and the Owner's property.

384 | Section 6. Occupants Bound. All provisions of the Declaration, By-Laws, and of  
385 | any rules and regulations, use restrictions or design guidelines promulgated pursuant  
386 | thereto that govern the conduct of Owners and which provide for sanctions against  
387 | Owners shall also apply to all Occupants even though Occupants are not specifically  
388 | mentioned. Fines may be levied against Owners or Occupants. If a fine is first levied  
389 | against an Occupant and is not paid timely, the fine may then be levied against the  
390 | Owner.

391           Section 7. Animals and Pets. No animals, livestock, or poultry of any kind may be  
392 raised, bred, kept, or permitted on any lot, with the exception of dogs, cats, or other  
393 usual and common household pets in reasonable number, as determined by the Board.  
394 Pets that are permitted to roam free or, in the sole discretion of the Board, endanger  
395 health, make objectionable noise, or constitute a nuisance or inconvenience to the  
396 Owners or Occupants or the owner of any property located adjacent to the Community  
397 may be removed by the Board. No pets shall be kept, bred or maintained for any  
398 commercial purpose. Dogs that are household pets shall at all times, whenever they are  
399 outside, be on a leash or otherwise confined in a manner acceptable to the Board.  
400 Without prejudice to the Board's right to remove any such household pets, no household  
401 pet that has caused damage or injury may be walked in the Community. Animal control  
402 authorities shall be permitted to enter the Community to patrol and remove pets. Pets  
403 shall be registered, licensed and inoculated as required by law.

404           Section 8. Nuisance. It shall be the responsibility of each Owner and Occupant to  
405 prevent the development of any unclean, unhealthy, unsightly, or unkempt condition of  
406 his or her property.

407           No building shall be permitted to stand with its exterior facade in an unfinished  
408 condition for longer than six (6) months after commencement of construction, nor shall  
409 any property be allowed to remain without reasonable landscaping for more than six (6)  
410 months after commencement of construction. No property within the Community shall  
411 be used, in whole or in part, for the storage of any property or thing that will cause such  
412 lot to appear to be in an unclean or untidy condition or that will be obnoxious to the eye;  
413 nor shall any substance, thing, or material be kept that will emit foul or obnoxious odors  
414 or that will cause any noise or other condition that will or might disturb the peace, quiet,  
415 safety, comfort, or serenity of the Occupants of surrounding property. No noxious or  
416 offensive activity shall be carried on within the Community, nor shall anything be done  
417 tending to cause embarrassment, discomfort, annoyance, or nuisance to any person  
418 using any property within the Community. There shall not be maintained any plants or  
419 animals or device or thing of any sort whose activities or existence in any way is  
420 noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the  
421 enjoyment of the community. Without limiting the generality of the foregoing, no  
422 speaker, horn, whistle, siren, bell, amplifier or other Sound device, except such devices  
423 as may be used exclusively for security purposes, shall be located, installed or  
424 maintained upon the exterior of any Lot unless required by law. Grass should not  
425 exceed eight (8) inches in height.

426           Section 9. Unsightly or Unkempt Conditions. The pursuit of hobbies or other  
427 activities, including specifically, without limiting the generality of the foregoing, the  
428 assembly and disassembly of motor vehicles and other mechanical devices, which  
429 might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or  
430 undertaken in any part of the Community.

431 Section 10. Architectural Standards. No exterior construction, alteration, addition,  
432 or erection of any nature whatsoever shall be commenced or placed upon any part of  
433 the Community, ~~except such as is installed by the Declarant~~, or as is approved in  
434 accordance with this Section, or as is otherwise expressly permitted herein. No exterior  
435 construction, addition, erection, or alteration shall be made unless and until plans and  
436 specifications showing at least the nature, kind, shape, height, materials, colors, and  
437 location shall have been submitted in writing to and approved by an Architectural  
438 Control Committee established by the Board. The Board may divide the Architectural  
439 Control Committee into two (2) subcommittees, with one (1) subcommittee having  
440 jurisdiction over modifications and the other having jurisdiction over new construction.  
441 The Board may employ, for the Architectural Control Committee, architects, engineers,  
442 or other persons necessary to enable the Committee to perform its review. The  
443 Architectural Control Committee may, from time to time, delegate any of its rights or  
444 responsibilities hereunder to one (1) or more duly licensed architects or other qualified  
445 Persons, which shall have full authority to act on behalf of the committee for all matters  
446 delegated. Written design guidelines and procedures shall be promulgated for the  
447 exercise of this review, which guidelines may provide for a review fee. ~~Initially, t~~The fee  
448 structure for applications to the Architectural Control Committee shall bear an expense  
449 as follows:

- 450 • ~~—\$0 for all construction/alteration regardless of approximate total cost~~  
451 ~~unless the consultation of architects, engineers, or other persons~~  
452 ~~necessary to enable the Committee to perform its review. In this~~  
453 ~~circumstance, the homeowner will be responsible for the actual cost of the~~  
454 ~~review. Review Fee of \$50.00 for any construction/alteration wherein the~~  
455 ~~approximate total cost is projected to be \$10,000 or less~~
- 456 • ~~—Review Fee of \$100.00 for any construction/alteration wherein the~~  
457 ~~approximate total cost is projected to be more than \$10,000 but less than~~  
458 ~~\$100,000~~
- 459 • ~~—Review Fee of \$200.00 for any construction/alteration wherein the~~  
460 ~~approximate total cost is projected to be more than \$100,000~~

461 ~~The projected total cost of any construction/alteration shall be determined by the~~  
462 ~~Architectural Control Committee, or its designee, in its sole discretion. Notwithstanding,~~  
463 ~~the Declarant, nor its related homebuilding entity, Stoneridge Homes, Inc., shall bear no~~  
464 ~~expense associated with any construction/alteration review.~~

465 ~~So long as Declarant has the unilateral right to annex property as provided in~~  
466 ~~Article IX hereof, Declarant shall have the right to appoint all members of the~~  
467 ~~Architectural Control Committee. Upon the expiration or earlier surrender in writing of~~  
468 ~~such right, whichever is last to occur, the Board shall appoint the members of the~~  
469 ~~Architectural Control Committee.~~

470 In the event that the Architectural Control Committee fails to approve or to  
471 disapprove in writing, submitted plans and specifications within thirty (30) days after the  
472 plans and specifications have been submitted to it, approval will not be required, and  
473 this Section will be deemed to have been fully complied with. As a condition of approval  
474 under this Section, an Owner, on behalf of himself and his successors-in-interest, shall  
475 assume all responsibilities for maintenance, repair, replacement, and insurance to and  
476 on any change, modification, addition, or alteration. In the discretion of the Architectural  
477 Control Committee, an Owner may be made to verify such condition of approval by a  
478 recordable written instrument acknowledged by such Owner on behalf of himself and his  
479 successors-in-interest. The Architectural Control Committee shall be the sole arbiter of  
480 such plans and may withhold approval for any reason, including purely esthetic  
481 considerations, and it shall be entitled to stop any construction in violation of these  
482 restrictions. Any member of the Board or its representatives shall have the right, during  
483 reasonable hours and, after reasonable notice, to enter upon any property to inspect for  
484 the purpose of ascertaining whether or not these restrictive covenants have been or are  
485 being complied with. Such person or persons shall not be deemed guilty of trespass by  
486 reason of such entry. In addition to any other remedies available to the Association, in  
487 the event of noncompliance with this Section, the Board may record in the appropriate  
488 land records a notice of violation naming the violating Owner.

489 Plans and specifications are not approved for engineering or structural design or  
490 quality of materials, and by approving such plans and specifications neither the  
491 Architectural Control Committee, the members thereof, nor the Association assumes  
492 liability or responsibility therefor, nor for any defect in any structure constructed from  
493 such plans and specifications. Neither ~~Declarant~~, the Association, the Architectural  
494 Control Committee, the Board, nor the officers, directors, member, employees, and  
495 agents of any of them shall be liable in damages to anyone submitting plans and  
496 specifications to any of them for approval, or to any Owner of property affected by these  
497 restrictions by reason of mistake in judgment, negligence, or nonfeasance arising out of,  
498 or in connection with the approval or disapproval or failure to approve or disapprove any  
499 such plans or specifications. Every Person who submits plans or specifications and  
500 every Owner agrees that he will not bring any action or suit against ~~Declarant~~, the  
501 Association, the Architectural Control Committee, the Board, or the officers, directors,  
502 members, employees, and agents of any of them to recover any such damages and  
503 hereby releases, remises, quit-claims, and covenants not to sue for all claims,  
504 demands, and causes of action arising out of or in connection with any judgment,  
505 negligence, or nonfeasance and hereby waives the provisions of any law that provides  
506 that a general release does not extend to claims, demands, and causes of action not  
507 known at the time the release is given.

508 Any landscaping change (outside of approved Landscaping Guidelines), exterior  
509 construction, addition, erection, or alteration started without Architectural Control  
510 Committee approval willmay be subject to the following fines:



- 511 | • Written warning\$25 for first instance
- 512 | • \$50 for second instance
- 513 | • \$100 for third and additional instances

514       Section 11. Antennas. No exterior antennas of any kind shall be placed, allowed,  
515 or maintained upon any portion of the Community, including any Lot, without the prior  
516 written consent of the Board or its designee. No free standing antennas whatsoever  
517 shall be placed on any Lot including, without limitation, satellite dishes. However, the  
518 Board reserves the right to (but shall not be obligated to) erect a master antenna,  
519 satellite dish or other similar master system for the benefit of the entire Community. The  
520 Board or its designee may approve the installation of radio antennas that do not  
521 protrude above the roof line of the residence located on the Lot at its highest point and  
522 are not visible from the street in front of the Lot. Each Owner and Occupant  
523 acknowledges that this provision benefits all Owners and Occupants and each Owner  
524 and Occupant agrees to comply with this provision despite the fact that the erection of  
525 an outdoor antenna or similar device would be the most cost-effective way to transmit or  
526 receive the signals sought to be transmitted or received. Notwithstanding the foregoing,  
527 nothing contained in this section shall violate any applicable Federal Law, and to the  
528 extent of any such violation, the specific provision contrary to Federal Law shall be  
529 stricken and the balance of this section shall remain in full force and effect.

530       Section 12. Tree Removal. No trees shall be removed without the express  
531 consent of the Board or its designee, except for (a) diseased or dead trees; (b) trees  
532 needing to be removed to promote the growth of other trees or for safety reasons; or (c)  
533 as necessary during the course of construction.

534       Section 13. Drainage. Catch basins and drainage areas are for the purpose of  
535 natural flow of water only. No obstructions or debris shall be placed in these areas. No  
536 Owner or occupant of a Lot may obstruct or re-channel the drainage flows after location  
537 and installation of drainage swales, storm sewers, or storm drains. ~~Declarant hereby~~  
538 ~~reserves a perpetual easement across all property subject to this Declaration for the~~  
539 ~~purpose of altering drainage and water flow.~~ Rights exercised pursuant to such reserved  
540 easement shall be exercised with a minimum of interference to the quiet enjoyment of  
541 affected property, reasonable steps shall be taken to protect such property, and damage  
542 shall be repaired by the Person causing the damage at its sole expense.

543       Section 14. Sight Distance at Intersections. No fence, wall, hedge, or shrub  
544 planting that obstructs sight lines at elevations between two (2) and six (6) feet above  
545 the roadways shall be placed or permitted to remain on any corner Lot within the  
546 triangular area formed by the street property lines and a line connecting them at points  
547 twenty-five (25) feet from the intersection of the street lines, or in the case of a rounded



548 property corner from the intersection of the street property lines extended. The same  
549 sight line limitations shall apply on any Lot within ten (10) feet from the intersection of a  
550 street property line with the edge of a driveway or alley pavement. No tree shall be  
551 permitted to remain within such distances of such intersections unless the foliage line is  
552 maintained at sufficient height to prevent obstruction of such sight lines.

553 Section 15. Clotheslines, Garbage Cans, Woodpiles, Etc. All clotheslines,  
554 garbage cans, woodpiles, swimming pool pumps, filters and related equipment and  
555 other similar items shall be located or screened so as to be concealed from view of  
556 neighboring streets and property and shall be kept in a clean and sanitary condition. All  
557 construction debris, rubbish, trash, and garbage shall be regularly removed and shall  
558 not be allowed to accumulate. ~~Declarant, however, hereby expressly reserves the right~~  
559 ~~to dump and bury rocks and trees on property within the Community as needed for~~  
560 ~~efficient construction and to allow developers and builders within the Community to bury~~  
561 ~~rocks and trees removed from a building site on such building site.~~ Trash, garbage,  
562 debris, or other waste matter of any kind may not be burned within the Community.  
563 Trash bins, recycling bins, and bulk debris for pickup, may be placed on the street no  
564 earlier than 1 day before the scheduled pickup day. Bins must be removed no later than  
565 1 day after pickup. In the event trash or recycling pickup is not performed on the  
566 scheduled day, bins and bulk debris are permitted to remain on the street until such  
567 pickup is performed.

568 Section 16. Subdivision of Lot. No Lot shall be subdivided or its boundary lines  
569 changed except with the prior written approval of the Board or its designee. ~~Declarant,~~  
570 ~~however, hereby expressly reserves the right to replat any Lot or Lots owned by~~  
571 ~~Declarant.~~ Any such division, boundary line change, or replatting shall not be in violation  
572 of the applicable subdivision and zoning regulations.

573 Section 17. Guns. The recreational use of firearms in the Community is  
574 prohibited. The term "firearms" includes "BB" guns, pellet guns, and small firearms of all  
575 types.

576 Section 18. Fences. No fence or fencing-type barrier of any kind shall be placed,  
577 erected, allowed, or maintained upon any portion of the Community, including any Lot,  
578 without the prior written consent of the Architectural Control Committee. No fence shall  
579 be of a chain-link or barbed wire material, nor shall any fence be of a height other than  
580 six feet (6') without specific written approval. Generally, all fencing must be of a ~~brick,~~  
581 ~~stone,~~ wood or, aluminum, ~~or a material~~ and style approved by the Architectural Control  
582 Committee. All wooden fences must be of a shadow box style, unless otherwise  
583 approved. The Architectural Control Committee reserves the right to promulgate further  
584 specific requirements for fence construction.

585 Section 19. Utility Lines. No overhead utility lines, including lines for cable  
586 television, shall be permitted within the Community, ~~except for temporary lines as~~  
587 ~~required during construction and lines installed by or at the request of Declarant.~~

588 Section 20. Air Conditioning Units. Except as may be permitted by the  
589 Architectural Control Committee, no window air conditioning units may be installed. No  
590 air conditioning apparatus or unsightly projection shall be attached to the front or sides  
591 of any residence. All air conditioning or HVAC units shall be properly screened from the  
592 road with approved fencing or vegetation.

593 Section 21. Artificial Vegetation, Exterior Sculpture, and Similar Items. No  
594 artificial vegetation shall be permitted on the exterior of any property. Exterior sculpture,  
595 fountains, flags, and similar items must be approved by the Architectural Control  
596 Committee.

597 Section 22. Energy Conservation Equipment. No solar energy collector panels or  
598 attendant hardware, windmills or other energy conservation equipment shall be  
599 constructed or installed unless they are an integral and harmonious part of the  
600 architectural design of a structure, as determined in the sole discretion of the  
601 Architectural Control Committee.

602 Section 23. Above Ground Swimming Pools. Except as may be permitted by the  
603 Architectural Control Committee, above ground swimming pools shall not be erected.

604 Section 24. Lighting. Except for approved lighting as originally installed on a  
605 residence, exterior lighting visible from the street shall not be permitted, except for (a)  
606 one (1) decorative post light; (b) eave lighting as approved by the Architectural Control  
607 Committee; (c) front column lighting; (d) a street light in conformity with an established  
608 street lighting program for the Community; (e) seasonal decorative lights for a sixty (60)  
609 day period beginning on November 14th of each year; or (f) front house illumination of  
610 model homes. All exterior lighting shall be of low wattage and intensity and conform to  
611 the Community-Wide Standard.

612 Section 25. Exteriors. Residence exteriors shall be composed of brick, stone and  
613 fiber cement board materials only. Vinyl material may be used for all eave and soffit  
614 construction. All garages shall have side entry unless approved by the Architectural  
615 Control Committee prior to construction; however, a front entry third (3rd) car attached  
616 or detached garage shall be allowed. The exterior of all improvements must be painted  
617 in a color approved by the Architectural Control Committee. Except as may be permitted  
618 by the Architectural Control Committee, all repainting of improvements must be in a  
619 color already approved for use in the community. No Owner shall change the roof type,  
620 color of shingles, brick type or color of brick without the prior written consent of the  
621 Architectural Control Committee.

622 Section 26. Window Coverings. The portion of all window coverings visible from  
623 the exterior of any residence shall be white or off-white unless otherwise approved by  
624 the Architectural Control Committee.

625 Section 27. Minimum Building Sizes. All residences shall contain a minimum of  
626 one thousand six hundred (1,600) square feet of floor space centrally heated living  
627 space, measured from the outside brick ledge. Centrally heated living space specifically  
628 excludes open porches and garages. The minimum square footage requirement stated  
629 herein shall control unless otherwise approved by ~~Declarant or~~ appropriate variance  
630 from the Board of Directors.

631 Section 28. Setback Lines. In no event shall any building be located nearer the  
632 Lot boundary than specified below per the local zoning restrictions:

633 Twenty-five (25) feet from the front lot line, eight (8) feet from the side lot lines,  
634 and thirty (30) feet from the rear lot line.

635 For the purpose of this Section 28, eaves, steps, and overhang stoops shall not be  
636 considered as part of a building, provided, however, that this shall not be construed to  
637 permit any portion of a building on a Lot to encroach upon another Lot.

638 Section 29. Mailboxes. All mailboxes, erected on any Lot, must be the "Classic  
639 Pontalba with ~~Oval white Address Plate~~stickers" design, unless otherwise approved by  
640 the Architectural Control Committee.

641 Section 30. Gardens. No vegetable gardens, compost gardens, greenhouses or  
642 other food source planting shall be allowed in the front or on the sides of any residence  
643 on any Lot.

644 Section 31. Oil and Mineral Operations. No oil drilling, oil development  
645 operations, oil refining, quarrying or mining operations of any kind shall be permitted on  
646 any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted on  
647 any Lot. No derrick or other structure designed for use in boring for oil, or any other  
648 substances, shall be erected, maintained or permitted on any Lot.

649 Section 32. Sidewalks. A sidewalk meeting the requirements of the City of  
650 Madison shall be installed along the street fronting each Lot by the Owner prior to the  
651 issuance of a certificate of occupancy for any improvement located on such Lot.  
652 Sidewalks shall not be altered or obstructed by any Owner or Occupant. Any sidewalk  
653 located on a Lot shall be maintained by the Owner in accordance with Article V, Section  
654 2, hereof.

655 Section 33. Approved Builders. Only builders approved by the Board of Directors  
656 may construct improvements on any property subject to this Declaration. The Board of  
657 Directors may require a review and approval fee of any builder desiring build at an  
658 amount determined by the Board of Directors.

659 Section 34. Landscaping. The ~~Declarant and/or the~~ Association reserves the right  
660 to promulgate and amend from time to time landscape guidelines (referred to  
661 hereinafter as the "Landscape Guidelines") which shall establish approved standards,  
662 methods, and procedures for landscape management on all Lots in the Community, and  
663 such authorized methods, and procedures may be utilized by the Owners of such Lots;  
664 provided, however, subject to anything to the contrary herein with respect to specific  
665 Landscape Guidelines. Notwithstanding, prior to the completion of initial construction of  
666 a single family residence on a Lot, said Lot shall be sodded with either Zoysia, Bermuda  
667 or other species of sod, or hybrid, as may be determined by the Architectural Control  
668 Committee. Following the initial construction of a single family home, any such Lot shall  
669 maintain a sodded yard and, as quickly as practical, replace any severely diseased or  
670 dead grass with similar sod as approved by the Architectural Control Committee. All  
671 initial construction plans shall provide for the installation of a minimum of sixty (60)  
672 gallons of shrubbery, unless otherwise approved by the Architectural Control  
673 Committee.

674 Section 36. Basketball Goals. All basketball goals within the Community shall be  
675 of a glass or acrylic material, and may not be permanently installed without prior  
676 approval from the Architectural Control Committee. Wooden or fiberglass basketball  
677 goals shall not be allowed.

678 Article VII

679 Insurance and Casualty Losses

680 Section 1. Insurance on Common Property. The Association's Board of Directors  
681 or its duly authorized agent shall have the authority to and shall obtain insurance for all  
682 insurable improvements on the Common Property and the entry features, if any, which  
683 the Association is obligated to maintain. This insurance shall provide, at a minimum, fire  
684 and extended coverage, including vandalism and malicious mischief, and shall be in an  
685 amount sufficient to cover the full replacement cost of any repair or reconstruction in the  
686 event of damage or destruction from any such hazard. Alternatively, the Board may  
687 purchase "all-risk" coverage in like amounts.

688 The Board shall obtain a public liability policy applicable to the Common Property  
689 covering the Association and its members for all damage or injury caused by the  
690 negligence of the Association or any of its members or agents, and, if reasonably  
691 available, directors' and officers' liability insurance. The public liability policy shall have a  
692 combined single limit of at least One Million (\$1,000,000.00) Dollars. Premiums for all

693 insurance shall be common expense of the Association. The policies may contain a  
694 reasonable deductible, and the amount thereof shall be added to the face amount of the  
695 policy in determining whether the insurance at least equals the full replacement cost.

696 All such insurance coverage obtained by the Board of Directors shall be written in  
697 the name of the Association, as trustee for the respective benefited parties, as further  
698 identified in subparagraph (b), below. Such insurance shall be governed by the  
699 provisions hereinafter set forth:

700 (a) Policies shall be written with a company authorized to do business in  
701 Alabama.

702 (b) Exclusive authority to adjust losses under policies obtained by the  
703 Association shall be vested in the Association's Board of Directors; provided, however,  
704 no Mortgagee having an interest in such losses may be prohibited from participating in  
705 the settlement negotiations, if any, related thereto.

706 (c) In no event shall the insurance coverage obtained and maintained by the  
707 Association's Board of Directors hereunder be brought into contribution with insurance  
708 purchased by individual Owners, occupants, or their Mortgagees, and the insurance  
709 carried by the Association shall be primary.

710 (d) All casualty insurance policies shall have an inflation guard endorsement  
711 and an agreed amount endorsement if these are reasonably available and all insurance  
712 policies shall be reviewed annually by one or more qualified persons, at least one of  
713 whom must be in the real estate industry and, familiar with construction in the country  
714 where the Community is located. The Association's Board of Directors make every  
715 reasonable effort to secure insurance policies that will provide for the following:

716 (i) a waiver of subrogation by the insurer as to any claims against the  
717 Association's Board of Directors, its manager, the Owners and their respective tenants,  
718 servants, agents, and guests;

719 (ii) a waiver by the insurer of its rights to repair and reconstruct instead  
720 of paying cash;

721 (iii) that no policy may be canceled, invalidated, or suspended on  
722 account of any one or more individual Owner;

723 (iv) that no policy may be canceled, subjected to non-renewal,  
724 invalidated, or suspended on account of any defect or the conduct of any director,  
725 officer, or employee of the Association or its duly authorized manager without prior  
726 demand in writing delivered to the Association to cure the defect or to cease the conduct

727 and the allowance of a reasonable time thereafter within which a cure may be effected  
728 by the Association, its manager, any Owner or Mortgagee;

729 (v) that any "other insurance" clause in any policy exclude individual  
730 owners' policies from consideration; and

731 (vi) that no policy may be canceled, subjected to nonrenewal or  
732 substantially modified without at least thirty (30) days' prior written notice to the  
733 Association.

734 In addition to the other insurance required by this Section, the Board shall obtain  
735 worker's compensation insurance, if and to the extent necessary to satisfy the  
736 requirements of applicable laws, and a fidelity bond or bonds on directors, officers,  
737 employees, and other persons handling or responsible for the Association's funds, if  
738 reasonably available. If obtained, the amount of fidelity coverage shall be determined in  
739 the directors' best business judgment, and, if available, shall at least equal three (3)  
740 months' assessments plus reserves on hand. Bonds shall contain a waiver of all  
741 defenses based upon the exclusion of persons serving without compensation and may  
742 not be canceled, subjected to non-renewal or substantially modified without at least  
743 thirty (30) days' prior written notice to the Association. The Association shall also obtain  
744 construction code endorsements, steam boiler coverage, and flood insurance, if and to  
745 the extent necessary to satisfy the requirements of the Federal Home Loan Mortgage  
746 Corporation or the Federal National Mortgage Association.

747 Section 2. Individual Insurance. By virtue of taking title to a Lot subject to the  
748 terms of this Declaration, each Owner acknowledges that the Association has no  
749 obligation to provide any insurance for any portion of individual Lots, and each Owner  
750 covenants and agrees with all other Owners and with the Association that each Owner  
751 shall carry blanket all-risk casualty insurance on the Lot and all structures constructed  
752 thereon and a liability policy covering damage or injury occurring on a Lot. The casualty  
753 insurance shall cover loss or damage by fire and other hazards commonly insured  
754 under "all-risk" policy, if reasonably available, including vandalism and malicious  
755 mischief, and shall be in an amount sufficient to cover the full replacement cost of any  
756 repair or reconstruction in the event of damage or destruction from any such hazard. all-  
757 risk coverage is not reasonably available, Owners shall obtain, at a minimum, fire and  
758 extended coverage. The policies required hereunder shall be in effect at all times.  
759 Authority to adjust losses under policies obtained by an Owner shall be vested in the  
760 Owner. The Association shall have the right, but not the obligation, at the expense of the  
761 Owner, to acquire the insurance required to be maintained by the Owner if the Owner  
762 fails to provide a valid policy to the Association with a prepaid receipt on or before the  
763 expiration of any policy. the Association does acquire insurance on behalf of any  
764 Owner, the cost thereof shall be assessed against the Owner and the Unit as a specific  
765 assessment.

766 Section 3. Damage and Destruction - Premises Insured by Association.

767 (a) In General. Immediately after damage or destruction by fire or other  
768 casualty to all or any portion of any improvement covered by insurance written in the  
769 name of the Association, the Board of Directors or its duly authorized agent shall  
770 proceed with the filing and adjustment of all claims arising under such insurance and  
771 obtain reliable and detailed estimates of the cost of repair or reconstruction of the  
772 damaged or destroyed property. Repair or reconstruction, as used in this Section,  
773 means repairing or restoring the property to substantially the same condition and  
774 location that existed prior to the fire or other casualty, allowing for any changes or  
775 improvements necessitated by changes in applicable building codes.

776 (b) Repair and Reconstruction. Any damage or destruction to property  
777 covered by insurance written in the name of the Association shall be repaired or  
778 reconstructed unless, within sixty (60) days after the casualty, at least seventy-five  
779 (75%) percent of the total Association vote ~~and the Declarant (so long as the Declarant~~  
780 ~~has an option unilaterally to subject additional property to this Declaration as provided in~~  
781 ~~Article IX hereof)~~ otherwise agree. for any reason either the amount of the insurance  
782 proceeds to be paid as a result of such damage or destruction, or reliable and detailed  
783 estimates of the cost of repair or reconstruction, or both, are not made available to the  
784 Association within such period, then the period shall be extended until such information  
785 shall be made available; provided, however, such extension shall not exceed sixty (60)  
786 days. No Mortgagee shall have the right to participate in the determination of whether  
787 damage or destruction shall be repaired or reconstructed.

788 If the damage or destruction for which the insurance proceeds are paid is to be  
789 repaired or reconstructed and such proceeds are not sufficient to defray the cost  
790 thereof, the Board of Directors shall, without the necessity of a vote of the Association's  
791 members, levy a special assessment against all Owners in proportion to the number of  
792 Lots owned by such Owners. Additional assessments may be made in like manner at  
793 any time during or following the completion of any repair or reconstruction. the funds  
794 available from insurance exceed the costs of repair or reconstruction or if the  
795 improvements are not repaired or reconstructed, such excess shall be deposited to the  
796 benefit of the Association.

797 In the event that it should be determined by the Association in the manner  
798 described above that the damage or destruction shall not be repaired or reconstructed  
799 and no alternative improvements are authorized, then and in that event the property  
800 shall be restored to its natural state and maintained as an undeveloped portion of the  
801 Community by the Association in a neat and attractive condition.

802 Section 4. Damage and Destruction Premises Insured by Owners. The damage  
803 or destruction by fire or other casualty to all or any portion of any improvement on a Lot



804 shall be repaired by the Owner thereof within ninety (90) days after such damage or  
805 destruction or, where repairs cannot be completed within ninety (90) days, they shall be  
806 commenced within such period and shall be completed within a reasonable time  
807 thereafter. Alternatively, the Owner may elect to demolish all improvements on the Lot  
808 and remove all debris therefrom within ninety (90) days after such damage or  
809 destruction. In the event of noncompliance with this provision, the Board of Directors  
810 shall have all enforcement powers specified in Article XII, Section 1, of this Declaration.

811 Article VIII

812 Condemnation

813 In the event of a taking by eminent domain of any portion of the Common  
814 Property on which improvements have been constructed, then, unless within sixty (60)  
815 days after such taking, at least seventy-five (75%) percent of the total Association vote  
816 ~~other than Declarant and the Declarant (so long as the Declarant has an option~~  
817 ~~unilaterally to subject property to this Declaration as provided in Article IX hereof)~~ shall  
818 otherwise agree, the Association shall restore or replace such improvements so taken  
819 on the remaining land included in the Common Property to the extent lands are  
820 available therefor. The provision of Article VII, Section 3, above, applicable to Common  
821 Property improvements damage, shall govern replacement or restoration and the  
822 actions to be taken in the event that the improvements are not restored or replaced.

823 Article IX

824 Annexation of Additional Property

825 Section 1. Unilateral Annexation by Declarant.

826 ~~(a) — As the Owner thereof or, if not the Owner, with the consent of the Owner~~  
827 ~~thereof, Declarant shall have the unilateral right, privilege, and option from time to time~~  
828 ~~at any time until twenty (20) years after the recording of this Declaration to subject all or~~  
829 ~~any portion of the real property described in Exhibit "C", attached hereto and by~~  
830 ~~reference made a part hereof, or Exhibit "C" as may subsequently be amended, to the~~  
831 ~~provisions of this Declaration and the jurisdiction of the Association by filing for record,~~  
832 ~~in the county in which the property to be annexed is located, a Supplementary~~  
833 ~~Declaration describing the property being annexed. Any such annexation shall be~~  
834 ~~effective upon the filing for record of such Supplementary Declaration unless otherwise~~  
835 ~~provided therein. As long as rights of the Owners are not adversely affected, the~~  
836 ~~Declarant may unilaterally amend this Declaration to reflect the different character of~~  
837 ~~any such annexed real property.~~

838 ~~(b) — The rights reserved unto Declarant to subject additional land to the~~  
839 ~~Declaration shall not be implied or construed so as to impose any obligation upon~~  
840 ~~Declarant to subject any of such additional land to this Declaration or to the jurisdiction~~

841 ~~of the Association. If such additional land is not subjected to this Declaration,~~  
842 ~~Declarant's reserved rights shall not impose any obligation on Declarant to impose any~~  
843 ~~covenants and restrictions similar to those contained herein upon such additional land~~  
844 ~~nor shall such rights in any manner limit or restrict the use to which such additional land~~  
845 ~~may be put by Declarant or any subsequent owner thereof, whether such uses are~~  
846 ~~consistent with the covenants and restrictions imposed hereby or not.~~

847 Section 2. Other Annexation. Subject to the consent of the Owner thereof ~~and the~~  
848 ~~consent of the Declarant (so long as the Declarant has an option to subject additional~~  
849 ~~property to this Declaration as provided above)~~ upon the affirmative vote of a majority of  
850 the Association vote present or represented by proxy at a meeting duly called for such  
851 purpose, the Association may annex real property to the provisions of this Declaration  
852 and the jurisdiction of the Association by filing for record in the county in which the  
853 property to be annexed is located, a Supplementary Declaration describing the property  
854 being annexed. Any such Supplementary Declaration shall be signed by the President  
855 and Secretary of the Association, and any such annexation shall be effective upon the  
856 filing for record of such Supplementary Declaration, unless otherwise provided therein.

857 Article X  
858 Mortgagee Provisions

859 The following provisions are for the benefit of holders of first Mortgages in Lots in  
860 the Community. The provisions of this Article apply to both this Declaration and to the  
861 By-Laws, notwithstanding any other provisions contained therein.

862 Section 1. Notices of Action. An institutional holder, insurer, or guarantor of a first  
863 Mortgage, who provides a written request to the Association (such request to state the  
864 name and address of such holder, insurer, or guarantor and the Lot number), therefore  
865 becoming an "eligible holder", will be entitled to timely written notice of:

866 (a) any condemnation loss or any casualty loss that affects a material portion  
867 of the Community or that affects any Lot on which there is a first Mortgage held,  
868 insured, or guaranteed by such eligible holder;

869 (b) any delinquency in the payment of assessments or charges owed by an  
870 Owner of a Lot subject to the Mortgage of such eligible holder, where such delinquency  
871 has continued for a period of sixty (60) days; provided, however, notwithstanding this  
872 provision, any holder of a first Mortgage, upon request, is entitled to written notice from  
873 the Association of any default in the performance by an Owner of a Lot of any obligation  
874 under the Declaration or By-Laws of the Association which is not cured within sixty (60)  
875 days; any lapse, cancellation, or material modification of any insurance policy  
876 maintained by the Association; or

877 (c) any proposed action that would require the consent of a specified  
878 percentage of Mortgage holders.

879 Section 2. Special FHLMC Provision. So long as required by the Federal Home  
880 Loan Mortgage Corporation (FHLMC), the following provisions apply in addition to and  
881 not in lieu of the foregoing. Unless two-thirds (2/3) of the first Mortgagees or Owners-  
882 ~~other than the Declarant~~, give their consent, the Association shall not:

883 (a) by act or omission seek to abandon, partition, subdivide, encumber, sell,  
884 or transfer the Common Property that the Association owns, directly or indirectly (the  
885 granting of easements for public utilities or other similar purposes consistent with the  
886 intended use of the Common Property shall not be deemed a transfer within the  
887 meaning of this subsection) other than personal property of the Association;

888 (b) change the method of determining the obligations, assessments, dues, or  
889 other charges that may be levied against an Owner;

890 (c) by act or omission. change, waive, or abandon any scheme of regulations  
891 or enforcement thereof pertaining to the architectural design or the exterior appearance  
892 and maintenance of Lots and the Common Property (The issuance and Declaration of  
893 architectural standards, procedures, rules and regulations of use restrictions shall not  
894 constitute a change, waiver, or abandonment within the meaning of this subsection.);

895 (d) fail to maintain insurance, as required by this Declaration; or

896 (e) use hazard insurance proceeds for any Common Property losses for other  
897 than the repair, replacement, or restoration of such property.

898 Nothing contained in this Section shall be construed to reduce the percentage  
899 vote that must otherwise be obtained under the Declaration for any of the acts set out in  
900 this Section.

901 First Mortgagees may, jointly or singly, pay taxes or other charges which are in  
902 default and that may or have become a charge against the Common Property and may  
903 pay overdue premiums on casualty insurance policies or secure new casualty insurance  
904 coverage upon the lapse of an Association policy, and first Mortgagees making such  
905 payments shall be entitled to immediate reimbursement from the Association.

906 Section 3. No Priority. No provision of this Declaration or the By-Laws gives or  
907 shall be construed as giving any Owner or other party priority over any rights of the first  
908 Mortgagee of any Lot in the case of distribution to such Owner of insurance proceeds or  
909 condemnation awards for losses to or a taking of the Common Property.

910 Section 4. Notice to Association. Upon request, each Lot Owner shall be  
911 obligated to furnish to the Association the name and address of the holder of any  
912 Mortgage encumbering such Owner's Lot.

913 Section 5. Declarations by Board. Should the Federal National Mortgage  
914 Association or the Federal Home Loan Mortgage Corporation subsequently delete any  
915 of their respective requirements that necessitate the provisions of this Article or make  
916 any such requirements less stringent, the Board, without approval of the Owners, may  
917 cause an Declaration to this Article to be recorded to reflect such changes.

918 ~~Section 6. VA/HUD Approval. As long as the Declarant has an option unilaterally-~~  
919 ~~to subject property to this Declaration as provided in Article IX, the following actions-~~  
920 ~~shall require the prior approval of the Veterans Administration ("VA") so long as the VA is~~  
921 ~~guaranteeing any Mortgage in the Community, and the Department of Housing and~~  
922 ~~Urban Development ("HUD") so long as HUD is insuring any Mortgage in the~~  
923 ~~Community: annexation of additional property to the Community, except for annexation-~~  
924 ~~by Declarant in accordance with Article IX, Section 1 hereof pursuant to a plan of~~  
925 ~~annexation previously approved by the VA and HUD; dedication of Common Property to~~  
926 ~~any public entity; and material Declaration of the Declaration, By-Laws or Articles of~~  
927 ~~Incorporation.~~

928 Section 7. Applicability of Article X. Nothing contained in this Article shall be  
929 construed to reduce the percentage vote that must otherwise be obtained under the  
930 Declaration, By-Laws, or Alabama law for any of the acts set out in this Article.

931 Section 8. Failure of Mortgagee to Respond. Any Mortgagee who receives a  
932 written request from the Board to respond to or consent to any action shall be deemed  
933 to have approved such action if the Association does not receive a written response  
934 from the Mortgagee within thirty (30) days of the date of the Association's request.

935 Article XI  
936 Easements

937 Section 1. Easements for Encroachment and Overhang. There shall be  
938 reciprocal appurtenant easements for encroachment and overhang as between each  
939 Lot and such portion or portions of the Common Property adjacent thereto or as  
940 between adjacent Lots due to the unintentional placement or settling or shifting of the  
941 improvements constructed, reconstructed, or altered thereon (in accordance with the  
942 term of this Declaration) to a distance of not more than five (5) feet, as measured from  
943 any point on the common boundary between each Lot and the adjacent portion of the  
944 Common Property or as between adjacent Lots, as the case may be, along a line  
945 perpendicular to such boundary at such point; provided, however, in no event shall an

946 easement for encroachment exist if such encroachment occurred due to willful conduct  
947 on the part of an Owner, tenant, or the Association.

948 Section 2. Easements for Use and Enjoyment.

949 (a) Every Owner of a Lot shall have a right and easement of ingress and  
950 egress, use and enjoyment in and to the Common Property which shall be appurtenant  
951 to and shall pass with the title to his Lot, subject to the following provisions:

952 (i) The right of the Association to charge reasonable admission and  
953 other fees for the use of any portion of the Common Property, to limit the number of  
954 guests of Lot Owners and tenants who may use the Common Property, and to provide  
955 for the exclusive use and enjoyment of specific portions thereof at certain designated  
956 times by an Owner, his family, tenants, guests, and invitees;

957 (ii) The right of the Association to suspend the voting rights of a Lot  
958 Owner and the right of an Owner to use the recreational facilities available for use by  
959 the Community, if any, for any period during which any assessment against his Lot  
960 which is hereby provided for remains unpaid; and, for a reasonable period of time for an  
961 infraction of the Declaration, By-Laws, or rules and regulations;

962 (iii) The right of the Association to borrow money for the purpose of  
963 improving the Common Property, or any portion thereof, or for construction, repairing or  
964 improving any facilities located or to be located thereon, and to give as security for the  
965 payment of any such loan a Mortgage conveying all or any portion of the Common  
966 Property; provided, however, the lien and encumbrance of any such Mortgage given by  
967 the Association shall be subject and subordinate to any rights, interests, options,  
968 easements and privileges herein reserved or established for the benefit of ~~Declarant, or~~  
969 any Lot or Lot Owner, or the holder of any Mortgage, irrespective of when executed,  
970 given by ~~Declarant or~~ any Lot Owner encumbering any Lot or other property located  
971 within the Community (any provision in this Declaration or in any such Mortgage given  
972 by the Association to the contrary notwithstanding, the exercise of any rights therein by  
973 the holder thereof in the event of a default thereunder shall not cancel or terminate any  
974 rights, easements or privileges herein reserved or established for the benefit of-  
975 ~~Declarant, or~~ any Lot or Lot Owner, or the holder of any Mortgage, irrespective of when  
976 executed, given by ~~Declarant or~~ any Lot Owner encumbering any Lot or other property  
977 located within the Community); and

978 (iv) The right of the Association to dedicate or transfer all or any portion  
979 of the Common Property subject to such conditions as may be agreed to by the  
980 members of the Association. No such dedication or transfer shall be effective unless an  
981 instrument agreeing to such dedication or transfer has been approved by at least a  
982 Majority of the Association vote present, or represented by proxy, at a meeting duly

983 | called for such purpose ~~and by the Declarant (so long as the Declarant has an option-~~  
984 | ~~unilaterally to subject additional property to this Declaration as provided in Article X-~~  
985 | ~~hereof).~~

986 | (b) Any Lot Owner may delegate his right of use and enjoyment in and to the  
987 | Common Property and facilities located thereon to the members of his family, his  
988 | tenants and guests and shall be deemed to have made a delegation of all such rights to  
989 | the occupants of such Owner's Lot, if leased.

990 | Section 3. Easements for Utilities. There is hereby reserved to the ~~Declarant and-~~  
991 | ~~the~~ Association blanket easements upon, across, above and under all property within  
992 | the Community for access, ingress, egress, installation, repairing, replacing, and  
993 | maintaining all utilities serving the Community or any portion thereof, including, but not  
994 | limited to, gas, water, sanitary sewer, telephone and electricity, as well as storm  
995 | drainage and any other service such as, but not limited to, a master-television antenna  
996 | system, cable television system, or security system that the ~~Declarant or the-~~  
997 | Association might decide to have installed to serve the Community. It shall be expressly  
998 | permissible for ~~the Declarant,~~ the Association, or the designee of either, as the case  
999 | may be, to install, repair, replace, and maintain or to authorize installation, repairing,  
1000 | replacing, and maintaining of such wires, conduits, cables and other equipment related  
1001 | to the providing of any such utility or service. Should any party furnishing any such utility  
1002 | or service request a specific license or easement by separate recordable document, the  
1003 | Board shall have the right to grant such easement.

1004 | Section 4. Easement for Entry. In addition to the right of the Board to exercise  
1005 | self-help as provided in Article XII, Section 2, hereof, the Board shall have the right, but  
1006 | shall not be obligated, to enter upon any property within the Community for emergency,  
1007 | security, and safety, which right may be exercised by the manager, and all policemen,  
1008 | firemen, ambulance personnel, and similar emergency personnel in the performance of  
1009 | their respective duties. Except in an emergency situation, entry shall only be during  
1010 | reasonable hours and after notice to the Owner, and the entering party shall be  
1011 | responsible for any damage caused. It is intended that this right of entry shall include  
1012 | the right of the Board to enter to cure any condition that may increase the possibility of a  
1013 | fire, slope erosion, or other hazard in the event an Owner or occupant fails or refuses to  
1014 | cure the Condition upon request by the Board.

1015 | Section 5. Easement for Maintenance. ~~Declarant-The Association~~ hereby  
1016 | expressly reserves a perpetual easement for the benefit of the Association across such  
1017 | portions of the Community, determined in the sole discretion of the Association, as are  
1018 | necessary to allow for the maintenance required under Article V. Such maintenance  
1019 | shall be performed with a minimum of interference to the quiet enjoyment to Owner's  
1020 | property, reasonable steps shall be taken to protect such property, and damage shall be  
1021 | repaired by the Person causing the damage at its sole expense. The foregoing



1022 | easement shall include the right to maintain or construct and install the entry features,  
1023 | entry signage and planting berm(s) around such entry features or signage, as  
1024 | appropriate. The Owner of any Lot subject to this easement shall not alter, remove or  
1025 | add improvements to the easement areas without the prior consent of the Association.

1026 | ~~In utilizing or accessing any easement retained by or for the benefit of the~~  
1027 | ~~Declarant, Declarant and its agents or employees shall not be liable for any damage to~~  
1028 | ~~any landscaping contained within the easement.~~

1029 | Article XII

1030 | General Provisions

1031 | Section 1. Enforcement. Each Owner and Occupant shall comply strictly with the  
1032 | By Laws, the rules and regulations, the use restrictions, as they may be lawfully  
1033 | amended or modified from time to time, and with the covenants, conditions, and  
1034 | restrictions set forth in this Declaration and in the deed to his or her Lot, if any. The  
1035 | Board of Directors may impose fines or other sanctions, which shall be collected to  
1036 | comply with this Declaration the By-Laws or the rules and regulations shall be grounds  
1037 | for an action to recover sums due for damages or injunctive relief, or both, maintainable  
1038 | by the Board of Directors, on behalf of the Association, or, in a proper case, by an  
1039 | aggrieved Owner. Failure by the Association or any Owner to enforce any of the  
1040 | foregoing shall in no event be deemed a waiver of the right to do so thereafter. The  
1041 | Board shall have the right to record in the appropriate land records a notice of violation  
1042 | of the Declaration, By-Laws, rules and regulations, use restrictions, or design guidelines  
1043 | and to assess the cost of recording and removing such notice against the Owner who is  
1044 | responsible (or whose Occupants are responsible) for violating the foregoing.

1045 | Section 2. Self-Help. In addition to any other remedies provided for herein, the  
1046 | Association or its daily authorized agent shall have the power to enter upon a Lot or any  
1047 | portion of the Common Property to abate or remove, using such force as may be  
1048 | reasonably necessary, any structure, thing or condition which violates this Declaration,  
1049 | the By-Laws, the rules and regulations, or the use restrictions. Unless an emergency  
1050 | situation exists, the Board shall give the violating Lot Owner ten (10) days' written notice  
1051 | of its intent to exercise self-help. Notwithstanding the foregoing, vehicles may be towed  
1052 | after reasonable notice. All costs of self-help including reasonable attorney's fees  
1053 | actually incurred shall be assessed against the violating Lot Owner and shall be  
1054 | collected as provided for herein for the collection of assessments.

1055 | Section 3. Duration. The covenants and restrictions of this Declaration shall run  
1056 | with and bind the Community, and shall inure to the benefit of and shall be enforceable  
1057 | by the Association or any Owner, their respective legal representatives, heirs,  
1058 | successors, and assigns, perpetually to the extent permitted by law; provided, however,  
1059 | should any provision of Alabama law now or hereafter limit the period during which



1060 covenants restricting lands to certain uses may run, any provision of this Declaration  
1061 affected thereby shall run with and bind the land so long as permitted by such law, after  
1062 which time any such provisions shall be automatically extended for successive periods  
1063 of twenty (20) years, unless such extension is disapproved by the affirmative vote or  
1064 written consent, or any combination thereof, of at least two-thirds (2/3) of the total  
1065 Association vote ~~and the consent of Declarant (so long as the Declarant has an option-~~  
1066 ~~unilaterally to subject additional property to this Declaration as provided in Article IX-~~  
1067 ~~hereof)~~. A written instrument reflecting disapproval must be recorded within the year  
1068 immediately preceding the beginning of a twenty (20) year renewal period. Every  
1069 purchaser or grantee of any interest (including, without limitation, a security interest) in  
1070 any real property subject to this Declaration, by acceptance of a deed or other  
1071 conveyance therefor, thereby agrees that such provisions of this Declaration may be  
1072 extended and renewed as provided in this Section 3.

1073 Section 4. Declaration. ~~This Declaration may be amended unilaterally at any time~~  
1074 ~~and from time to time by Declarant:~~

1075 (a) ~~— if such Declaration is necessary to bring any provision hereof into~~  
1076 ~~compliance with any applicable governmental statute, rule, or regulation or judicial~~  
1077 ~~determination that shall be in conflict therewith;~~

1078 (b) ~~— if such Declaration is necessary to enable any reputable title insurance~~  
1079 ~~company to issue title insurance coverage with respect to the Lots subject to this~~  
1080 ~~Declaration;~~

1081 (c) ~~— if such Declaration is required by an institutional or governmental lender or~~  
1082 ~~purchaser of mortgage loans, including, for example, the Federal National Mortgage~~  
1083 ~~Association or Federal Home Loan Mortgage Corporation, to enable such lender or~~  
1084 ~~purchaser to make or purchase Mortgage loans on the Lots subject to this Declaration;~~  
1085 ~~or~~

1086 (d) ~~— if such Declaration is necessary to enable any governmental agency or~~  
1087 ~~reputable private insurance company to insure Mortgage loans on the Lots subject to~~  
1088 ~~this Declaration; provided, however, any such Declaration shall not adversely affect the~~  
1089 ~~title to any Owner's Lot unless any such Lot Owner shall consent thereto in writing.~~

1090 Further, ~~so long as Declarant has the right to subject addition property to this~~  
1091 ~~Declaration, Declarant may unilaterally amend this Declaration for any other purpose;~~  
1092 ~~provided, however, any such Declaration shall not materially adversely affect the~~  
1093 ~~substantive rights of any Lot Owner hereunder, nor shall it adversely affect title to any~~  
1094 ~~Lot without the consent of the affected Lot Owner.~~

1095 ~~In addition to the above, t~~This Declaration may be amended on the affirmative  
1096 vote, ~~or~~ written consent, electronic consent or any combination thereof, of at least one-  
1097 half (1 /2) of the total Association vote ~~and the consent of Declarant (so long as~~  
1098 ~~Declarant has an option unilaterally to subject additional property to this Declaration as~~  
1099 ~~provided in Article IX hereof)~~. Declarations to this Declaration shall become effective  
1100 upon recording, unless a later effective date is specified therein. ~~No provision of this~~  
1101 ~~Declaration that reserves or grants special rights to the Declarant shall be amended~~  
1102 ~~without the Declarant's prior written approval so long as the Declarant owns any~~  
1103 ~~property in the Community, or subject to annexation to the Community, primarily for~~  
1104 ~~development and/or sale.~~

1105 Section 5. Partition. The Common Property shall remain undivided, and no Lot  
1106 Owner nor any other Person shall bring any action for partition or division of the whole  
1107 or any part thereof without the written consent of all Owners of all portions of the  
1108 property located within the Community and without the written consent of all holders of  
1109 all Mortgages encumbering any portion of the property, including, but not necessarily  
1110 limited to, the Lots located within the Community.

1111 Section 6. Gender and Grammar. The singular, wherever used herein, shall be  
1112 construed to mean the plural, when applicable, and the use of the masculine pronoun  
1113 shall include the neuter and feminine.

1114 Section 7. Severability. Whenever possible, each provision of this Declaration  
1115 shall be interpreted in such manner as to be effective and valid, but if the application of  
1116 any provision of this Declaration to any person or to any property shall be prohibited or  
1117 held invalid, such prohibition or invalidity shall not affect any other provision or the  
1118 application of any provision which can be given effect without the invalid provision or  
1119 application, and, to this end, the provisions of this Declaration are declared to be  
1120 severable.

1121 Section 8. Captions. The captions of each Article and Section hereof, as to the  
1122 contents of each Article and Section, are inserted only for convenience and are in no  
1123 way to be construed as defining, limiting, extending, or otherwise modifying or adding to  
1124 the particular Articles or Section to which they refer.

1125 Section 9. Perpetuities. If any of the covenants, conditions, restrictions, or other  
1126 provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule  
1127 against perpetuities, then such provisions shall continue only until twenty-one (21) years  
1128 after the death of the last survivor of the now living descendants of Elizabeth II, Queen  
1129 of England.

1130 Section 10. Indemnification. The Association shall indemnify every officer and  
1131 Director against any and all expenses, including attorney's fees, imposed upon or

1132 reasonably incurred by any officer or Director in connection with any action, suit, or  
1133 other proceeding (including settlement of any suit or proceeding, if approved by the then  
1134 Board of Directors) to which he or she may be a party by reason of being or having  
1135 been an officer or Director. The officers and Directors shall not be liable for any mistake  
1136 of judgment, negligent or otherwise, except for their own individual willful misfeasance,  
1137 malfeasance, misconduct, or bad faith. The officers and Directors shall have no  
1138 personal liability with respect to any contract or other commitment made by them, in  
1139 good faith, on behalf of the Association (except to the extent that such officers or  
1140 Directors may also be members of the Association), and the Association shall indemnify  
1141 and forever hold each such officer and Director free and harmless against any and all  
1142 liability to others on account of any such contract or commitment. Any right to  
1143 indemnification provided for herein shall not be exclusive of any other rights to which  
1144 any officer of Director, or former officer or Director, may be entitled. The Association  
1145 shall maintain adequate general liability and officers' and directors' liability insurance to  
1146 fund this obligation, if such coverage is reasonably available.

1147 ~~Section 11. Construction and Sale Period. Notwithstanding any provisions~~  
1148 ~~contained in this Declaration, the By-Laws, Articles of Incorporation, use restrictions,~~  
1149 ~~rules and regulations, design guidelines, and any Declarations thereto, until Declarant's~~  
1150 ~~right unilaterally to subject property to this Declaration as provided in Article IX~~  
1151 ~~terminates, it shall be expressly permissible for Declarant and any builder or developer~~  
1152 ~~approved by Declarant to maintain and carry on, upon such portion of the Community~~  
1153 ~~as Declarant may deem necessary, such facilities and activities as in the sole opinion of~~  
1154 ~~Declarant may be required, convenient, or incidental to Declarant's and such builder's or~~  
1155 ~~developer's development, construction, and sales activities related to property described~~  
1156 ~~on Exhibit "A" and Exhibit "C" to this Declaration, including, but without limitation: the~~  
1157 ~~right of access, ingress and egress for vehicular and pedestrian traffic over, under, on or~~  
1158 ~~in the Community; the right to tie into any portion of the Community with driveways,~~  
1159 ~~parking areas and walkways; the right to tie into and/or otherwise connect and use~~  
1160 ~~(without a tap on or any other fee for so doing), replace, relocate, maintain and repair~~  
1161 ~~any device that provides utility or similar services including, without limitation, electrical,~~  
1162 ~~telephone, natural gas, water, sewer and drainage lines and facilities constructed or~~  
1163 ~~installed in, on, under and/or over the Community; the right to carry on sales and~~  
1164 ~~promotional activities in the Community; and the right to construct and operate business~~  
1165 ~~offices, signs, construction trailers, model residences, and sales offices. Declarant and~~  
1166 ~~any licensed builder or developer may use residences, offices, or other buildings owned~~  
1167 ~~or leased by Declarant as model residences and sales offices and may also use~~  
1168 ~~recreational facilities available for use by the Community as a reserved easement, rights~~  
1169 ~~exercised pursuant to such reserved easement shall be exercised with a minimum of~~  
1170 ~~interference to the quiet enjoyment of affected property, reasonable steps shall be taken~~  
1171 ~~to protect such property, and damage shall be repaired by the Person causing the~~  
1172 ~~damage at its sole expense. This Section shall not be amended without the Declarant's~~

1173 | ~~express written consent so long as the Declarant owns any property in the Community,~~  
1174 | ~~or subject to annexation to the Community, primarily for development and/or sale.~~

1175 | ~~Section 12. Contracts Executed During Declarant Control. All contracts or leases~~  
1176 | ~~executed by or on behalf of the Association during the period in which the Declarant has~~  
1177 | ~~the right to appoint the Directors and officers of the Association under the By-Laws shall~~  
1178 | ~~contain a termination clause permitting the Association to terminate the Contract or~~  
1179 | ~~lease at any time, without cause and without penalty, upon not more than ninety (90)~~  
1180 | ~~days' written notice.~~

1181 | Section 13. Books and Records.

1182 | (a) Inspection by Members and Mortgagees. This Declaration, the By-  
1183 | Laws, copies of rules and use restrictions, membership register, books of account and  
1184 | minutes of meetings of the members of the Board and of committees shall be made  
1185 | available for inspection and copying by any member of the Association or by his duly  
1186 | appointed representative and by holders, insurers, or guarantors of any first Mortgage at  
1187 | any reasonable time and for a purpose reasonably related to his or her interest as a  
1188 | member or holder, insurer, or guarantor of a first Mortgage at the office of the  
1189 | Association or at such other reasonable place as the Board shall prescribe.

1190 | (b) Rules for Inspection. The Board shall establish reasonable rules  
1191 | with respect to:

1192 | (i) Notice to be given the custodian of records;

1193 | (ii) Hours and days of the week when such an inspection may  
1194 | be made; and

1195 | (iii) Payment of the cost of reproducing copies of documents

1196 | (c) Inspection by Directors. Every Director shall have the absolute right  
1197 | at any reasonable time to inspect all books, records, and documents of the Association  
1198 | and the physical properties owned or controlled by the Association. The right of  
1199 | inspection by a Director includes the right to make extra copies of documents at the  
1200 | reasonable expense of the Association.

1201 | Section 14. Financial Review. A review of the accounts of the Association shall be  
1202 | made annually in the manner as the Board of Directors may decide; provided, however,  
1203 | after having received the Board's reviewed financial statement at the annual meeting, by  
1204 | a Majority of the Association vote present, or represented by proxy, the Owners may  
1205 | require that the accounts of the Association be audited as a common expense by a  
1206 | public accountant. Upon written request of any institutional holder of a first Mortgage

1207 and upon payment of all necessary costs, such holder shall be entitled to receive a copy  
1208 of an audited financial statement within ninety (90) days of the date of the request.

1209           Section 15. Notice of Sale or Lease. In the event an Owner sells or leases his or  
1210 her Lot, the Owner shall give to the Association, in writing, the name of the purchaser or  
1211 lessee of the Lot and such other information as the Board may reasonably require.

1212           Section 16. Agreements. ~~Subject to the prior approval of Declarant (so long as~~  
1213 ~~the Declarant has an option to unilaterally subject additional property to this Declaration~~  
1214 ~~as provided in Article IX above) a~~All agreements and determinations, including  
1215 settlement agreements regarding litigation involving the Association, lawfully authorized  
1216 by the Board of Directors shall be binding upon all Owners, their heirs, legal  
1217 representatives, successors, assigns, and others having an interest in the Community  
1218 or the privilege of possession and enjoyment of any part of the Community.

1219           Section 17. Implied Rights. Consistent with the terms herein, the Association may  
1220 exercise any right or privilege given to it expressly by this Declaration, the By-Laws, the  
1221 Articles of Incorporation, any use restriction or rule, and every other right or privilege  
1222 reasonably to be implied from the existence of any right or privilege given to it therein or  
1223 reasonably necessary to effectuate any such right or privilege.

1224           Section 18. Variances. Notwithstanding anything to the contrary contained  
1225 herein, the Board of Directors or its designee shall be authorized to grant individual  
1226 variances from any of the provisions of this Declaration, the By-Laws and any rule,  
1227 regulation or use restriction promulgated pursuant thereto if it determines that waiver of  
1228 application or enforcement of the provision in a particular case would not be  
1229 inconsistent with the overall scheme of development for the Community.

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EXHIBIT "A"

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1232 All that certain real property embraced by the Final Plat of Dublin Farms recorded in  
1233 Document No. 20160060005732780, in the Office of the Judge of Probate of Madison  
1234 County, Alabama

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1236 EXHIBIT "B"

1237 Definitions

1238 The following words, when used in this Declaration or in any Supplementary  
1239 Declaration (unless the context shall prohibit), shall have the following meanings:

1240 (a) "Association" shall mean Dublin Farms Owners Association Inc. an  
1241 Alabama non- profit corporation, its successors and assigns. The "Board of Directors" or  
1242 "Board" of the Association shall be the appointed or elected body, as applicable, having  
1243 its normal meaning under Alabama Corporate law.

1244 (b) "By-Laws" shall refer to the By-Laws of Dublin Farms Owners Association  
1245 Inc., attached to this Declaration as Exhibit "D" and incorporated herein by this  
1246 reference.

1247 (c) "Common Property" shall mean any and all real and personal property and  
1248 easements and other interests therein, together with the facilities and improvements  
1249 located thereon, now or hereafter owned by the Association for the common use and  
1250 enjoyment of the Owners.

1251 (d) "Community" shall mean and refer to that certain real property and  
1252 interests therein described in Exhibit "A", attached hereto, and;

1253 ~~(i) — such additions thereto as may be made by Declarant (or its~~  
1254 ~~Mortgagee or transferee, as provided in the Declaration) by Supplementary Declaration~~  
1255 ~~of all or any portion of the real property describes in Exhibit "C", attached hereto, and;~~

1256 (ii) such additions thereto as may be made by the Association by  
1257 Supplementary Declaration of other real property.

1258 (e) "Community-Wide Standard" shall mean the standard of conduct,  
1259 maintenance, or other activity generally prevailing in the Community. Such standard  
1260 may be more specifically determined by the Board of Directors of the Association. ~~Such~~  
1261 ~~determination, however, must be consistent with the Community-Wide Standard~~  
1262 ~~originally established by the Declarant.~~

1263 ~~(f) — "Declarant"/"Developer" shall mean and refer to WRIGHT HOMES, LLC,~~  
1264 ~~an Alabama limited liability company, and its successor in title and assigns, provided~~  
1265 ~~any such successor in title or assigns shall acquire for the purpose of development or~~  
1266 ~~sale all or any portion of the remaining undeveloped or unsold portions of the real~~  
1267 ~~property described in Exhibit "A", attached hereto, or in Exhibit "C", attached hereto, and~~  
1268 ~~provided further, in the instrument of conveyance to any such successor in title or~~  
1269 ~~assign, such successor in title or assign is designated as the "Declarant" hereunder by~~  
1270 ~~the grantor of such conveyance, which grantor shall be the "Declarant" hereunder at the~~



1271 ~~time of such conveyance; provided, further, upon such designation of such successor~~  
1272 ~~Declarant, all rights of the former Declarant in and to such status as "Declarant"~~  
1273 ~~hereunder shall cease, it being understood that as to all of the property described in~~  
1274 ~~Exhibit "A", attached hereto, and in Exhibit "C", attached hereto, which is now or~~  
1275 ~~hereafter subjected to this Declaration, there shall be only one (1) "Declarant"~~  
1276 ~~hereunder at any one point in time.~~

1277 (g) "Lot" shall mean any plot of land within the Community, whether or not  
1278 improvements are constructed thereon, which constitutes or will constitute, after the  
1279 construction of improvements, a single-family dwelling site as shown on a plat recorded  
1280 or to be recorded in the land records of the county where the Community is located. The  
1281 ownership of each Lot shall include, and there shall pass with each Lot as an  
1282 appurtenance thereto, whether or not separately described, all of the right, title, and  
1283 interest of an Owner in the Common Property, which shall include, without limitation,  
1284 membership in the Association.

1285 (h) "Majority" means those eligible votes, Owners, or other group as the  
1286 context may indicate totaling more than fifty (50%) percent of the total eligible number.

1287 (i) "Mortgage" means any mortgage, deed of trust, and any and all other  
1288 similar instruments used for the purpose of conveying or encumbering real property as  
1289 security for the payment or satisfaction of an obligation.

1290 (j) "Mortgagee" shall mean the holder of a Mortgage.

1291 (k) "Occupant" shall mean any Person occupying all or any portion of a  
1292 residence or other property located within the Community for any period of time,  
1293 regardless of whether such person is a tenant of the Owner of such property.

1294 (l) "Owner" shall mean and refer to the record owner, whether one or more  
1295 Persons, of the fee simple title to any Lot located within the Community, excluding,  
1296 however, any Person holding such interest merely as security for the performance or  
1297 satisfaction of any obligation.

1298 (m) "Person" means any natural person, as well as a corporation, joint  
1299 venture, partnership (general or limited), association, trust, or other legal entity.

1300 (n) "Supplementary Declaration" means an Declaration or supplement to this  
1301 Declaration that subjects additional property to this Declaration or imposes, expressly or  
1302 by reference, additional restrictions and obligations of the land described therein, or  
1303 both.

EXHIBIT "C"

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1305 Any real property contiguous to any real property now or hereafter subject to this  
1306 Declaration.

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EXHIBIT "D"

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BY-LAWS OF

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DUBLIN FARMS OWNERS ASSOCIATION, INC.

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Article I

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Name, Membership, Applicability and Definitions

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Section 1. Name. The name of the Association shall be Dublin Farms Owner Association, Inc. (hereinafter sometimes referred to as the "Association").

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Section 2. "Membership". The Association shall have one class membership, as is more fully set forth in that Declaration of Covenants, Conditions and Restrictions for Dublin Farms Subdivision, (such Declaration, as amended, renewed, or extended from time to time, is hereinafter sometimes referred to as the "Declaration"), the terms of which pertaining to membership are specifically incorporated by reference herein.

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Section 3. Definitions. Unless the context shall prohibit, the words used in these By- Laws and as set forth in the Declaration, shall be as defined herein.

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Article II

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Association Meetings, Quorum, Voting and Proxies

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Section 1. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the members as may be designated by the Board of Directors, either in the Community or as convenient thereto as possible and practical.

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Section 2. ~~First Meeting and Annual Meetings. The Declarant shall call the first annual Lot Owners meeting not later than ninety (90) days following the sale of all lots in all phases of Dublin Farms Subdivision, whether now subject to the Declaration or later added pursuant to the terms of said Declaration. Thereafter, a~~ Annual meetings shall be set by the Board so as to occur no later than ninety (90) days after the close of the Association's fiscal year. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following that is not a legal holiday (excluding Saturday and Sunday).

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Section 3. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a Majority of the Board of Directors or upon a petition signed by Owners holding at least fifty (50%) percent of the total Association vote. The notice of any special meeting shall state the date, time and place of such meeting and

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1340 the purpose thereof. No business shall be transacted at a special meeting, except as  
1341 stated in the notice.

1342 Section 4. Notice of Meetings. It shall be the duty of the Secretary to mail or to  
1343 cause to be delivered to the Owner of record of each Lot a notice of each annual or  
1344 special meeting of the Association stating the purpose of the special meeting, as well as  
1345 the time and place where it is to be held. an Owner wishes notice to be given at an  
1346 address other than his or her Lot, he or she shall have designated by notice in writing to  
1347 the Secretary such other address. The mailing or delivery of a notice of meeting in the  
1348 manner provided in this Section shall be considered service of notice. Notices shall be  
1349 served not less than ten (10) days nor more than thirty (30) days before a meeting.

1350 Section 5. Waiver of Notice. Waiver of notice of a meeting of the members shall  
1351 be deemed the equivalent of proper notice. Any member may, in writing, waive notice of  
1352 any meeting of the members, either before or after such meeting. Attendance at a  
1353 meeting by a member, whether in person or by proxy, shall be deemed waiver by such  
1354 member of notice of the time, date, and place thereof, unless such member specifically  
1355 objects to lack of proper notice at the time the meeting is called to order.

1356 Section 6. Adjournment of Meetings. If any meetings of the Association cannot  
1357 be held because a quorum is not present, a Majority of the members who are present at  
1358 such meeting, either in person or by proxy, may adjourn the meeting to a time not less  
1359 than five (5) days nor more than thirty (30) days from the time the original meeting was  
1360 called. At such adjourned meeting at which a quorum is present, any business that  
1361 might have been transacted at the meeting originally called may be transacted without  
1362 further notice.

1363 Section 7. Voting. The voting rights of the members shall be as set forth in the  
1364 Declaration, and such voting rights are specifically incorporated herein.

1365 Section 8. Proxies. At all meetings of members, each member may vote in  
1366 person or by proxy. All proxies shall be in writing, dated, and filed with the Secretary  
1367 before the appointed time of each meeting. Every proxy shall be revocable and shall  
1368 automatically cease upon conveyance by the member of his or her lot, or upon receipt  
1369 of notice by the Secretary of the death or judicially declared incompetence of a member,  
1370 or of written revocation, or upon the expiration of eleven (11) months from the date of  
1371 the proxy.

1372 Section 9. Quorum. The presence, in person or by proxy, of Owners holding at  
1373 least twenty (20%) percent of the total eligible Association vote shall constitute a  
1374 quorum at all meetings of the Association. The members present at a duly called or held  
1375 meeting at which a quorum is present may continue to do business until adjournment,  
1376 notwithstanding the withdrawal of enough members to leave less than a quorum.

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Article III

Board of Directors: Number, Powers and Meetings

A. Composition and Selection.

Section 1. Governing Body: Composition. The affairs of the Association shall be governed by a Board of Directors. Except as provided in Section 2 of this Article, the Directors must reside in the Community and shall be members or spouses of such members; provided, however, no Person and his or her spouse may serve on the Board at the same time.

~~Section 2. Directors Appointed by Declarant. Declarant shall have the right to appoint or remove any member or members of the Board of Directors or any officer or officers of the Association until such time as the first of the following events shall occur:~~

~~(a) — the expiration of twenty (20) years after the date of the recording the recording of the Declaration;~~

~~(b) — the date on which all Lots subject to the Declaration, whether now existing or hereafter added, have been occupied under a certificate of occupancy;~~

~~(c) — the surrender by Declarant in writing of the authority to appoint and remove Directors and Officers of the Association. Each Owner, by acceptance of a deed to or other conveyance of a Lot, vests in Declarant such authority to appoint and remove Directors and officers of the Association. The Directors selected by the Declarant need not be Owners or residents in the Community. The names of the initial Directors selected by the Declarant are set forth in the Articles of Incorporation of the Association.~~

Section 3. Number of Directors. The Board shall consist of at least three (3) members.

Section 4. Nomination of Directors. Elected Directors shall be nominated from the floor and may also be nominated by a Nominating Committee, if such a committee is established by the Board. All candidates shall have a reasonable opportunity to communicate their qualifications to the members and to solicit votes.

Section 5. Election and Term of Office. Not later than ninety (90) days after termination of the Declarant's right to appoint Directors and officers as described in Section 2 of this Article, the Association shall call a meeting to be held at which Owners shall elect three (3) Directors. The term of two (2) Directors shall expire three (3) years after the first annual meeting following termination of the Declarant's right to appoint directors, and the term of one (1) Director shall expire two (2) years after such annual meeting. At the expiration of the first term of office of each member of the initial Board of

1412 Directors, a successor shall be elected to serve for a term of three (3) years. The  
1413 members of the Board of Directors shall hold office until their respective successors  
1414 shall have been elected by the Association.

1415 At each annual meeting of the membership thereafter, Directors shall be elected  
1416 to succeed those Directors whose terms are expiring. All eligible members of the  
1417 Association shall vote on all Directors to be elected, and the candidate(s) receiving the  
1418 most votes shall be elected.

1419 Section 6. Removal of Directors. At any regular or special meeting of the  
1420 Association duly called, any one or more of the members of the Board of Directors may  
1421 be removed, with or without cause, by a Majority of the total Association vote and a  
1422 successor may then and there be elected to fill the vacancy thus created. A Director  
1423 whose removal has been proposed by the Owners shall be given at least ten (10) days  
1424 notice of the calling of the meeting and the purpose thereof and shall be given an  
1425 opportunity to be heard at the meeting. Additionally, any Director who has three (3)  
1426 consecutive unexcused absences from Board meetings or who is delinquent in the  
1427 payment of an assessment for more than twenty (20) days may be removed by a  
1428 majority vote of the Directors at a meeting, a quorum being present. ~~This Section shall~~  
1429 ~~not apply to Directors appointed by Declarant.~~

1430 Section 7. Vacancies. Vacancies in the Board of Directors caused by any reason,  
1431 excluding the removal of a Director by vote of the Association, shall be filled by a vote of  
1432 the Majority of the remaining Directors, even though less than a quorum, at any meeting  
1433 of the Board of Directors. Each Director so selected shall serve the unexpired portion of  
1434 the term of his predecessor.

1435 B. Meetings.

1436 Section 8. Organization Meetings. The first meeting of the members of the Board  
1437 of Directors following each annual meeting of the membership shall be held within ten  
1438 (10) days thereafter at such time and place as shall be fixed by the Board.

1439 Section 9. Regular Meetings. Regular meetings of the Board of Directors may be  
1440 held at such time and place as shall be determined from time to time by a Majority of the  
1441 Directors, but at least ~~two (2)~~ one (1) such meetings shall be held during each fiscal  
1442 year. Notice of the regular schedule shall constitute sufficient notice of such meetings.

1443 Section 10. Special Meetings. Special meetings of the Board shall be held when  
1444 requested by the President, Vice President or by any two (2) Directors. The notice shall  
1445 specify place of the meeting and the nature of any business to be considered. The  
1446 notice shall be given to each by one of the following methods:



- 1447 (a) by personal delivery;
- 1448 (b) written notice by first class mail, postage prepaid;
- 1449 (c) by telephone communication, either directly to the Director or to a  
1450 Person at the Director's home or office who would reasonably be expected to  
1451 communicate such notice promptly to the Director; or
- 1452 (d) by ~~telegram, charges prepaid~~ electronic delivery. All such notices  
1453 shall be given or sent to the Director's address or telephone number as shown on the  
1454 records of the Association. Notices sent by first class mail shall be deposited into a  
1455 United States mailbox at least four (4) days before the time set for the meeting. Notices  
1456 given by personal delivery, telephone, or telegraph company shall be given at least  
1457 forty-eight (48) hours before the time set for the meeting.

1458 Section 11. Waiver of Notice. The transactions of any meeting of the Board of  
1459 Directors, however, called and noticed or wherever held, shall be as valid as though  
1460 taken at meeting duly held after regular call and notice, if:

- 1461 (a) a quorum is present, and;
- 1462 (b) either before or after the meeting, each of the Directors not present  
1463 signs a written waiver of notice, a consent to holding the meeting, or an approval of the  
1464 minutes. The waiver of notice or consent need not specify the purpose of the meeting.  
1465 Notice of a meeting shall also be deemed given to any Director who attends the meeting  
1466 without protesting before or at its commencement about the lack of adequate notice.

1467 Section 12. Quorum of Board of Directors. At all meetings of the Board of  
1468 Directors, a Majority of the Directors shall constitute a quorum for the transaction of  
1469 business, and the votes of a Majority of the Directors present at a meeting at which a  
1470 quorum is present shall constitute the decision of the Board of Directors. A meeting at  
1471 which a quorum is initially present may continue to transact business, notwithstanding  
1472 the withdrawal of Directors, if any action taken is approved by at least a Majority of the  
1473 required quorum for that meeting. If any meeting cannot be held because a quorum is  
1474 not present, a Majority of the Directors who are present at such meeting may adjourn  
1475 the meeting to a time not less than five (5) days nor more than thirty (30) days from the  
1476 time that the original meeting was called. At such adjourned meeting at which a quorum  
1477 is present, any business that might have been transacted at the meeting originally  
1478 called may be transacted without further notice.

1479 Section 13. Compensation. No Director shall receive any compensation from the  
1480 Association for acting as such unless approved by a Majority of the Owners.

1481 Section 14. Open Meetings. All meetings of the Board shall be open to all  
1482 members, but members other than Directors may not participate in any discussion or  
1483 deliberation unless expressly so authorized by the Board.

1484 Section 15. Executive Session. The Board may adjourn a meeting and  
1485 reconvene in executive session to discuss and vote upon personnel matters, litigation in  
1486 which the Association is or may become involved, and orders of business of a similar  
1487 nature. The nature of any and all business to be considered in executive session shall  
1488 first be announced in open session.

1489 Section 16. Action Without A Formal Meeting. Any action to be taken at a  
1490 meeting of the Directors or any action that may be taken at a meeting of the Directors  
1491 may be taken without a meeting if a consent in writing, setting forth the action so taken,  
1492 shall be signed by all of the Directors.

1493 Section 17. Telephonic Participation. One or more directors may participate in  
1494 and vote, during any regular or special meeting of the Board by telephone conference  
1495 call or similar communication equipment by means of which all persons participating in  
1496 the meeting can hear each other at the same time, and those directors so participating  
1497 shall be present at such meeting. Any such meeting at which a quorum participates  
1498 shall constitute a regular meeting of the Board

1499 C. Powers and Duties.

1500 Section 18. Powers. The Board of Directors shall be responsible for the affairs of  
1501 the Association and shall have all of the powers and duties necessary for the  
1502 administration of the Association's affairs and, as provided by law, may do all acts and  
1503 things as are not by the Declaration, Articles, or these By-Laws directed to be done and  
1504 exercised exclusively by the members. In addition to the duties imposed by these By-  
1505 Laws or by any resolution of the Association that may hereafter be adopted, the Board  
1506 of Directors shall have the power to and be responsible for the following, in way of  
1507 explanation, but not limitation:

1508 (a) preparation and adoption of an annual budget which there shall be  
1509 established the contribution of each Owner to the common expenses;

1510 (b) making assessments to defray the common expenses, establishing  
1511 the means and methods of collecting such assessments, and establishing the period of  
1512 the installment payments of the annual assessment;

1513 (c) providing for the operation, care, upkeep, and maintenance of all  
1514 areas that are the maintenance responsibility of the Association;

1515 (d) designating, hiring, and dismissing the personnel necessary for the  
1516 operation of the Association and, where appropriate, providing for the compensation of  
1517 such personnel and for the purchase of equipment, supplies, and material to be used by  
1518 such personnel in the performance of their duties;

1519 (e) collecting the assessments, depositing the proceeds thereof in a  
1520 bank depository that it shall approve, and using the proceeds to administer the  
1521 Association;

1522 (f) making and amending use restrictions and rules and regulations;

1523 (g) opening of bank accounts on behalf of the Association and  
1524 designating the signatories required;

1525 (h) enforcing by legal means the provisions of the Declaration, these  
1526 By-Laws, and the rules and regulations adopted by it, and bring any proceedings which  
1527 may be instituted on behalf of or against the Owners concerning the Association;

1528 (i) obtaining and carrying Insurance against casualties and liabilities,  
1529 as provided in the Declaration, and paying the premium cost thereof;

1530 j) paying the cost of all services rendered to the Association or its  
1531 members that are not directly chargeable to Owners;

1532 (k) keeping books with detailed accounts of the receipts and  
1533 expenditures affecting the Association and its administration, and specifying the  
1534 maintenance and repair expenses and any other expenses incurred; and

1535 (l) contracting with any Person for the performance of various duties  
1536 and functions. The Board shall have the power to enter into common management  
1537 agreements with trusts, condominiums, or other associations. Any and all functions of  
1538 the Association shall be fully transferable by the Board, in whole or in part, to any other  
1539 entity.

1540 Section 19. Management Agent. The Board of Directors may employ for the  
1541 Association a professional management agent or agents at a compensation established  
1542 by the Board of Directors to perform such duties and services as the Board of Directors  
1543 shall authorize. ~~The Declarant, or an affiliate of the Declarant may be employed as~~  
1544 ~~managing agent or manager.~~ The term of any management agreement shall not exceed  
1545 one (1) year and shall be subject to termination by either party, without cause and  
1546 without penalty, upon ninety (90) days written notice.

1547 Section 20. Borrowing. The Board of Directors shall have the power to borrow  
1548 money for the purpose of repair or restoration of the Common Property and facilities  
1549 without the approval of the members of the Association; provided, however, the Board  
1550 shall obtain membership approval in the same manner as for special assessments, in  
1551 the event that the proposed borrowing is for the purpose of modifying, improving, or  
1552 adding amenities, and the total amount of such borrowing exceeds or would exceed Ten  
1553 Thousand (\$10,000.00) Dollars outstanding debt at any one time.

1554 Section 21. Fining Procedure. The Board shall not impose a fine (a late charge  
1555 shall not constitute a fine) unless and until the following procedure is followed:

1556 (a) Notice. Written notice shall be served upon the violator specifying:

1557 (i) the nature of the violation and the fine imposed;

1558 (ii) that the violator may, within ten (10) days from the date of  
1559 the notice, request a hearing regarding the fine imposed;

1560 (iii) the name, address and telephone number of person to  
1561 contact to challenge the fine;

1562 (iv) that any statements, evidence, and witnesses may be  
1563 produced by the violator at the hearing; and

1564 (v) that all rights to have the fine reconsidered are waived if a  
1565 hearing is not requested are waived if a hearing is not requested within ten (10) days of  
1566 the date of the notice.

1567 (b) Hearing. If a hearing is requested, it shall be held before the Board  
1568 in executive session, and the violator shall be given a reasonable opportunity to be  
1569 heard. The minutes of the meeting shall contain a written statement of the results of the  
1570 hearing.

## 1571 Article IV

### 1572 Officers

1573 Section 1. Officers. The officers of the Association shall be a President, Vice  
1574 President, Secretary, and Treasurer. Any two (2) or more offices may be held by the  
1575 same Person, excepting the offices of President and Secretary. The President and  
1576 Treasurer shall be elected from among the members of the Board of Directors.

1577 Section 2. Election, Term of Office, and Vacancies. ~~Except during the period in~~  
1578 ~~which the Declarant has the right to appoint the officers of the Association under Article~~  
1579 ~~III, Section 2 of these By-Laws, t~~The officers of the Association shall be elected annually

1580 by the Board of Directors at the first meeting of the Board of Directors following each  
1581 annual meeting of the members. A vacancy in any office arising because of death,  
1582 resignation, removal, or otherwise may be filled by the Board of Directors for the  
1583 unexpired portion of the term.

1584           Section 3. Removal. Any officer may be removed by the Board of Directors  
1585 whenever, in its judgment, the best interests of the Association will be served thereby.

1586           Section 4. President. The president shall be the chief executive officer of the  
1587 Association and shall preside at all meetings of the Association and of the Board of  
1588 Directors. The president shall have all the general powers and duties that are incident to  
1589 the office of the president of a corporation organized under the Alabama Nonprofit  
1590 Corporation Code.

1591           Section 5. Vice President. The vice president shall act in the president's absence  
1592 and shall have all powers, duties, and responsibilities provided for the president when  
1593 so acting.

1594           Section 6. Secretary. The secretary shall keep the minutes of all meetings of the  
1595 Association and of the Board of Directors and shall have charge of such books and  
1596 papers as the Board of Directors may direct and shall, in general, perform all duties  
1597 incident to the office of the secretary of a corporation organized in accordance with  
1598 Alabama law.

1599           Section 7. Treasurer. The treasurer shall have the responsibility for the  
1600 Association's funds and securities and shall be responsible for keeping full and accurate  
1601 financial records and books of account showing all receipts and disbursements, for  
1602 preparing all required financial statements and tax returns, and for the deposit of all  
1603 monies and other valuable effects in the name of the association or the managing agent  
1604 in such depositories as may from time to time be designated by the Board of Directors.

1605           Section 8. Resignation. Any officer may resign at any time by giving written  
1606 notice to the Board of Directors, the president, or the secretary. Such resignation shall  
1607 take effect on the date of the receipt of such notice or at any later time specified therein,  
1608 and unless otherwise specified therein, the acceptance of such resignation shall not be  
1609 necessary to make it effective.

1610           Section 9. Committees. Committees to perform such tasks and to serve for such  
1611 periods as may be designated by the Board are hereby authorized. Each committee  
1612 shall be composed and shall operate in accordance with the terms of the resolution of  
1613 the Board of Directors designating the committee or with rules adopted by the Board of  
1614 Directors.

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Article VI

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Miscellaneous

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Section 1. Fiscal Year. The fiscal year of the Association shall be determined by resolution of the Board. In the absence of such a resolution, the fiscal year shall be the calendar year.

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Section 2. Parliamentary Rules. Roberts Rules of Order (current edition) shall govern the conduct of all Association proceedings, when not in conflict with Alabama law, the Articles of Incorporation, the Declaration, these By-Laws, or a ruling made by the Person presiding over the proceeding.

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Section 3. Conflicts. If there are conflicts or inconsistencies between the provisions of Alabama law, the Articles of Incorporation, the Declaration, and these By-Laws, the provisions of Alabama law, the Declaration, the Articles of Incorporation, and the By-Laws (in that order) shall prevail.

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Section 4. Declaration. The provisions of the Declaration applicable to Declaration of that instrument shall apply to any Declaration to these By-Laws; provided, however, that VA and HUD shall have the right to veto Declarations to these By-Laws for as long as the Declarant has the right to appoint directors and officers of the Association under Article III, Section 2 of these By Laws.

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