

**MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR  
GLENLAKES, A PLANNED RESIDENTIAL DEVELOPMENT**

This **MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS** ("**MASTER DECLARATION**") is made this 19<sup>th</sup> day of **May, 2000** by **GLENLAKES REALTY CO.**, an Alabama General Partnership ("**DECLARANT**").

**RECITALS:**

1. **DECLARANT** is the **OWNER** of the real property located in **BALDWIN COUNTY, ALABAMA** described as follows, to-wit:

**THE GARDENS AT GLENLAKES** as per plat thereof recorded in the **OFFICE OF THE JUDGE OF PROBATE OF BALDWIN COUNTY, ALABAMA** in Slide 2007E and Slide 2007F.

**THE GARDENS AT GLENLAKES** is referred to in this **MASTER DECLARATION** as the "**PROPERTIES**" and is more specifically described in Section 1.32 of this **MASTER DECLARATION**.

2. **DECLARANT** intends by this **MASTER DECLARATION** to impose upon the **PROPERTIES** mutually beneficial restrictions under a general plan of improvement for the benefit of all **OWNERS** (as defined in this **MASTER DECLARATION**) of real property within the **PROPERTIES**. **DECLARANT** desires to provide a flexible and reasonable procedure for the overall development of the **PROPERTIES**, and to establish a method for the administration, maintenance, preservation, use and enjoyment of such **PROPERTIES** as are now or hereafter subjected to this **MASTER DECLARATION**;

**NOW, THEREFORE, DECLARANT** declares that the **PROPERTIES** and any **ADDITIONAL PROPERTY** (as defined in this **MASTER DECLARATION**) as may be **SUPPLEMENTAL DECLARATION** (as defined in this **MASTER DECLARATION**) be added to and subjected to this **MASTER DECLARATION** and the **PROPERTIES** shall be held, sold and conveyed or encumbered, rented, used, occupied and improved subject to this **MASTER DECLARATION** and the following easements, restrictions, covenants and conditions which are for the purpose of protecting the value and desirability of and which shall run with the **PROPERTIES** and shall be binding on all parties having any right, title or interest in the **PROPERTIES** or any part of the **PROPERTIES**, their heirs, successors, successors-in-title and assigns, and shall inure to the benefit of each **OWNER** of the **PROPERTIES**. This **MASTER DECLARATION** shall not apply to or affect any real property described on the **CONCEPTUAL MASTER PLAN** (as defined in this **MASTER DECLARATION**), except the **PROPERTIES**, unless said property is specifically made a part of the **PROPERTIES** as provided in this **MASTER DECLARATION**.

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## **ARTICLE I DEFINITIONS**

The following words and terms in all capital letters, when used in this **MASTER DECLARATION** or any **SUPPLEMENTAL DECLARATION** (unless the context clearly shall indicate otherwise) shall have the following meanings:

**Section 1.1** "**ADDITIONAL PROPERTY**" shall mean and refer to the **ADDITIONAL PROPERTY** which may be brought within the **PROPERTIES** by amendment to this **MASTER DECLARATION** or by **SUPPLEMENTAL DECLARATION** (as defined in this **MASTER DECLARATION**) as described in this **MASTER DECLARATION**.

**Section 1.2** "**ARCHITECTURAL COMMITTEE**" shall mean and refer to the **ARCHITECTURAL COMMITTEE** described in **ARTICLE XII** of this **MASTER DECLARATION**.

**Section 1.3** "**AREA OF COMMON RESPONSIBILITY**" shall mean and refer to the **COMMON AREA**, together with those areas, if any, which by the terms of this **MASTER DECLARATION** or by contract or agreement with any **NEIGHBORHOOD** (as defined in this **MASTER DECLARATION**), or any commercial business or association, any golf, sports or country club or any other entity become the responsibility of the **MASTER ASSOCIATION**. The office of any property manager employed by or contracting with the **MASTER ASSOCIATION**, if located on the **PROPERTIES**, or any public rights-of-way within or adjacent to the **PROPERTIES**, may be part of the **AREA OF COMMON RESPONSIBILITY**.

**Section 1.4** "**ARTICLES OF INCORPORATION**" or "**ARTICLES**" shall mean and refer to the **ARTICLES OF INCORPORATION** of **GLENLAKES MASTER ASSOCIATION, INC.**

**Section 1.5** "**ASSESSMENT**" or "**BASE ASSESSMENT**" shall mean and refer to any **ASSESSMENT** levied against the **LOTS** in the **PROPERTIES** to fund **COMMON EXPENSES**, as provided for in this **MASTER DECLARATION**.

**Section 1.6** "**BY-LAWS**" shall mean and refer to the **BY-LAWS** of **GLENLAKES MASTER ASSOCIATION, INC.** as amended from time to time.

**Section 1.7** "**COMMON AREA**" or "**COMMON PROPERTY**" shall mean and refer to any property, buildings, fixtures, facilities or other personal property now owned or otherwise acquired by the **MASTER ASSOCIATION** by purchase, gift, easement, lease or otherwise to be devoted to the common use and enjoyment of the **OWNERS** of the **PROPERTIES**.

**Section 1.8** "**COMMON EXPENSES**" shall mean and include the actual and estimated expenses incurred by the **MASTER ASSOCIATION** for the general benefit of all **LOT OWNERS**, including any reasonable reserve, all as may be found to be necessary and appropriate by the **BOARD OF DIRECTORS** pursuant to this **MASTER DECLARATION**, the **BY-LAWS** and the **ARTICLES OF INCORPORATION** of the **MASTER ASSOCIATION**.

**Section 1.9** "**COMMUNITY-WIDE STANDARD**" shall mean and refer to the standard of conduct, maintenance or other activity generally prevailing throughout the **PROPERTIES**. Such

standard may be more specifically determined by the **BOARD OF DIRECTORS** and the **ARCHITECTURAL COMMITTEE**.

**Section 1.10 "CONCEPTUAL MASTER PLAN"** shall mean and refer to the plan for the development of the property described on the Plat of **GLENLAKES, A PLANNED RESIDENTIAL DEVELOPMENT** as approved by **RESOLUTION NUMBER 98-81** by the **BALDWIN COUNTY COMMISSION** on the 17<sup>th</sup> day of **August, 1999**, as said **CONCEPTUAL MASTER PLAN** may be amended from time to time.

**Section 1.11 "DECLARANT"** shall mean and refer to **GLENLAKES REALTY CO.**, an **Alabama General Partnership**, or the successors, successors-in-title or assigns of **DECLARANT** who take title to any portion of the **PROPERTIES** (as defined in this **MASTER DECLARATION**) or to any portion of the property described on the **CONCEPTUAL MASTER PLAN** for the purpose of development and sale and are designated as **DECLARANT** in a recorded instrument executed by the immediately preceding **DECLARANT**.

**Section 1.12 "ELIGIBLE MORTGAGE HOLDER"** shall mean and refer to a holder, insurer or guarantor of a **first (1<sup>st</sup>) MORTGAGE** or a vendor's lien on a **LOT** who has requested notice of certain matters from the **MASTER ASSOCIATION** as provided in this **MASTER DECLARATION** and in the **BY-LAWS**.

**Section 1.13 "EXCLUSIVE COMMON AREA"** shall mean and refer to certain portions of the **COMMON AREA** within the **PROPERTIES** (as defined in this **MASTER DECLARATION**) which are for the exclusive use and benefit of one or more, but less than all, **NEIGHBORHOODS** (as defined in this **MASTER DECLARATION**). All costs associated with maintenance, repair, replacement and insurance of **EXCLUSIVE COMMON AREAS** shall be assessed against the **OWNERS** of **LOTS** in only those **NEIGHBORHOODS** (as defined in this **MASTER DECLARATION**) which are benefitted as a **NEIGHBORHOOD ASSESSMENT** (as defined in this **MASTER DECLARATION**). By way of illustration and not limitation, **EXCLUSIVE COMMON AREAS** may include **COMMON AREAS** or recreational facilities intended for the exclusive use of **OWNERS** within a particular **NEIGHBORHOOD** or **NEIGHBORHOODS** (as defined in this **MASTER DECLARATION**) and supported exclusively by **NEIGHBORHOOD ASSESSMENTS** (as defined in this **MASTER DECLARATION**). Initially, any **EXCLUSIVE COMMON AREAS** shall be designated as such and the exclusive use of said **EXCLUSIVE COMMON AREA** shall be assigned in the deed conveying the **COMMON AREA** to the **MASTER ASSOCIATION**. A portion of the **COMMON AREA** may be assigned as **EXCLUSIVE COMMON AREA** of a particular **NEIGHBORHOOD** or **NEIGHBORHOODS** (as defined in this **MASTER DECLARATION**) and the **EXCLUSIVE COMMON AREA** may be reassigned upon the vote of a **MAJORITY** of the total **MASTER ASSOCIATION** vote, including a **MAJORITY** of the votes within the **NEIGHBORHOOD(S)** (as defined in this **MASTER DECLARATION**) to which they are assigned.

**Section 1.14 "GENERAL COMMON AREA"** shall mean all real and personal property which the **MASTER ASSOCIATION** owns or otherwise holds for the common use and enjoyment of all **OWNERS**.

**Section 1.15 "GOLF CLUB"** shall mean and refer to any land and facilities adjacent to or in the vicinity of the **PROPERTIES** (as defined in this **MASTER DECLARATION**) which is privately

owned by third parties and described in **ARTICLE XIX** of this **MASTER DECLARATION**.

**Section 1.16** "**LAKE**" shall mean and refer to that certain body of water described in **ARTICLE XX** of this **MASTER DECLARATION**.

**Section 1.17** "**LOT**" shall mean and refer to any improved or unimproved plot, parcel or portion of land shown upon any recorded final subdivision plat of the **PROPERTIES**, with the exception of the **COMMON PROPERTY** and shall include, where the context may indicate, any improvement or fixture located on the **LOT**.

**Section 1.18** "**MAJORITY**" shall mean and refer to those votes, **OWNERS** or other group as the context may indicate, totaling more than **fifty percent (50%)** of the total number.

**Section 1.19** "**MASTER ASSOCIATION**" shall mean and refer to **GLENLAKES MASTER ASSOCIATION, INC., an Alabama Non-Profit Corporation**, or the successors or assigns of said **MASTER ASSOCIATION**. The "**BOARD OF DIRECTORS**" shall mean and refer to the **BOARD OF DIRECTORS** of the **MASTER ASSOCIATION**. "**DIRECTOR(S)**" shall mean and refer to the individual member(s) of the **BOARD OF DIRECTORS**.

**Section 1.20** "**MEMBER**" shall mean and refer to a **PERSON** who is an **OWNER** of a **LOT** in the **PROPERTIES** and who is entitled to membership in the **MASTER ASSOCIATION**, as provided in this **MASTER DECLARATION**.

**Section 1.21** "**MORTGAGE**" shall mean and refer to a permanent or construction **MORTGAGE** or any other form of security deed, including any collateral security documents executed in connection therewith.

**Section 1.22** "**MORTGAGEE**" shall mean and refer to a beneficiary or holder of a **MORTGAGE**.

**Section 1.23** "**MORTGAGOR**" shall mean and refer to any **PERSON** who gives a **MORTGAGE**.

**Section 1.24** "**NEIGHBORHOOD**" shall mean and refer to each separately developed and denominated area comprised of **one (1)** or more improvement types located within the **PROPERTIES** (as defined in this **MASTER DECLARATION**), whether or not governed by an additional owners association, in which **OWNERS** may have common interests other than those common to all **MEMBERS** of the **MASTER ASSOCIATION**, such as a common theme, development name and/or **COMMON AREAS** and facilities which are not available for use by all **MEMBERS** of the **MASTER ASSOCIATION**. Each parcel of land located within the **PROPERTIES** (as defined in this **MASTER DECLARATION**) and intended for development shall constitute a **NEIGHBORHOOD**, subject to division into more than **one (1)** **NEIGHBORHOOD** upon development. Where the context permits or requires, the term **NEIGHBORHOOD** shall also refer to the **NEIGHBORHOOD COMMITTEE** (established in accordance with the **BY-LAWS**) or **NEIGHBORHOOD ASSOCIATION** (as defined in this **MASTER DECLARATION**) having jurisdiction over the property within the **NEIGHBORHOOD**. **NEIGHBORHOODS** may be divided or combined in accordance with the terms and conditions of this **MASTER DECLARATION**. A

**NEIGHBORHOOD** shall not be required to be equal in population and a **NEIGHBORHOOD** may be composed of non-contiguous property. **DECLARANT** may, at any time, and from time to time until **DECLARANT** has sold all of the **LOTS** in the **PROPERTIES** and all of the property described on the **CONCEPTUAL MASTER PLAN** establish and alter or re-establish the boundaries of a **NEIGHBORHOOD**.

**Section 1.25** "**NEIGHBORHOOD ASSESSMENT(S)**" shall mean and refer to any **ASSESSMENT** levied against the **LOTS** in a particular **NEIGHBORHOOD** or **NEIGHBORHOODS** to fund **NEIGHBORHOOD EXPENSES**.

Any **NEIGHBORHOOD ASSESSMENT** shall be allocated and levied among or against all **LOTS** in the **NEIGHBORHOOD** benefitting from the services supported by said **ASSESSMENT** based on the proportionate share of the **LOT** in the **COMMON EXPENSES** as set out in the **SUPPLEMENTAL DECLARATION** (as defined in this **MASTER DECLARATION**) which submitted the **NEIGHBORHOOD** to the **PROPERTIES** (as defined in this **MASTER DECLARATION**).

**Section 1.26** "**NEIGHBORHOOD ASSOCIATION**" shall mean and refer to the **NEIGHBORHOOD ASSOCIATION** described in **ARTICLE V** of this **MASTER DECLARATION**.

**Section 1.27** "**NEIGHBORHOOD COMMITTEE**" shall mean and refer to the **NEIGHBORHOOD COMMITTEE** described in **ARTICLE V** of this **MASTER DECLARATION**.

**Section 1.28** "**NEIGHBORHOOD EXPENSES**" shall mean and include the actual and estimated expenses incurred by the **MASTER ASSOCIATION** for the benefit of **OWNERS** of **LOTS** within a particular **NEIGHBORHOOD** which is part of the **PROPERTIES** (as defined in this **MASTER DECLARATION**), which may include a reasonable reserve for capital repairs and replacements, all as may be specifically authorized from time to time by the **BOARD OF DIRECTORS** and as more particularly authorized in this **MASTER DECLARATION**.

**Section 1.29** "**OWNER**" or "**OWNERS**" shall mean and refer to **one (1)** or more **PERSONS** (as defined in this **MASTER DECLARATION**) who hold the record title to any **LOT** which is part of the **PROPERTIES** (as defined in this **MASTER DECLARATION**), but excluding in all cases any party holding an interest merely as security for the performance of an obligation. If a **LOT** is sold under a recorded contract of sale and the contract specifically so provides, then the purchaser (rather than the fee **OWNER**) will be considered the **OWNER**. If a **LOT** is subject to a written lease with a term in excess of **one (1) year** and the lease specifically so provides, then upon filing a copy of the Lease with the **BOARD OF DIRECTORS** the lessee (rather than the fee **OWNER**) will be considered the **OWNER**.

**Section 1.30** "**PARCEL DEVELOPER**" shall mean and refer to any developer who purchases land within the **PROPERTIES** (as defined in this **MASTER DECLARATION**) for the purpose of development and sale.

**Section 1.31** "**PERSON**" shall mean and refer to a natural person, a corporation, a partnership, a trustee or other legal entity.

**Section 1.32** "**PROPERTIES**" shall mean and refer to the real property described on **Page 1** of this **MASTER DECLARATION** together with such **ADDITIONAL PROPERTY** which is subjected to this **MASTER DECLARATION** by **SUPPLEMENTAL DECLARATION**. Fee simple title to any other real property described on the **CONCEPTUAL MASTER PLAN** (except the property described on the Plat of **THE GARDENS AT GLENLAKES**) is not part of the **PROPERTIES** unless said property is specifically made a part of the **PROPERTIES** as provided in this **MASTER DECLARATION**. By way of emphasis and not limitation, the **PROPERTIES** does not include the **GOLF CLUB** (as described in **ARTICLE XIX** of this **MASTER DECLARATION**) nor the **LAKE** (as described in **ARTICLE XX** of this **MASTER DECLARATION**).

**Section 1.33** "**RULES AND REGULATIONS**" shall mean and refer to the **RULES AND REGULATIONS** adopted by the **DECLARANT**, the **MASTER ASSOCIATION** or the **ARCHITECTURAL COMMITTEE** as provided for in this **MASTER DECLARATION**.

**Section 1.34** "**SPECIAL ASSESSMENT**" shall mean and refer to the **SPECIAL ASSESSMENT** levied against the **LOTS** in the **PROPERTIES** to fund **COMMON EXPENSES**, as provided for in this **MASTER DECLARATION**.

**Section 1.35** "**SUPPLEMENTAL DECLARATION**" shall mean and refer to an amendment or supplement to this **MASTER DECLARATION** which subjects **ADDITIONAL PROPERTY** to this **MASTER DECLARATION** or imposes, expressly or by reference, additional restrictions and obligations on the land described in said amendment or supplement, or both.

**Section 1.36** "**VOTING MEMBER**" shall mean and refer to the representative selected by the **MEMBERS** of each **NEIGHBORHOOD** to be responsible for casting all votes attributable to **LOTS** in the **NEIGHBORHOOD** on all **MASTER ASSOCIATION** matters requiring a membership vote, including, but not limited to, the election of **DIRECTORS** to the **BOARD OF DIRECTORS** of the **MASTER ASSOCIATION**, amending this **MASTER DECLARATION** or the **BY-LAWS** and all other matters provided for in this **MASTER DECLARATION** and in the **BY-LAWS**. The **VOTING MEMBER** from each **NEIGHBORHOOD** shall be the senior elected officer (e.g., **NEIGHBORHOOD COMMITTEE** chairman or **NEIGHBORHOOD ASSOCIATION** president) from that **NEIGHBORHOOD**; the alternate **VOTING MEMBER** shall be the next most senior officer.

**Section 1.37** "**WETLAND AREA**" shall mean and refer to the **WETLAND AREA** so designated by any governmental agency authorized to identify wetlands pursuant to **Federal** or **State** Statute or regulation.

## **ARTICLE II** **MUTUALITY OF BENEFIT AND OBLIGATION**

This **MASTER DECLARATION** is made for the mutual and reciprocal benefit of each and every part of the **PROPERTIES** and is intended to create mutual, equitable servitudes upon the **PROPERTIES** to create reciprocal rights between the respective **OWNERS** and future **OWNERS** of the **PROPERTIES**, and to create a privity of contract and estate between the grantees of the **PROPERTIES**, their heirs, successors and assigns.

**ARTICLE III**  
**ZONING AND SPECIFIC RESTRICTIONS**

This **MASTER DECLARATION** shall not be taken as permitting any action or thing prohibited by the applicable laws, or the laws, rules or regulations of any governmental authority, or by specific covenants or restrictions imposed by any **DEED** or lease. In the event of any conflict, the most restrictive provision of such laws, rules, regulations, **DEEDS**, leases, covenants, restrictions or this **MASTER DECLARATION** shall be taken to govern and control.

**ARTICLE IV**  
**PROPERTY RIGHTS AND EASEMENTS**

**Section 4.1 GENERAL.** Except as provided in this **MASTER DECLARATION**, every **OWNER** shall have a right and non-exclusive easement of enjoyment in and to the **COMMON AREA**. Any **OWNER** may delegate the right of enjoyment of said **OWNER** to the members of the family and tenants of the **MEMBER** and social invitees, as applicable, subject to reasonable regulation by the **BOARD OF DIRECTORS** and in accordance with procedures the **BOARD OF DIRECTORS** may adopt. An **OWNER** who leases the **LOT** of an **OWNER** shall be deemed to have delegated all such rights to the lessee of a **LOT**.

The right and non-exclusive easement of enjoyment given to every **OWNER** as described in this **MASTER DECLARATION** is subject to the following:

- A. The rights reserved to **DECLARANT** provided for in this **MASTER DECLARATION**.
- B. Restrictions and limitations contained in any deed conveying the **COMMON AREA** to the **MASTER ASSOCIATION**.
- C. The right of the **MASTER ASSOCIATION** to charge reasonable admission and other fees for the use and maintenance of the **COMMON AREA** and to impose reasonable limits on the number of guests who may use the **COMMON AREA**.
- D. The right of the **MASTER ASSOCIATION**, in addition to the other rights set forth in this **MASTER DECLARATION**, to suspend the voting rights of an **OWNER** and the right to use any of the **COMMON AREA** for any period during which any **ASSESSMENT** against that **OWNER'S LOT** remains unpaid, and for any infraction by an **OWNER** of the published **RULES AND REGULATIONS** of the **MASTER ASSOCIATION** after hearing by the **BOARD OF DIRECTORS** of the **MASTER ASSOCIATION** for the duration of the infraction and for an additional period not to exceed **thirty (30) days**.
- E. The right of **DECLARANT**, with regard to the **PROPERTIES** which may be owned for the purpose of development, to grant easements in and to the **COMMON AREA** to any public agency, authority or utility for such purposes as **DECLARANT** deems appropriate.

F. The right of the **MASTER ASSOCIATION** to borrow money for the purpose of improving the **COMMON PROPERTY**, or any portion of the **COMMON PROPERTY**, for acquiring additional **COMMON PROPERTY**, or for constructing, repairing or improving any facilities located on the **PROPERTIES**, and to give as security for the payment of any such loan a **MORTGAGE** conveying all or any portion of the **COMMON PROPERTY**, provided **two-thirds (2/3)** of the total votes of **VOTING MEMBERS** of the **MASTER ASSOCIATION** present at a meeting duly called for such purpose shall approve. **PROVIDED, HOWEVER**, the lien and encumbrance of any such **MORTGAGE** given by the **MASTER ASSOCIATION** shall be subject and subordinate to any and all rights, interests, options, easements and privileges reserved or established in this **MASTER DECLARATION** for the benefit of **DECLARANT** or any **OWNER**, or the holder of any **MORTGAGE**, irrespective of when executed, given by **DECLARANT** or any **OWNER** encumbering any **LOT** or other property located within the **PROPERTIES**.

G. The right of the **MASTER ASSOCIATION** or **DECLARANT** to dedicate or transfer all or any part of the **COMMON AREA** to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the **MEMBERS**. Except as provided in this **MASTER DECLARATION**, no such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer has been approved by at least **two-thirds (2/3)** of the total votes of **VOTING MEMBERS** of the **MASTER ASSOCIATION** present at a meeting duly called for such purpose shall approve. **PROVIDED, HOWEVER**, so long as **DECLARANT** owns any **LOT** in the **PROPERTIES**, or any property in the **PROPERTIES**, or any property described on the **CONCEPTUAL MASTER PLAN** no dedication or transfer need be approved by **two-thirds (2/3)** of the total votes entitled to be cast by **VOTING MEMBERS** of the **MASTER ASSOCIATION**.

H. The parking of automobiles in the designated area within the **COMMON AREA** is restricted to **OWNERS** and guests, invitees and tenants of **OWNERS** and shall not interfere with the rights of ingress and egress of the **OWNER** of any particular **LOT**.

I. The right of the **MASTER ASSOCIATION** to adopt and promulgate reasonable **RULES AND REGULATIONS** pertaining to the use of the **PROPERTIES**, which, in the discretion of the **MASTER ASSOCIATION**, shall serve to promote the best interests of the **OWNERS** and residents in the **PROPERTIES**.

J. The right of **DECLARANT** to add **ADDITIONAL PROPERTY** to the **PROPERTIES** as provided for in this **MASTER DECLARATION**.

K. The right of **DECLARANT** to amend this **MASTER DECLARATION** unilaterally at any time so long as **DECLARANT** owns any **LOTS** in the **PROPERTIES**, or owns any property in the **PROPERTIES**, or owns any property described on the **CONCEPTUAL MASTER PLAN**, without prior notice and without the consent of any **PERSON**.

L. Access to the **GOLF CLUB, LAKE** and any property not made a part of the **PROPERTIES** is strictly subject to the rules and procedures established by the respective owners of the **GOLF CLUB, LAKE** and the property not made a part of the **PROPERTIES**. No **OWNER** or occupant gains any right to enter or to use the **GOLF CLUB, LAKE** or property not made a part of the **PROPERTIES** by virtue of ownership or occupancy of a **LOT**.



**Section 4.2 RESERVED EASEMENT FOR DECLARANT.** Notwithstanding any provisions contained in this **MASTER DECLARATION** to the contrary, **DECLARANT** expressly reserves unto **DECLARANT** and the successors and assigns of **DECLARANT** a non-exclusive, perpetual right, privilege and blanket easement with respect to the **PROPERTIES** and the **COMMON AREA**, for the benefit of **DECLARANT**, the successors and assigns of **DECLARANT**, and for the benefit of any part of the **PROPERTIES** or any **LOT** or any property described on the **CONCEPTUAL MASTER PLAN** over, under, in and/or on any **LOT** or any part of the **PROPERTIES, COMMON PROPERTY** or any property described on the **CONCEPTUAL MASTER PLAN** without further obligation and without charge to **DECLARANT**, for the purposes of ingress, egress, utilities and including but not limited to construction, installation, relocation, development, sale, maintenance, repair, replacement, use and enjoyment and/or otherwise dealing with any part of the **PROPERTIES, COMMON PROPERTY** or any other property described on the **CONCEPTUAL MASTER PLAN** or any other property adjoining the **PROPERTIES**. The reserved easement shall constitute a burden on the title to the **PROPERTIES**, the **COMMON PROPERTY**, any property described on the **CONCEPTUAL MASTER PLAN** and specifically includes but is not limited to:

A. The right of access, ingress and egress for vehicular and pedestrian traffic over, under, on or in any **LOT** or any part of the **PROPERTIES**, the **COMMON PROPERTY** or any property described on the **CONCEPTUAL MASTER PLAN**, and the right to tie into any **LOT** or any portion of the **PROPERTIES**, or **COMMON PROPERTY** or property described on the **CONCEPTUAL MASTER PLAN** with roadways (public or private), driveways, parking areas and walkways; and the right to tie into and/or otherwise connect and use (without a tap-on or any other fee for so doing), replace, relocate, maintain and repair any device which provides utility or similar services, including, without limitation, electrical, telephone, cable television, natural gas, water, sewer and drainage lines and facilities constructed or installed in, on, under and/or over any **LOT** or any property in the **PROPERTIES**, or **COMMON PROPERTY** or property described on the **CONCEPTUAL MASTER PLAN**.

B. The right to construct, install, replace, relocate, maintain, repair, use and enjoy signs, model residences, sales offices, construction offices and business offices as, in the sole opinion of **DECLARANT**, may be required, convenient or incidental to the construction and sale by **DECLARANT** of the improvements in or on any **LOT** or any part of the **PROPERTIES, COMMON PROPERTY** or any property described on the **CONCEPTUAL MASTER PLAN**.

C. No rights, privileges and easements granted or reserved in this **MASTER DECLARATION** shall be merged into the title of any property, including, without limitation, any **LOT** or any part of the **PROPERTIES**, or **COMMON PROPERTY** or property described on the **CONCEPTUAL MASTER PLAN**, but shall be held independent of such title, and no such right, privilege or easement shall be surrendered, conveyed or released unless and until and except by delivery of a quitclaim deed from **DECLARANT** releasing such right, privilege or easement by express reference to said right, privilege or easement.

So long as **DECLARANT** owns any **LOTS** in the **PROPERTIES**, or owns any property in the **PROPERTIES**, or owns any property described on the **CONCEPTUAL MASTER PLAN**, no **PERSON** or entity shall record any declaration of covenants, conditions and restrictions or similar instrument affecting any portion of any **LOT** or any part of the **PROPERTIES**, or **COMMON PROPERTY**, or property described on the **CONCEPTUAL MASTER PLAN**, without the

review and written consent thereof by **DECLARANT**, and any attempted recordation without compliance with this **MASTER DECLARATION** shall result in such declaration of covenants, conditions and restrictions or similar instrument being void and of no force and effect unless subsequently approved by recorded consent signed by **DECLARANT**.

This **MASTER DECLARATION** may not be amended without the express written consent of **DECLARANT** so long as **DECLARANT** owns any **LOTS** in the **PROPERTIES**, or owns any property in the **PROPERTIES**, or owns any property described on the **CONCEPTUAL MASTER PLAN**.

## **ARTICLE V** **MASTER ASSOCIATION**

**Section 5.1 MASTER ASSOCIATION.** The operation and administration of the **PROPERTIES** shall be by the **MASTER ASSOCIATION**. The **MASTER ASSOCIATION** shall be a **Not-for-Profit Alabama Corporation** incorporated by **ARTICLES OF INCORPORATION** recorded in the **OFFICE OF THE JUDGE OF PROBATE OF BALDWIN COUNTY, ALABAMA**. The **MASTER ASSOCIATION** shall be an entity which shall have the capability of bringing suit and being sued with respect to the exercise or non-exercise of the powers of the **MASTER ASSOCIATION**. The **MASTER ASSOCIATION** shall have exclusive authority and power to maintain a class action and to settle a cause of action on behalf of **LOT OWNERS** of the **PROPERTIES** with reference to the **COMMON AREA** and **COMMON PROPERTY** and with reference to any and all other matters in which all of the **LOT OWNERS** have a common interest. The **MASTER ASSOCIATION** shall have all the powers and duties granted to or imposed on the **MASTER ASSOCIATION** under the **ARTICLES OF INCORPORATION** and **BY-LAWS** and under this **MASTER DECLARATION** as they may be amended from time to time. The **MASTER ASSOCIATION** is specifically authorized to enter into agreements by which the powers and duties of the **MASTER ASSOCIATION**, or some of them, may be exercised or performed by some other **PERSON** or **PERSONS**. The **MASTER ASSOCIATION** shall have the right to grant permits, licenses and easements over the **COMMON AREAS** for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance or operation of the **PROPERTIES**. The **BOARD OF DIRECTORS** of the **MASTER ASSOCIATION** shall have the authority and duty to levy and enforce the collection of general and specific **ASSESSMENTS** as provided for in this **MASTER DECLARATION** and is further authorized to provide adequate remedies for failure to pay such **ASSESSMENTS**.

**Section 5.2 MEMBERSHIP.** Each **LOT OWNER** shall be a **MEMBER** of the **MASTER ASSOCIATION** so long as said **MEMBER** is a **LOT OWNER**. The membership of a **LOT OWNER** shall immediately terminate when the **LOT OWNER** ceases to be a **LOT OWNER**. The membership of a **LOT OWNER** cannot be assigned or transferred in any manner except as an appurtenance to said **LOT**.

No **OWNER**, whether **one (1)** or more **PERSONS**, shall have more than **one (1)** membership per **LOT** owned. In the event the **OWNER** of a **LOT** is more than **one (1)** **PERSON**, votes and rights of use and enjoyment shall be as provided in this **MASTER DECLARATION**. The rights and privileges of membership may be exercised by a **MEMBER**, subject to the provisions of this **MASTER DECLARATION** and the **BY-LAWS**. The membership

rights of a LOT owned by a corporation, partnership, limited liability company or other entity shall be exercised by the individual designated from time to time by the OWNER in a written instrument provided to the BOARD OF DIRECTORS of the MASTER ASSOCIATION, subject to the provisions of this MASTER DECLARATION and the BY-LAWS.

**Section 5.3 VOTING.** Except as provided in this MASTER DECLARATION or any amendment to this MASTER DECLARATION or in any SUPPLEMENTAL DECLARATION, each LOT shall be entitled to one (1) vote in the MASTER ASSOCIATION, which vote is not divisible. There shall be only one (1) vote per LOT in the MASTER ASSOCIATION unless otherwise specified in this MASTER DECLARATION or any amendment to this MASTER DECLARATION or in any SUPPLEMENTAL DECLARATION or the BY-LAWS. The vote in the MASTER ASSOCIATION for each LOT shall be exercised by the VOTING MEMBER representing the NEIGHBORHOOD of which the LOT is a part. The vote shall be cast by the VOTING MEMBER in the manner provided for in this MASTER DECLARATION and in the BY-LAWS. PROVIDED, HOWEVER, until DECLARANT has sold all of the LOTS in the PROPERTIES, and has sold all of the property in the PROPERTIES, and has sold all of the property described on the CONCEPTUAL MASTER PLAN, or until DECLARANT elects to terminate the control of the MASTER ASSOCIATION, whichever shall first occur, the LOT OWNER and VOTING MEMBER shall not be entitled to vote and the BY-LAWS and rules adopted by DECLARANT shall govern and there shall be no meeting of the MEMBERS of the MASTER ASSOCIATION, unless a meeting is called by the BOARD OF DIRECTORS of the MASTER ASSOCIATION, and neither the LOT OWNERS nor the MASTER ASSOCIATION, nor the use of the PROPERTIES by LOT occupants shall interfere with the completion of the contemplated improvements and the sale of the LOTS, and the control of the ARCHITECTURAL COMMITTEE shall remain with DECLARANT. DECLARANT may make such use of the unsold LOTS and of the COMMON AREAS and facilities as may facilitate such completion and sale, including, but not limited to, showing of the PROPERTIES and the display of signs.

**Section 5.4 ASSIGNMENT.** The share of the MEMBER in the funds and assets of the MASTER ASSOCIATION cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to said LOT.

**Section 5.5 BOARD OF DIRECTORS.** The affairs of the MASTER ASSOCIATION shall be conducted by the BOARD OF DIRECTORS which shall consist of such number as shall, from time to time, be determined and fixed by a MAJORITY of the voting rights present at any annual or special meeting of the MEMBERS. The MASTER ASSOCIATION shall have the right to amend the BY-LAWS for the purposes of changing the number of members on the BOARD OF DIRECTORS.

**Section 5.6 BY-LAWS.** The MASTER ASSOCIATION and the MEMBERS shall be governed by the BY-LAWS which shall be adopted by the VOTING MEMBERS.

**Section 5.7 AVAILABILITY OF RECORDS.** The MASTER ASSOCIATION shall make available to LOT OWNERS in the PROPERTIES, prospective purchasers, ELIGIBLE MORTGAGE HOLDERS of MORTGAGES on any LOT in the PROPERTIES, current copies of this MASTER DECLARATION, the BY-LAWS, RULES AND REGULATIONS and other books, records, financial statements and the most recent annual audited or unaudited financial statement of the MASTER

**ASSOCIATION**, if such audited or unaudited financial statement is prepared. "**AVAILABLE**" shall mean available for inspection upon request, during normal business hours or under reasonable circumstances.

**Section 5.8 INDEMNIFICATION.** The **MASTER ASSOCIATION** shall indemnify every officer and member of the **BOARD OF DIRECTORS** against any and all expenses, including attorney's fees, imposed upon or reasonably incurred by any officer or member of the **BOARD OF DIRECTORS** in connection with any action, suit or other proceeding (including settlement of any suit or proceedings, if approved by the **BOARD OF DIRECTORS**) to which said member of the **BOARD OF DIRECTORS** may be a party by reason of being or having been an officer or member of the **BOARD OF DIRECTORS**. The officers and members of the **BOARD OF DIRECTORS** shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The officers and members of the **BOARD OF DIRECTORS** shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the **MASTER ASSOCIATION** (except to the extent that such officers or members of the **BOARD OF DIRECTORS** may also be the **MEMBERS**), and the **MASTER ASSOCIATION** shall indemnify and forever hold each such officer and member of the **BOARD OF DIRECTORS** free and harmless against any and all liability to others on account of any such contract or commitment, and any right to indemnification provided for in this **MASTER DECLARATION** shall not be exclusive of any other rights to which any officer or member of the **BOARD OF DIRECTORS** or former officer or member of the **BOARD OF DIRECTORS** may be entitled. The **MASTER ASSOCIATION** shall maintain adequate general liability and officers and directors liability insurance to fund this obligation, if such coverage is reasonably obtainable.

**Section 5.9 RESERVE FUND.** The **MASTER ASSOCIATION** shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the **COMMON AREAS**. The fund shall be maintained out of regular **ASSESSMENTS** for the **COMMON EXPENSES**.

**Section 5.10 NEIGHBORHOODS.** Every **LOT** in the **PROPERTIES** shall be located within a **NEIGHBORHOOD**. The **LOTS** within a particular **NEIGHBORHOOD** may be subject to additional covenants and/or the **LOT OWNERS** may all be members of a **NEIGHBORHOOD ASSOCIATION** in addition to the **MASTER ASSOCIATION**, but no such **NEIGHBORHOOD ASSOCIATION** shall be required. Any **NEIGHBORHOOD** which does not have a **NEIGHBORHOOD ASSOCIATION** shall elect a **NEIGHBORHOOD COMMITTEE**, as described in the **BY-LAWS**, to represent the interests of **OWNERS** of **LOTS** in such **NEIGHBORHOOD**.

Each **NEIGHBORHOOD ASSOCIATION** or **NEIGHBORHOOD COMMITTEE**, upon the affirmative vote, written consent, or a combination thereof, of a **MAJORITY** of **OWNERS** within the **NEIGHBORHOOD**, may request that the **MASTER ASSOCIATION** provide a higher level of service or special services for the benefit of **LOTS** in such **NEIGHBORHOOD**, the cost of which shall be an **ASSESSMENT** against the benefitted **LOTS** as a **NEIGHBORHOOD ASSESSMENT** pursuant to this **MASTER DECLARATION**.

The senior elected officer of each **NEIGHBORHOOD ASSOCIATION** or each **NEIGHBORHOOD COMMITTEE** shall serve as the **VOTING MEMBER** for such **NEIGHBORHOOD** and shall cast all votes in the **MASTER ASSOCIATION** attributable to **LOTS** in the

**NEIGHBORHOOD** on all **MASTER ASSOCIATION** matters requiring membership vote, unless otherwise specified in this **MASTER DECLARATION** or the **BY-LAWS**. The **VOTING MEMBER** may cast all such votes as said **VOTING MEMBER** deems appropriate. Notwithstanding any other provision contained in this **MASTER DECLARATION**, each **VOTING MEMBER** shall cast only **one (1)** vote for election of **DIRECTORS**.

Initially, that portion designated on the **CONCEPTUAL MASTER PLAN** as **THE GARDENS AT GLENLAKES** shall constitute a **NEIGHBORHOOD**. The **PARCEL DEVELOPER** of any such **NEIGHBORHOOD** may apply to the **BOARD OF DIRECTORS** to divide the parcel constituting the **NEIGHBORHOOD** into more than **one (1) NEIGHBORHOOD** or to combine **two (2) NEIGHBORHOODS** into **one (1) NEIGHBORHOOD** at any time. Upon a petition signed by a **MAJORITY** of the **LOT OWNERS** in the **NEIGHBORHOOD**, any **NEIGHBORHOOD ASSOCIATION** or **NEIGHBORHOOD COMMITTEE** may also apply to the **BOARD OF DIRECTORS** to divide the property comprising the **NEIGHBORHOOD** into **two (2)** or more **NEIGHBORHOODS** or to combine **two (2) NEIGHBORHOODS** into **one (1) NEIGHBORHOOD**. Any such application shall be in writing and shall include a plat of survey of the entire parcel which indicates the boundaries of the proposed **NEIGHBORHOODS**. A **NEIGHBORHOOD** division requested by the **NEIGHBORHOOD** or by the **PARCEL DEVELOPER** of the **NEIGHBORHOOD** must be approved in writing by **DECLARANT** so long as **DECLARANT** owns any **LOTS** in the **PROPERTIES**, or owns any property in the **PROPERTIES**, or owns any property described on the **CONCEPTUAL MASTER PLAN** and thereafter by the **MASTER ASSOCIATION**. **DECLARANT** or the **BOARD OF DIRECTORS** may deny an application.

#### **ARTICLE VI** **RIGHTS AND OBLIGATIONS OF MASTER ASSOCIATION**

**Section 6.1 COMMON AREA.** The **MASTER ASSOCIATION**, subject to the rights of the **OWNERS** set forth in this **MASTER DECLARATION**, shall be responsible for the exclusive management and control of the **COMMON AREA** and all improvements on the **COMMON AREA** (including, without limitation, furnishings and equipment related thereto and common landscaped areas) and shall keep the **COMMON AREA** in good, clean, attractive and sanitary condition, order and repair, pursuant to the terms and conditions of this **MASTER DECLARATION** and consistent with the **COMMUNITY-WIDE STANDARD**.

**Section 6.2 PERSONAL PROPERTY AND REAL PROPERTY FOR COMMON USE.** The **MASTER ASSOCIATION**, through action of the **BOARD OF DIRECTORS**, may acquire, hold and dispose of tangible and intangible personal property and real property. The **BOARD OF DIRECTORS**, acting on behalf of the **MASTER ASSOCIATION**, shall accept any real or personal property, leasehold or other property interests within the **PROPERTIES** conveyed to the **MASTER ASSOCIATION** by **DECLARANT**.

**Section 6.3 RULES AND REGULATIONS.** The **DECLARANT** and the **MASTER ASSOCIATION**, through the **BOARD OF DIRECTORS**, may make and enforce reasonable **RULES AND REGULATIONS** governing the use of the **PROPERTIES**, which **RULES AND REGULATIONS** shall be consistent with the rights and duties established by this **MASTER DECLARATION**. Sanctions may include reasonable monetary fines and suspension of the right to vote and the right to use any recreational facilities on the **COMMON AREA**. The **BOARD OF DIRECTORS** shall, in

addition, have the power to seek relief in any court for violations or to abate nuisances. Imposition of sanctions shall be as provided in the **BY-LAWS** of the **MASTER ASSOCIATION**.

The **MASTER ASSOCIATION**, through the **BOARD OF DIRECTORS**, by contract or other agreement, shall have the right to enforce city or county ordinances or permit said City or County to enforce ordinances on the **PROPERTIES** for the benefit of the **MASTER ASSOCIATION** and the **MEMBERS**.

**Section 6.4 IMPLIED RIGHTS.** The **MASTER ASSOCIATION** may exercise any other right or privilege given to the **MASTER ASSOCIATION** expressly by this **MASTER DECLARATION** or the **BY-LAWS** and every other right or privilege reasonably to be implied from the existence of any right or privilege given to the **MASTER ASSOCIATION** as provided in this **MASTER DECLARATION** or reasonably necessary to effectuate any such right or privilege.

**Section 6.5 SELF-HELP.** In addition to any other remedies provided for in this **MASTER DECLARATION**, the **MASTER ASSOCIATION**, or the duly authorized agent of the **MASTER ASSOCIATION**, shall have power to enter upon a **LOT** in the **PROPERTIES** or any portion of the **COMMON PROPERTY** to abate or remove, using such force as may be reasonably necessary, any erection, thing or condition which violates this **MASTER DECLARATION**, the **BY-LAWS**, the **RULES AND REGULATIONS** enacted by the **MASTER ASSOCIATION** or the use restrictions. Unless an emergency situation exists, the **BOARD OF DIRECTORS** shall give the violating **LOT OWNER ten (10) days'** written notice of the intent of the **BOARD OF DIRECTORS** to exercise self-help. All costs of self-help including reasonable attorney's fees actually incurred shall be assessed by the **MASTER ASSOCIATION** against the violating **LOT OWNER** and shall be collected as provided in this **MASTER DECLARATION** for the collection of the **ASSESSMENTS**.

**Section 6.6 RIGHT OF ENTRY.** The **MASTER ASSOCIATION** shall have the right, but not the obligation, to enter into any **LOT** in the **PROPERTIES** for emergency, security and safety, which right may be exercised by the **BOARD OF DIRECTORS** of the **MASTER ASSOCIATION**, officers, agents, employees, managers and all policemen, firemen, ambulance personnel and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the **OWNER**. This right of entry shall include the right of the **MASTER ASSOCIATION** to enter a **LOT** in the **PROPERTIES** to cure any condition which may increase the possibility of a fire or other hazard in the event an **OWNER** fails or refuses to cure the condition upon request by the **BOARD OF DIRECTORS**.

**Section 6.7 GOVERNMENTAL INTERESTS.** The **MASTER ASSOCIATION** shall permit **DECLARANT** reasonable authority to designate sites within the **PROPERTIES** for fire, police, water and sewer facilities.

## **ARTICLE VII COVENANTS FOR MAINTENANCE**

**Section 7.1 RESPONSIBILITY OF MASTER ASSOCIATION.** The **MASTER ASSOCIATION** shall maintain and keep in good repair the **AREA OF COMMON RESPONSIBILITY**, such maintenance to be funded as provided by this **MASTER DECLARATION**. This maintenance shall include, but need not be limited to, maintenance, repair and replacement subject to any insurance then in effect, of all landscaping and other flora, structures, and

improvements situated upon the **COMMON AREAS**, including, but not limited to, drainage systems, recreation and open space, estuarine systems, utilities, traffic control devices, the mosquito control program, the pedestrian system and such portions of any such property included within the **AREA OF COMMON RESPONSIBILITY** as may be dictated by this **MASTER DECLARATION**, or by a contract or agreement for maintenance thereof by the **MASTER ASSOCIATION**.

Except as otherwise specifically provided in this **MASTER DECLARATION**, all costs associated with maintenance, repair and replacement of **GENERAL COMMON AREAS** shall be a **COMMON EXPENSE** to be allocated among all **LOTS** in the **PROPERTIES** as part of the **BASE ASSESSMENT**. All costs associated with maintenance, repair and replacement of **EXCLUSIVE COMMON AREAS** shall be a **NEIGHBORHOOD EXPENSE** assessed as a **NEIGHBORHOOD ASSESSMENT** solely against the **LOTS** within the **NEIGHBORHOOD(S)** to which the **EXCLUSIVE COMMON AREAS** are assigned, notwithstanding that the **MASTER ASSOCIATION** may be responsible for performing such maintenance under this **MASTER DECLARATION**.

The **MASTER ASSOCIATION** may, in the discretion of the **BOARD OF DIRECTORS**, assume the maintenance responsibilities of a **NEIGHBORHOOD** set out in this **MASTER DECLARATION** or in any **SUPPLEMENTAL DECLARATION** or declaration subsequently recorded which creates any **NEIGHBORHOOD ASSOCIATION** upon all or any portion of the **PROPERTIES**. In such event, all costs of such maintenance shall be an **ASSESSMENT** only against the **LOTS** within the **NEIGHBORHOOD** to which the services are provided. This assumption of responsibility may take place either by contract or agreement or because, in the opinion of the **BOARD OF DIRECTORS**, the level and quality of service then being provided is not consistent with the **COMMUNITY-WIDE STANDARD** of the **PROPERTIES**. The provision of services in accordance with this **Section 7.1** shall not constitute discrimination.

The **MASTER ASSOCIATION** may maintain property which the **MASTER ASSOCIATION** does not own, including, without limitation, property dedicated to the public, if the **BOARD OF DIRECTORS** determines that such maintenance is necessary or desirable to maintain the **COMMUNITY-WIDE STANDARD**.

**Section 7.2 RESPONSIBILITY OF OWNER.** Each **OWNER** shall maintain the **LOT** of said **OWNER** and all structures, parking areas and other improvements comprising the **LOT** in a manner consistent with the **COMMUNITY-WIDE STANDARD** and all applicable covenants, unless such maintenance responsibility is otherwise assumed by or assigned to a **NEIGHBORHOOD ASSOCIATION** or **NEIGHBORHOOD COMMITTEE** pursuant to any additional declaration of covenants applicable to such **LOT**. If any **OWNER** fails properly to perform the maintenance responsibility provided for in this **MASTER DECLARATION**, the **MASTER ASSOCIATION** may perform said maintenance and impose an **ASSESSMENT** for all costs incurred by the **MASTER ASSOCIATION** against the **LOT** and the **OWNER** in accordance with **ARTICLE VIII** of this **MASTER DECLARATION**. **PROVIDED, HOWEVER**, except when entry is required due to an emergency situation, the **MASTER ASSOCIATION** shall afford the **OWNER** reasonable notice and an opportunity to cure the problem prior to entry. **PROVIDED, FURTHER**, any **SUPPLEMENTAL DECLARATION** or sub-association document may provide that the **MASTER ASSOCIATION** or the sub-association may be responsible for the maintenance of a **LOT** and/or all structures, parking areas and other improvements comprising the **LOT**.

**Section 7.3 RESPONSIBILITY OF NEIGHBORHOOD.** Upon resolution of the **BOARD OF DIRECTORS**, each **NEIGHBORHOOD** shall be responsible for paying, through **NEIGHBORHOOD ASSESSMENTS**, costs of maintenance of certain portions of the **AREA OF COMMON RESPONSIBILITY** within or adjacent to such **NEIGHBORHOOD**, which may include, without limitation, buildings and amenities within the **NEIGHBORHOOD**, the costs of maintenance of any right-of-way and greenspace between the **NEIGHBORHOOD** and adjacent public roads, private streets within the **NEIGHBORHOOD** and lakes or ponds within the **NEIGHBORHOOD**, regardless of ownership and regardless of the fact that such maintenance may be performed by the **MASTER ASSOCIATION**.

Any **NEIGHBORHOOD ASSOCIATION** having responsibility for maintenance of all or a portion of the property within a particular **NEIGHBORHOOD** pursuant to a declaration of covenants affecting the **NEIGHBORHOOD** shall perform such maintenance responsibility in a manner consistent with the **COMMUNITY-WIDE STANDARD**. If any such **NEIGHBORHOOD ASSOCIATION** fails to perform the maintenance responsibility of the **NEIGHBORHOOD ASSOCIATION** as required by this **MASTER DECLARATION** and in any **SUPPLEMENTAL DECLARATION**, the **MASTER ASSOCIATION** may perform said maintenance and impose an **ASSESSMENT** for the costs against all **LOTS** and all **OWNERS** within such **NEIGHBORHOOD** in accordance with **ARTICLE VIII** of this **MASTER DECLARATION**.

#### **ARTICLE VIII** **COVENANTS FOR MAINTENANCE ASSESSMENTS**

**Section 8.1 CREATION OF ASSESSMENTS.** Subject to the terms and conditions of this **MASTER DECLARATION**, there are created **ASSESSMENTS** on the **PROPERTIES** by this **MASTER DECLARATION** for the **MASTER ASSOCIATION** expenses as may from time to time specifically be authorized by the **BOARD OF DIRECTORS** to be commenced at the time and in the manner set forth in this **MASTER DECLARATION**. There are no **ASSESSMENTS** created on the property described on the **CONCEPTUAL MASTER PLAN** except the **PROPERTIES**. **DECLARANT** shall not be obligated to pay any **ASSESSMENT** on **LOTS** or property owned by **DECLARANT** unless **DECLARANT** voluntarily elects to pay said **ASSESSMENT**. There shall be three (3) types of **ASSESSMENTS**: (a) **BASE ASSESSMENTS** to fund **COMMON EXPENSES** for the benefit of all **MEMBERS** of the **MASTER ASSOCIATION**; (b) **NEIGHBORHOOD ASSESSMENTS** for **NEIGHBORHOOD EXPENSES** benefitting only **LOTS** within a particular **NEIGHBORHOOD**; and (c) **SPECIAL ASSESSMENTS** as described in this **MASTER DECLARATION**.

**BASE ASSESSMENTS** shall be levied equally on all **LOTS** in the **PROPERTIES** unless otherwise specified in this **MASTER DECLARATION** or otherwise specified in any amendments to this **MASTER DECLARATION** or otherwise specified in any **SUPPLEMENTAL DECLARATION**. **NEIGHBORHOOD ASSESSMENTS** shall be levied on all **LOTS** within the **NEIGHBORHOOD** for whose benefit **NEIGHBORHOOD EXPENSES** are incurred as provided in this **MASTER DECLARATION**. **SPECIAL ASSESSMENTS** shall be levied as provided in this **MASTER DECLARATION**. Except as provided in this **MASTER DECLARATION**, each **OWNER**, by acceptance of a deed or recorded contract of sale to any **LOT** or any other portion of the **PROPERTIES**, is deemed to covenant and agree to pay **BASE ASSESSMENTS**, **NEIGHBORHOOD ASSESSMENTS** and **SPECIAL ASSESSMENTS**. Anything else contained



in this **MASTER DECLARATION** to the contrary, no **BASE ASSESSMENT**, **NEIGHBORHOOD ASSESSMENT** nor **SPECIAL ASSESSMENT** shall be levied on any **LOTS** owned by **DECLARANT**, or levied on any other property owned by **DECLARANT** in the **PROPERTIES** nor levied on any property owned by **DECLARANT** and described in the **CONCEPTUAL MASTER PLAN**.

Except as provided in this **MASTER DECLARATION**, all **ASSESSMENTS**, together with interest at a rate not to exceed the highest rate allowed by **ALABAMA LAW** as computed from the date the delinquency first occurs, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the **LOT** against which each **ASSESSMENT** is made. Each such **ASSESSMENT**, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the **PERSON** who was the **OWNER** of such **LOT** at the time the **ASSESSMENT** arose and the grantee of said **OWNER** shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance.

**ASSESSMENTS** shall be paid in such manner and on such dates as may be fixed by the **BOARD OF DIRECTORS** which may include, without limitation, acceleration of the **BASE ASSESSMENT** and any **NEIGHBORHOOD ASSESSMENT** for delinquents.

Except as provided in this **MASTER DECLARATION**, no **OWNER** may waive or otherwise be exempted from liability for the **ASSESSMENTS** provided for in this **MASTER DECLARATION**, including, by way of illustration and not limitation, by non-use of **COMMON AREAS** or abandonment of the **LOT**. The obligation to pay **ASSESSMENTS** is a separate and independent covenant on the part of each **OWNER**. No diminution or abatement of **ASSESSMENT** or set-off shall be claimed or allowed by reason of any alleged failure of the **MASTER ASSOCIATION** or **BOARD OF DIRECTORS** to take some action or perform some function required to be taken or performed by the **MASTER ASSOCIATION** or **BOARD OF DIRECTORS** under this **MASTER DECLARATION** or the **BY-LAWS**, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the **MASTER ASSOCIATION**, or from any action taken to comply with any law, ordinance or with any order or directive of any municipal or other governmental authority. **PROVIDED, HOWEVER**, notwithstanding any other provision elsewhere contained in this **MASTER DECLARATION**, **DECLARANT** shall not be obligated to pay any **ASSESSMENT**, **BASE ASSESSMENT**, **NEIGHBORHOOD ASSESSMENT**, **SPECIAL ASSESSMENT** or otherwise, on **LOTS** or property owned by **DECLARANT** unless **DECLARANT** voluntarily elects to pay said **ASSESSMENT**.

**DECLARANT** may elect, at the sole discretion of **DECLARANT**, to pay a part of the actual expenditures required to operate the **MASTER ASSOCIATION** during the fiscal year. **DECLARANT** may make said payments in the form of a cash subsidy or by "in kind" contributions of services or materials, or a combination of these. **DECLARANT** shall not be obligated to make the payments as provided for in this Paragraph.

The **MASTER ASSOCIATION** is specifically authorized to enter into subsidy contracts or contracts for "in kind" contribution of services or materials or a combination of services and materials with **DECLARANT** or other entities for the payment of some portion of the **COMMON EXPENSES**.

So long as **DECLARANT** owns any **LOTS** in the **PROPERTIES**, or owns any property in the **PROPERTIES**, or owns any property described on the **CONCEPTUAL MASTER PLAN**, **DECLARANT** shall have the option, in the sole discretion of **DECLARANT**, to (i) pay **ASSESSMENTS** on the **LOTS** in the **PROPERTIES** owned by **DECLARANT**, or (ii) not pay **ASSESSMENTS** on the **LOTS** in the **PROPERTIES**. **DECLARANT** may from time to time change the option stated above. When all **LOTS** within the **PROPERTIES** are sold and conveyed to purchasers, neither **DECLARANT**, nor the affiliates of **DECLARANT**, shall have any further liability of any kind to the **MASTER ASSOCIATION** for the payment of **ASSESSMENTS**. In no event shall **DECLARANT** ever be obligated to pay **SPECIAL ASSESSMENTS**.

**Section 8.2 COMPUTATION OF BASE ASSESSMENT.** It shall be the duty of the **BOARD OF DIRECTORS**, at least **sixty (60) days** before the beginning of each fiscal year, to prepare a budget covering the estimated **COMMON EXPENSES** of the **MASTER ASSOCIATION** during the coming year. The budget shall include a capital contribution establishing a reserve fund in accordance with a capital budget separately prepared.

Subject to the rights reserved in this **MASTER DECLARATION** to **DECLARANT**, the **BOARD OF DIRECTORS** shall cause a copy of the **COMMON EXPENSE** budget and notice of the amount of **BASE ASSESSMENT** to be levied against each **LOT** in the **PROPERTIES** for the following year to be delivered to each **OWNER** at least **thirty (30) days** prior to the beginning of the fiscal year. Such budget and **ASSESSMENT** shall become effective unless disapproved by the vote of **VOTING MEMBERS**.

Notwithstanding the foregoing, however, in the event the proposed budget is not approved or the **BOARD OF DIRECTORS** fails for any reason so to determine the budget for any year, then and until such time as a budget shall have been determined as provided in this **MASTER DECLARATION**, the budget in effect for the immediately preceding year shall continue for the current year.

**Section 8.3 COMPUTATION OF NEIGHBORHOOD ASSESSMENTS.** It shall be the duty of the **BOARD OF DIRECTORS**, at least **sixty (60) days** before the beginning of each fiscal year, to prepare a separate budget covering the estimated **NEIGHBORHOOD EXPENSES** to be incurred by the **MASTER ASSOCIATION** for each **NEIGHBORHOOD** on whose behalf **NEIGHBORHOOD EXPENSES** are expected to be incurred during the coming year. The **BOARD OF DIRECTORS** shall be entitled to set such budget only to the extent that this **MASTER DECLARATION** or the **BY-LAWS** specifically authorizes the **BOARD OF DIRECTORS** to impose an **ASSESSMENT** for certain costs as a **NEIGHBORHOOD ASSESSMENT**. The **NEIGHBORHOOD ASSOCIATION** or **NEIGHBORHOOD COMMITTEE** for each **NEIGHBORHOOD** may request that additional services or a higher level of services be provided by the **MASTER ASSOCIATION**, and in such case, any additional costs shall be added to such budget. Such budget may include a capital contribution establishing a reserve fund for repair and replacement of capital items within the **NEIGHBORHOOD**, as appropriate. **NEIGHBORHOOD EXPENSES** shall be allocated and levied among or against all **LOTS** within the **NEIGHBORHOOD** benefitted and levied as a **NEIGHBORHOOD ASSESSMENT** based on the proportionate share of the **LOT** of the **COMMON EXPENSES** as set out in the **SUPPLEMENTAL DECLARATION** which submitted the **NEIGHBORHOOD** to the **PROPERTIES**. The **BOARD OF DIRECTORS** shall cause a copy of such budget and notice of the amount of the **NEIGHBORHOOD ASSESSMENT**

to be levied on each LOT in the NEIGHBORHOOD for the coming year to be delivered to each OWNER of a LOT in the NEIGHBORHOOD at least thirty (30) days prior to the beginning of the fiscal year. Such budget and ASSESSMENT shall become effective unless disapproved by a MAJORITY of the OWNERS of LOTS in the NEIGHBORHOOD which the NEIGHBORHOOD ASSESSMENT applies; provided, there shall be no obligation to call a meeting for the purpose of considering the budget except on petition of OWNERS of at least ten (10%) percent of the LOTS in such NEIGHBORHOOD. Subject to the rights of DECLARANT, meetings of NEIGHBORHOOD COMMITTEES, if called, shall be conducted in accordance with the BY-LAWS.

In the event the proposed budget for any NEIGHBORHOOD is disapproved or the BOARD OF DIRECTORS fails for any reason so to determine the budget for any year, then and until such time as a budget shall have been determined as provided in this MASTER DECLARATION, the budget in effect for the immediately preceding year shall continue for the current year.

**Section 8.4 SPECIAL ASSESSMENTS.** Except as provided in this MASTER DECLARATION, in addition to the ASSESSMENTS authorized in this MASTER DECLARATION, the MASTER ASSOCIATION may levy a SPECIAL ASSESSMENT or SPECIAL ASSESSMENTS on the PROPERTIES from time to time; provided, such ASSESSMENT shall have the affirmative vote or written consent of VOTING MEMBERS or their alternates representing at least fifty-one percent (51%) of the VOTING MEMBERS in the MASTER ASSOCIATION. The obligation to pay SPECIAL ASSESSMENTS shall be computed on the same basis as for BASE ASSESSMENTS and shall be levied only against the LOTS in the PROPERTIES. SPECIAL ASSESSMENTS shall be payable in such manner and at such times as determined by the BOARD OF DIRECTORS, and may be payable in installments extending beyond the fiscal year in which the SPECIAL ASSESSMENT is approved, if the BOARD OF DIRECTORS so determines. PROVIDED, HOWEVER, notwithstanding any other provision elsewhere contained in this MASTER DECLARATION, DECLARANT shall not be obligated to pay any SPECIAL ASSESSMENT unless DECLARANT voluntarily elects to pay said SPECIAL ASSESSMENT.

The MASTER ASSOCIATION may also levy a SPECIAL ASSESSMENT against any MEMBER, except DECLARANT, to reimburse the MASTER ASSOCIATION for costs incurred in bringing a MEMBER and the LOT of said MEMBER into compliance with the provisions of the MASTER DECLARATION, any amendments to the MASTER DECLARATION, the ARTICLES, the BY-LAWS and the MASTER ASSOCIATION RULES AND REGULATIONS which SPECIAL ASSESSMENT may be levied upon the vote of the BOARD OF DIRECTORS after notice to the MEMBER and an opportunity for a hearing. The MASTER ASSOCIATION may also levy a SPECIAL ASSESSMENT against the LOTS in any NEIGHBORHOOD, except any LOT owned by DECLARANT, to reimburse the MASTER ASSOCIATION for costs incurred in bringing the NEIGHBORHOOD into compliance with the provisions of the MASTER DECLARATION, any amendments thereto, the ARTICLES, the BY-LAWS and the MASTER ASSOCIATION RULES AND REGULATIONS, which SPECIAL ASSESSMENT may be levied upon the vote of the BOARD OF DIRECTORS after notice to the senior officer of the NEIGHBORHOOD ASSOCIATION or NEIGHBORHOOD COMMITTEE and an opportunity for a hearing.

**Section 8.5 LIEN FOR ASSESSMENTS.** Except as provided in this MASTER DECLARATION, the MASTER ASSOCIATION is granted a lien on each LOT in the PROPERTIES

and upon the goods, furniture and effects belonging to the **LOT OWNER** and located in such **LOT**. Said lien shall secure and does secure the monies due for all **ASSESSMENTS** levied against the **LOT** in the **PROPERTIES** which lien shall also secure such late charges, penalties and interest, if any, which may be due on the amount of any delinquent **ASSESSMENT** owing to the **MASTER ASSOCIATION**, and which lien shall also secure all costs and expenses, including a reasonable attorney's fee, which may be incurred by the **MASTER ASSOCIATION** in enforcing this lien upon the **LOT** in the **PROPERTIES**. The sale or transfer of any **LOT** shall not affect the **ASSESSMENT** lien. **PROVIDED, HOWEVER**, notwithstanding any other provision elsewhere contained in this **MASTER DECLARATION**, no lien for **ASSESSMENTS** shall be imposed on any **LOT** or other property owned by **DECLARANT**.

Such lien, when delinquent, may be enforced by suit, judgment and foreclosure.

Except as provided for in this **MASTER DECLARATION**, the lien for **ASSESSMENTS**, including interest, late charges and costs (including attorney's fees) provided for in this **MASTER DECLARATION**, shall be subordinate to the lien of any **first (1<sup>st</sup>) MORTGAGE** or **first (1<sup>st</sup>) vendor's** lien upon any **LOT** held by an **ELIGIBLE MORTGAGE HOLDER**.

A sale or transfer pursuant to a foreclosure of a **first (1<sup>st</sup>) MORTGAGE** or vendor's lien held by an **ELIGIBLE MORTGAGE HOLDER** shall extinguish a subordinate lien for **ASSESSMENTS** which became payable prior to such sale or transfer. **PROVIDED, HOWEVER**, a sale or transfer pursuant to a foreclosure of a **first (1<sup>st</sup>) MORTGAGE** or vendor's lien held by an **ELIGIBLE MORTGAGE HOLDER** shall not extinguish the lien of the **MASTER ASSOCIATION** to the extent of the **COMMON EXPENSE ASSESSMENTS** based on the periodic budget adopted by the **MASTER ASSOCIATION** which would have become due in the absence of acceleration during the **six (6) months** immediately preceding the institution of an action to enforce the lien. However, any such delinquent **ASSESSMENTS** which were extinguished pursuant to the foregoing provision may be reallocated and assessed to all of the **LOTS** as a **COMMON EXPENSE**. Any such sale or transfer pursuant to foreclosure does not relieve the purchaser or transferee of a **LOT** from liability for, nor the **LOT** from the lien of, any **ASSESSMENTS** made thereafter.

The **MASTER ASSOCIATION**, acting on behalf of the **OWNERS**, shall have the power to bid for the **LOT** at foreclosure sale and to acquire and hold, lease, **MORTGAGE** and convey the same. During the period in which a **LOT** is owned by the **MASTER ASSOCIATION** following foreclosure: (a) No right to vote shall be exercised on behalf of the **MASTER ASSOCIATION**; (b) no **ASSESSMENT** shall be assessed or levied on the **MASTER ASSOCIATION**; and (c) each other **LOT** shall be charged, in addition to the usual **ASSESSMENT** of said **LOT**, the pro rata share of the **ASSESSMENT** that would have been charged such **LOT** had said **LOT** not been acquired by the **MASTER ASSOCIATION** as a result of foreclosure. Suit to recover a money judgment for unpaid **COMMON EXPENSES** and attorney's fees shall be maintainable without foreclosing or waiving the lien securing the same.

**Section 8.6 CAPITAL BUDGET AND CONTRIBUTION.** The **BOARD OF DIRECTORS** shall annually prepare a capital budget to take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The **BOARD OF DIRECTORS** shall set the required capital contribution, if any, in an amount sufficient to permit

meeting the projected capital needs of the **MASTER ASSOCIATION**, as shown on the capital budget, with respect both to amount and installments of **ASSESSMENTS** to be paid over the period of the budget. The capital contribution required, if any, shall be fixed by the **BOARD OF DIRECTORS** and included within and distributed with the budget and **ASSESSMENT**, as provided in this **MASTER DECLARATION**.

**Section 8.7 DATE OF COMMENCEMENT OF ASSESSMENTS.** The **ASSESSMENTS** provided for by this **MASTER DECLARATION** shall commence as to each **LOT** in the **PROPERTIES** on the **first (1<sup>st</sup>)** day of the **first (1<sup>st</sup>)** month following the effective date of the **first (1<sup>st</sup>)** budget imposed by the **MASTER ASSOCIATION**. **ASSESSMENTS** shall be due and payable in a manner and on a schedule as the **BOARD OF DIRECTORS** may provide. The **first (1<sup>st</sup>)** **ASSESSMENT** shall be adjusted according to the number of days remaining in the fiscal year at the time **ASSESSMENTS** commence on the **LOT** in the **PROPERTIES**.

**Section 8.8 CAPITALIZATION OF MASTER ASSOCIATION.** Except as provided in this **MASTER DECLARATION**, upon acquisition of record title to a **LOT** in the **PROPERTIES** by the **first (1<sup>st</sup>)** purchaser of a **LOT** other than **DECLARANT**, or the successor-in-title or assigns of **DECLARANT** who take title to any portion of the **PROPERTIES** for the purpose of development and sale and/or designated as **DECLARANT** in a recorded instrument executed by the immediately preceding **DECLARANT**, a contribution shall be made by or on behalf of the purchaser to the working capital of the **MASTER ASSOCIATION** in an amount to be determined by **DECLARANT** prior to closing. This amount shall be disbursed to the **MASTER ASSOCIATION** for use in covering operating expenses and other expenses incurred by the **MASTER ASSOCIATION** pursuant to the terms of this **MASTER DECLARATION** and the **BY-LAWS**.

**Section 8.9 UNIFORM RATE OF ASSESSMENT.** Except as provided in this **MASTER DECLARATION**, or any amendment to this **MASTER DECLARATION** or in any **SUPPLEMENTAL DECLARATION**, the **ASSESSMENTS** shall be fixed at a uniform rate for all **LOTS** in the **PROPERTIES**. The **MASTER DECLARATION** may be amended or any **SUPPLEMENTAL DECLARATION** may provide for **ASSESSMENTS** which are not fixed at a uniform rate for all **LOTS** in the **PROPERTIES**. The **ASSESSMENTS** are **ASSESSMENTS** that are in addition to the **ASSESSMENTS** provided for in any **SUPPLEMENTAL DECLARATION**.

**Section 8.10 EFFECT OF NONPAYMENT OF ASSESSMENTS: REMEDIES OF THE MASTER ASSOCIATION.** The **ASSESSMENT**, if not paid when due, shall be delinquent. The **ASSESSMENTS** which are delinquent for a period of more than **ten (10) days** shall incur a late charge and bear interest thereon in an amount and at a rate to be set by the **BOARD OF DIRECTORS**, but in no event greater than the maximum percentage rate as may then be permitted under the **Laws** of the **STATE OF ALABAMA**. In the event the **ASSESSMENT** remains unpaid after **thirty (30) days**, the **MASTER ASSOCIATION** may bring an action at law or in equity against the **OWNER** personally obligated to pay the same, foreclose the lien against the **PROPERTIES** or seek injunctive relief and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of the **ASSESSMENT**. Each **OWNER**, by acceptance of a **DEED** to a **LOT** in the **PROPERTIES**, or as a party to any other type of conveyance, expressly vests in the **MASTER ASSOCIATION** or the agents of the **MASTER ASSOCIATION** the right and power to bring all actions against such **OWNER** personally for the collection of each charge as a debt and to foreclose the aforesaid lien by all methods available for the enforcement of such liens, including

foreclosures by an action brought in the name of the **MASTER ASSOCIATION** in a like manner as a **MORTGAGE** lien on real property, and such **OWNER** expressly grants to the **MASTER ASSOCIATION** a power of sale in connection with said lien. The lien provided for in this **MASTER DECLARATION** shall be in favor of the **MASTER ASSOCIATION** and shall be for the benefit of all **LOT OWNERS**. The **MASTER ASSOCIATION**, acting on behalf of the **LOT OWNERS**, shall have the power to bid for an interest foreclosed at foreclosure sale and to acquire and hold, lease, **MORTGAGE** and convey the same. With the exception of the **DECLARANT**, no **OWNER** may waive or otherwise escape liability for the **ASSESSMENTS** by non-use of the **COMMON AREA** or abandonment of **LOT**.

All payments shall be applied first to costs and attorney's fees, then to late charges, then to interest, then to delinquent **ASSESSMENTS**, then to any unpaid installments of the **ASSESSMENT**, which are not the subject matter of suit in the order of their coming due, and then to any unpaid installments of any **ASSESSMENT** which are the subject matter of suit in the order of their coming due.

**Section 8.11 EXEMPT PROPERTY.** Notwithstanding anything to the contrary in this **MASTER DECLARATION**, the following property shall be exempt from payment of **BASE ASSESSMENTS, NEIGHBORHOOD ASSESSMENTS** and **SPECIAL ASSESSMENTS**:

- A. all **COMMON AREA**;
- B. all property dedicated to and accepted by any governmental authority or public utility; and
- C. all **LOTS** or **PROPERTIES** owned by **DECLARANT**.

#### **ARTICLE IX INSURANCE AND CASUALTY LOSS**

**Section 9.1 MASTER ASSOCIATION.** The **MASTER ASSOCIATION** is authorized to purchase and maintain insurance on the **COMMON PROPERTY** and on any **LOT** owned by the **MASTER ASSOCIATION**, together with any improvements on said **COMMON PROPERTY** or said **LOT**, in such forms and such amounts, with such deductibles, and with such companies as the **BOARD OF DIRECTORS** shall deem appropriate.

A. All hazard insurance policies obtained by the **MASTER ASSOCIATION** shall designate the **MASTER ASSOCIATION** as the named insured as insurance trustee for the benefit of all **OWNERS** and their **MORTGAGEES** as their respective interests may appear. In the event of loss or damage, all insurance proceeds paid pursuant to a policy purchased by the **MASTER ASSOCIATION** shall be paid to the **MASTER ASSOCIATION** as insurance trustee under the provisions of this **MASTER DECLARATION**.

B. The **MASTER ASSOCIATION** shall obtain, if reasonably available, comprehensive public liability insurance with limits and provisions as approved by the **BOARD OF DIRECTORS**.

C. The **MASTER ASSOCIATION** shall obtain workers' compensation insurance to meet the requirements of **ALABAMA LAW**.

D. All premiums upon insurance policies purchased by the **MASTER ASSOCIATION** shall be assessed as a **COMMON EXPENSE** to the **OWNERS** as an **ASSESSMENT** of the **MASTER ASSOCIATION**.

E. Each **OWNER** shall be deemed to have delegated to the **MASTER ASSOCIATION** the right of said **OWNER** to adjust with insurance companies all losses under policies purchased by the **MASTER ASSOCIATION**, subject to the rights of **MORTGAGEES**.

**Section 9.2 OWNER.** Each **OWNER** of a **LOT** shall be obligated to obtain liability or hazard insurance for the benefit of said **OWNER**.

**Section 9.3 RECONSTRUCTION OR REPAIR AFTER CASUALTY.** In the event of the damage or destruction of all or part of any improvement or **LOT**, the **OWNER** shall be responsible for the prompt reconstruction and repair of the damaged or destroyed improvement or **LOT** after such casualty or, at the election of the **OWNER**, the improvement shall be removed and the **LOT** restored to its original condition. **PROVIDED, HOWEVER**, should the **OWNER** fail to repair or replace the damaged or destroyed improvement or **LOT**, or remove the improvements from the **LOT** and restore the **LOT** to the original condition of the **LOT**, within a reasonable period of time (not to exceed **one hundred eighty (180) days**), the **MASTER ASSOCIATION** may, but shall not be obligated to, do so for the account of said **OWNER** and may assess the **LOT** accordingly and, thereafter, be subrogated to any insurance proceeds.

If any **OWNER** fails to perform the duties imposed by on said **OWNER** by this **MASTER DECLARATION** after **fifteen (15) days'** written notice from the **BOARD OF DIRECTORS** of the **MASTER ASSOCIATION** to the **OWNER** to remedy the condition in question, the **MASTER ASSOCIATION** shall have the right, through the agents and employees of the **BOARD OF DIRECTORS** to enter upon the **LOT** in question and to repair, maintain, repaint and restore or remove the improvements on the **LOT** and restore the **LOT** to the original condition of said **LOT** and the cost thereof shall be a binding, personal obligation of such **OWNER** when billed by the **MASTER ASSOCIATION** as well as a lien upon the **LOT** in question. The lien provided for in this **Section 9.3** shall have the same enforceability and priority as the lien provided for in **ARTICLE VIII** of this **MASTER DECLARATION**.

In the event of the damage or destruction of all or part of the improvements on the **COMMON PROPERTY**, the **MASTER ASSOCIATION** shall be responsible for the prompt reconstruction and repair of the improvements after such casualty. **PROVIDED, HOWEVER**, the **BOARD OF DIRECTORS** of the **MASTER ASSOCIATION** may elect not to reconstruct or repair the improvements on the **COMMON PROPERTY**. Reconstruction or repair shall be mandatory unless a **MAJORITY** of the **BOARD OF DIRECTORS** of the **MASTER ASSOCIATION** vote that it is not necessary to repair or reconstruct said damaged or destroyed improvement. Any reconstruction or repair must comply in all other respects with the terms, conditions and provisions of this **MASTER DECLARATION**.

#### **ARTICLE X NO PARTITION**

Except as is permitted in this **MASTER DECLARATION** or amendments to this **MASTER**

**DECLARATION**, there shall be no physical partition of the **COMMON AREA** or any part of the **COMMON AREA**, nor shall any **PERSON** acquiring any interest in the **PROPERTIES** or any part of the **PROPERTIES** seek any judicial partition unless the **PROPERTIES** have been removed from the provisions of this **MASTER DECLARATION**. This **ARTICLE X** shall not be construed to prohibit the **BOARD OF DIRECTORS** from acquiring and disposing of tangible personal property nor from acquiring title to real property which may or may not be subject to this **MASTER DECLARATION**.

#### **ARTICLE XI CONDEMNATION**

Whenever all or any part of the **COMMON AREA** shall be taken (or conveyed in lieu of and under threat of condemnation by the **BOARD OF DIRECTORS** acting on the written direction of **VOTING MEMBERS** representing at least **two-thirds (2/3)** of the total **MASTER ASSOCIATION** vote and **DECLARANT**, as long as **DECLARANT** owns any **LOTS** in the **PROPERTIES**, or owns any property in the **PROPERTIES**, or owns any property described on the **CONCEPTUAL MASTER PLAN**) by any authority having the power of condemnation or eminent domain, each **OWNER** shall be entitled to notice of said taking. The award made for such taking shall be payable to the **MASTER ASSOCIATION** as trustee for all **OWNERS** to be disbursed as follows:

If the taking involves a portion of the **COMMON AREA** on which improvements have been constructed, then, unless within **sixty (60) days** after such taking **DECLARANT**, as long as **DECLARANT** owns any **LOTS** in the **PROPERTIES**, or owns any property in the **PROPERTIES**, or owns any property described on the **CONCEPTUAL MASTER PLAN** and **VOTING MEMBERS** representing at least **seventy-five percent (75%)** of the total vote of the **MASTER ASSOCIATION** shall otherwise agree, the **MASTER ASSOCIATION** shall restore or replace such improvements so taken on the remaining land included in the **COMMON AREA** to the extent lands are available therefor, in accordance with plans approved by the **BOARD OF DIRECTORS** of the **MASTER ASSOCIATION**. If such improvements are to be repaired or restored, the provisions in **ARTICLE IX** of this **MASTER DECLARATION** regarding the disbursement of funds in respect to casualty damage or destruction which is to be repaired shall apply. If the taking does not involve any improvements on the **COMMON AREA**, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be disbursed to the **MASTER ASSOCIATION** and used for such purposes as the **BOARD OF DIRECTORS** of the **MASTER ASSOCIATION** shall determine.

#### **ARTICLE XII ARCHITECTURAL STANDARDS**

The **BOARD OF DIRECTORS** shall have the authority and standing, on behalf of the **MASTER ASSOCIATION**, to enforce in courts of competent jurisdiction decisions of the **ARCHITECTURAL COMMITTEE**. This **ARTICLE XII** may not be amended without the written consent of **DECLARANT** so long as **DECLARANT** owns any **LOTS** in the **PROPERTIES**, or owns any property in the **PROPERTIES**, or owns any property described on the **CONCEPTUAL MASTER PLAN**.

No construction, which shall include but not be limited to staking, clearing, excavation, grading and other site work, no exterior alteration or modification of existing improvements and no



planting or removal of plants, trees or shrubs shall take place on the **PROPERTIES** except in strict compliance with this **MASTER DECLARATION**.

The terms and conditions of this **ARTICLE XII** apply only to the **PROPERTIES** and do not apply to any other property described on the **CONCEPTUAL MASTER PLAN**.

**Section 12.1 ARCHITECTURAL COMMITTEE.** The **ARCHITECTURAL COMMITTEE** shall be composed of at least **three (3)** (but not more than **five (5)**) individuals designated and re-designated from time to time (i) by **DECLARANT** until control of the **ARCHITECTURAL COMMITTEE** is specifically delegated by **DECLARANT** to the **MASTER ASSOCIATION**, and (ii) by the **MASTER ASSOCIATION** after delegation of such control. Delegation of control of the **ARCHITECTURAL COMMITTEE** from **DECLARANT** to the **MASTER ASSOCIATION** shall be evidenced by an instrument signed by **DECLARANT** and filed for record in the **PROBATE RECORDS OF BALDWIN COUNTY, ALABAMA**.

Except as provided in this **MASTER DECLARATION**, the affirmative vote of a **MAJORITY** of the membership of the **ARCHITECTURAL COMMITTEE** shall be required in order to approve any plans and specifications submitted under this **ARTICLE XII**.

**Section 12.2 APPROVAL REQUIRED.** No structure shall be commenced, erected, placed, moved on to or permitted to remain on the **PROPERTIES** nor shall any existing structure upon the **PROPERTIES** be altered in any way which materially changes the exterior appearance thereof, nor shall any new use be commenced on the **PROPERTIES** unless plans and specifications (including a description of any proposed new use) thereof shall have been submitted to and approved in writing by the **ARCHITECTURAL COMMITTEE**. Such plans and specifications shall be in such form and shall contain such information as may be required by the **ARCHITECTURAL COMMITTEE**, including: (i) architectural plans, elevations and specifications showing the nature, kind, exterior color schemes, shape, height and materials of all structures proposed; (ii) a site plan of the **LOT** showing the location with respect to the particular **LOT** (including proposed front, rear and side setbacks and free spaces, if any are proposed) of all structures, the location thereof with reference to structures on adjoining portions of the property, and the number and location of all parking spaces and driveways on the **LOT**; (iii) a grading plan for the particular **LOT**; (iv) a drainage plan; (v) a plan for landscaping; (vi) **U.S. Corps of Engineers** or other appropriate governmental permit. All of said plans shall address the matters required by any zoning and planning authority having jurisdiction.

**Section 12.3 BASIS FOR DISAPPROVAL OF PLANS.** The **ARCHITECTURAL COMMITTEE** shall have the right to disapprove any plans and specifications submitted because of any of the following:

- A. failure of such plans or specifications to comply with this **MASTER DECLARATION**;
- B. failure to include information in such plans and specifications as may have been reasonably requested;
- C. objection to the exterior design, appearance or materials of any proposed structure;

- D. incompatibility of any proposed structure or use with existing structures or uses upon other **LOTS** in the vicinity;
- E. objections to the location of any proposed structure upon any **LOT** or with reference to other **LOTS** in the vicinity;
- F. objection to the site plan, grading plan, drainage plan or landscaping plan for any **LOT**;
- G. objection to the color scheme, finish, proportions, style of architecture, materials, height, bulk or appropriateness of any proposed structure;
- H. objection to parking areas proposed for any **LOT** on the grounds of (i) incompatibility to proposed uses and structures on such **LOT** or (ii) the insufficiency of the size of parking areas in relation to the proposed use of the **LOT**;
- I. failure of plans to take into consideration the particular topography, vegetative characteristics, natural environment and storm water runoff of the **LOT**; or
- J. any other matter which, in the judgment of the **ARCHITECTURAL COMMITTEE**, would render the proposed structure, structures or uses inharmonious with the general plan of improvement of the **PROPERTIES** or with structures or uses located upon other **LOTS** in the vicinity.

Approval of any such plans shall terminate and be rendered void if construction is not begun within **six (6) months** after such approval unless such **six (6) month** period is extended by agreement with the **ARCHITECTURAL COMMITTEE** in which event the extended time period shall be applicable.

In any case where the **ARCHITECTURAL COMMITTEE** shall disapprove any plans and specifications submitted pursuant to this **MASTER DECLARATION**, or shall approve the same only as modified or upon specified conditions, such disapproval or qualified approval shall be accompanied by a statement of the grounds upon which such action was based. In any such case the **ARCHITECTURAL COMMITTEE** shall, if requested, make reasonable efforts to assist and advise the applicant in order that an acceptable proposal can be prepared and submitted for approval.

**THE SCOPE OF REVIEW BY THE ARCHITECTURAL COMMITTEE IS LIMITED TO APPEARANCE ONLY AND DOES NOT INCLUDE ANY RESPONSIBILITY OR AUTHORITY TO REVIEW FOR STRUCTURAL SOUNDNESS, COMPLIANCE WITH BUILDING OR ZONING CODES OR STANDARDS, OR ANY OTHER SIMILAR OR DISSIMILAR FACTORS.**

**Section 12.4 RETENTION OF COPY OF PLANS.** Upon approval by the **ARCHITECTURAL COMMITTEE** of any plans and specifications submitted pursuant to this **MASTER DECLARATION**, a copy of such plans and specifications, as approved, shall be

deposited for permanent record with the **ARCHITECTURAL COMMITTEE**, and shall be retained for a period of no more than **six (6) months** after completion of the improvement, and a copy of such plans and specifications bearing such approval, in writing, shall be returned to the applicant submitting the same.

**Section 12.5 RULES AND REGULATIONS OF ARCHITECTURAL COMMITTEE; EFFECT OF APPROVAL AND DISAPPROVAL; TIME FOR APPROVAL.** The **ARCHITECTURAL COMMITTEE** may promulgate **RULES AND REGULATIONS** governing the form and content of plans to be submitted for approval or requiring specific improvements on the **PROPERTIES**, including, without limitation, exterior lighting and planting, and may issue statements of policy with respect to approval or disapproval of the architectural styles or details, or other matters, which may be presented for approval. Such **RULES AND REGULATIONS** and such statements of policy may be amended or revoked by the **ARCHITECTURAL COMMITTEE** at any time, and no inclusion in, omission from or amendment of any such **RULES AND REGULATION** or statement shall be deemed to bind the **ARCHITECTURAL COMMITTEE** to approve or disapprove any feature or matter subject to approval, or to waive the exercise of the discretion of the **ARCHITECTURAL COMMITTEE** as to any such matter, but no change of policy shall affect the finality of any approval granted prior to such change. Approval for use on any **LOT** of any plans or specifications shall not be deemed a waiver of the right of the **ARCHITECTURAL COMMITTEE**, in the discretion of **ARCHITECTURAL COMMITTEE**, to disapprove such plans or specifications or any of the features or elements included therein if such plans, specifications, features or elements are subsequently submitted for use on any other **LOT** or **LOTS**. Approval of any such plans and specifications relating to any **LOT**, however, shall be final as to that **LOT** and such approval may not be revoked or rescinded thereafter, provided, **(i)** that the structure or uses shown or described on or in such plans and specifications do not violate any specific prohibition contained in this **MASTER DECLARATION**, and **(ii)** that the plans and specifications, as approved, and any condition attached to any such approval, have been adhered to and complied with in regard to all structures on and uses of the **LOT** in question.

In the event that the **ARCHITECTURAL COMMITTEE** fails to approve, disapprove or approve conditionally any plans and specifications as provided by this **MASTER DECLARATION** within **thirty (30) days** after proper submission thereof, the same shall be deemed to have been approved, as submitted, and no further action shall be required.

**Section 12.6 INSPECTION AND TESTING RIGHTS.** Any agent of **DECLARANT**, **MASTER ASSOCIATION** or the **ARCHITECTURAL COMMITTEE** may at any reasonable time or times enter upon and inspect any **LOT** and any improvements on said **LOT** for the purpose of ascertaining whether the maintenance of such **LOT** and the maintenance, construction or alteration of the structures on said **LOT** are in compliance with the provisions of the **MASTER DECLARATION**; and neither **DECLARANT**, **MASTER ASSOCIATION** nor the **ARCHITECTURAL COMMITTEE** nor any such agent shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection. Any such inspection shall be for the sole purpose of determining compliance with this **MASTER DECLARATION**, and neither the making of any such inspection, nor the failure to make any such inspection, shall be relied upon by the **OWNER** of a **LOT** or any third **PERSONS** or entities for any purpose whatsoever; nor shall any such inspection obligate **DECLARANT**, the **MASTER ASSOCIATION** or the **ARCHITECTURAL COMMITTEE** to take any particular action based on the inspection.

**Section 12.7 WAIVER OF LIABILITY.** Neither the **ARCHITECTURAL COMMITTEE** nor any architect nor agent of the **ARCHITECTURAL COMMITTEE**, nor the **MASTER ASSOCIATION**, nor **DECLARANT**, nor any agent or employee of the foregoing, shall be responsible in any way for any failure of structures to comply with requirements of this **MASTER DECLARATION**, although a certificate of compliance has been issued, nor for any defects in any plans and specifications submitted, revised or approved in accordance with the foregoing provisions, nor for any structural or other defects in any work done according to such plans and specifications, and all **PERSONS** relying thereon or benefitting therefrom agree not to sue or claim against the entities and **PERSONS** referred to in this **Section 12.7** for any cause arising out of the matters referred to in this **Section 12.7** and further agree to and do release said entities and **PERSONS** for any and every such cause.

**Section 12.8 VARIANCE.** The **ARCHITECTURAL COMMITTEE** may authorize variances from compliance with any of the provisions of the **COMMUNITY-WIDE STANDARD** when circumstances such as topography, natural obstructions, hardship or aesthetic or environmental considerations require, but only in accordance with duly adopted **RULES AND REGULATIONS**. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (a) be effective unless in writing, (b) be contrary to the restrictions set forth in this **MASTER DECLARATION**, or (c) estop the **ARCHITECTURAL COMMITTEE** from denying a variance in other circumstances. For purposes of this **Section 12.8**, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.

### **ARTICLE XIII** **SITE DEVELOPMENT**

**Section 13.1 SITE TO BE STAKED PRIOR TO TREE CUTTING.** After the plan for the structure is approved for a **LOT**, the site of the structure must be staked out and such site approved by the **ARCHITECTURAL COMMITTEE** before tree cutting is done. Existing vegetation shall be saved whenever it is practical to do so. All areas on site and outside the areas of disturbance shall be "**corded off**" with high visibility surveyor's flagging tape and no vegetation shall be removed from the corded areas and no materials may be stored over the roots of this vegetation without prior approval of the **ARCHITECTURAL COMMITTEE**. Removal of "**underbrush**" from the corded areas is expressly prohibited except on **ARCHITECTURAL COMMITTEE** approval. No tree may be cut or removed without consent of the **ARCHITECTURAL COMMITTEE** until the building plans, site plans and site staking are approved by the **ARCHITECTURAL COMMITTEE**.

**Section 13.2 EROSION CONTROL.** Erosion control measures shall be taken by the **OWNER** of a **LOT**, or the agent or contractor of said **OWNER**, to protect adjacent properties during construction on such **LOT** and thereafter until the soil is stabilized on the **LOT**. This may be accomplished by the use of temporary retention ponds, silt fencing, hay bails or other protective measures intended to intercept and filter the excess storm water runoff from the **LOT**. All erosion control measures, including slope stabilization, must be specified on the grading plan and must be approved by the **ARCHITECTURAL COMMITTEE** prior to commencement of grading activities.

Any storm water retention ponds created during construction on a **LOT** shall not remain as permanent ponds after completion of construction unless so provided in the grading,

site and landscaping plans submitted to and approved by the **ARCHITECTURAL COMMITTEE**.

If any portion of the **PROPERTIES** has been identified as "wetlands" pursuant to **Federal** and **State** law and regulation, such wetlands area shall not be utilized or otherwise developed and improved upon unless and in accordance with all **Federal, State** and local laws and regulations.

If any portion of the **PROPERTIES** is located within an area designated as "flood prone" pursuant to **Federal** and **State** law and regulation, all improvements constructed in said flood prone area must be constructed in accordance with all **Federal, State** and local laws and regulations pertaining to flood prone areas.

**Section 13.3 UTILITY LINES AND APPURTENANCES.** All gas, water, sewer, telephone, television cable and electrical feeder and service lines in the **PROPERTIES** shall be installed as underground service unless otherwise approved by the **ARCHITECTURAL COMMITTEE**. All transformer boxes, meters or other such fixtures shall be adequately screened with plants or other materials approved by the **ARCHITECTURAL COMMITTEE**; provided that no planting or screening devices shall be placed so as to obstruct the normal servicing of either transformers, telephone pedestals or other utility hardware. To the extent of the interest of the **OWNER** of a **LOT**, the **OWNER** of a **LOT** will not erect or grant to any **PERSON**, firm or corporation the right, license or privilege to erect or use or permit the use of overhead wires, poles or overhead facilities of any kind, including but not limited to electrical, television cable or telephone service on said real estate (except such poles and overhead facilities as may be required at those places where distribution facilities enter and leave the particular area) without the prior written consent of the **ARCHITECTURAL COMMITTEE**. Nothing contained in this **MASTER DECLARATION** shall be construed to prohibit overhead road lighting or ornamental yard lighting, where serviced by underground wires or cables. Where underground electric service is to be installed, in order to permit installation of underground electric service to each **LOT** for the mutual benefit of all **OWNERS** therein, no **OWNER** of any such **LOT** will commence construction of any improvement on any such **LOT** until such **OWNER (1)** notifies the electric utility that such construction is proposed, **(2)** grants in writing to the electric utility such rights and easements as the electric utility requires in connection with construction, operation, maintenance and removal of underground service lateral on such **LOT**, and **(3)** otherwise complies with the **Rules and Regulations for Underground Residential Distribution** on file with and approved by the **Alabama Public Service Commission**.

If required by the electric utility, such electric utility, or their successors and assigns, may retain title to the underground service lateral and outdoor metering trough, the house power box (exclusive of circuit breakers) serving each said house, and said service entrance facilities provided by such utility will not in any way be considered a fixture or fixtures and thereby a part of said real estate, but will remain personal property belonging to such utility, its successors and assigns, in accordance with applicable rules and regulations filed with and approved by the **Alabama Public Service Commission**.

**Section 13.4 CONNECTION POINTS FOR UTILITY SERVICE LINES.** To the extent of the interests of the **OWNER** of each **LOT**, each **OWNER** agrees to connect utility service lines (including, but not limited to, gas, water, sewer, telephone, television cable and electricity) at points designated by **ARCHITECTURAL COMMITTEE**.

**Section 13.5 SANITARY SEWER SERVICE LINES.** The material for sanitary sewer service lines must be approved by the **ARCHITECTURAL COMMITTEE**.

**Section 13.6 LANDSCAPING.** The landscape plan must be approved by the **ARCHITECTURAL COMMITTEE** prior to any site disturbance. The landscape plan shall indicate the proposed type, location, size and quantity of all plant materials to be planted on the **LOT**. The landscape plan shall include a underground sprinkler system which is approved by the **ARCHITECTURAL COMMITTEE**. The **OWNER** must faithfully execute the landscape plan as submitted to and approved by the **ARCHITECTURAL COMMITTEE**. If the **OWNER** should fail to faithfully execute the landscape plan, the **MASTER ASSOCIATION** shall have the right to enter into a contract with a third party for the execution of the landscape plan as approved, and the cost thereof shall be a binding, personal obligation of the **OWNER** when billed by the **MASTER ASSOCIATION** as well as a lien upon the **LOT** in question. The lien provided in this **Section 13.6** shall have the same enforceability and priority as the lien provided for in **ARTICLE VIII** in this **MASTER DECLARATION**.

**Section 13.7 COLORS; ARCHITECTURAL STYLES.** All exterior building materials and colors must be approved by the **ARCHITECTURAL COMMITTEE**. Excessively bright colors or objectionable noticeable colors are prohibited. All architecture must be compatible with the atmosphere of the **PROPERTIES** and must be compatible with surrounding buildings within the **PROPERTIES**.

**Section 13.8 EXTERIOR LIGHTING.** Exterior lighting plans must be set forth on the architectural or landscape plans for a **LOT** and must be approved by the **ARCHITECTURAL COMMITTEE**. No exterior lighting fixture (other than fixtures approved by the **ARCHITECTURAL COMMITTEE**) shall be installed within or upon any **LOT** without adequate and proper shielding of the fixture. No lighting fixture shall be installed that may become an annoyance or a nuisance to **OWNERS** or occupants of adjacent properties. All modifications to exterior lighting must be approved in writing by the **ARCHITECTURAL COMMITTEE** in advance.

#### **ARTICLE XIV COVENANTS AND RESTRICTIONS**

The **PROPERTIES** shall be used only for the purposes designated by this **MASTER DECLARATION** and by **DECLARANT** as evidenced by separate instrument (which may include, without limitation, residential **LOTS** or **UNITS**, commercial **LOTS** or **UNITS**, offices for any property manager retained by the **MASTER ASSOCIATION** or business offices for **DECLARANT**, or the **MASTER ASSOCIATION**), all as may more particularly be set forth in this **MASTER DECLARATION**, amendments to this **MASTER DECLARATION**, any **SUPPLEMENTAL DECLARATION** or subsequently recorded declarations creating **NEIGHBORHOOD ASSOCIATIONS** subject to this **MASTER DECLARATION**. The declaration or other creating document for any **NEIGHBORHOOD ASSOCIATION** may impose restrictions and stricter standards than those contained in this **ARTICLE**. The **MASTER ASSOCIATION**, acting through the **BOARD OF DIRECTORS**, shall have standing and the power to enforce such standards.

The **MASTER ASSOCIATION**, acting through the **BOARD OF DIRECTORS**, shall have authority to make and to enforce standards and restrictions governing the use of the **PROPERTIES**

and to impose reasonable user fees for use of **COMMON AREA** facilities. Such regulations and use restrictions shall be binding upon all **OWNERS** and occupants until and unless overruled, canceled or modified in a regular or special meeting of the **MASTER ASSOCIATION** by the vote of **VOTING MEMBERS**.

The terms and conditions of this **ARTICLE XIV** apply only to the **PROPERTIES** and do not apply to any property described on the **CONCEPTUAL MASTER PLAN** other than the **PROPERTIES**.

**Section 14.1 SIGNS.** No sign of any kind shall be erected within the **PROPERTIES** without the written consent of the **BOARD OF DIRECTORS**. The **BOARD OF DIRECTORS** or **DECLARANT** shall have the right to erect signs as the **BOARD OF DIRECTORS**, in their discretion, deem appropriate.

**Section 14.2 PARKING.** Vehicles shall be parked only in parking tracts or in the driveways, if any, serving the **LOTS** or in appropriate spaces or designated areas in which parking may be assigned by the **MASTER ASSOCIATION** or **NEIGHBORHOOD ASSOCIATION** and then subject to such reasonable **RULES AND REGULATIONS** as the **BOARD OF DIRECTORS**, or the **NEIGHBORHOOD COMMITTEE** or **NEIGHBORHOOD ASSOCIATION** having concurrent jurisdiction over parking areas within a **NEIGHBORHOOD**, may adopt. The **DECLARANT** and/or the **MASTER ASSOCIATION** may designate certain on-street parking areas for visitors or guests subject to reasonable **RULES AND REGULATIONS**. Commercial vehicles, tractors, mobile homes, trailers (either with or without wheels), campers, camper trailers and boat trailers shall be parked only in areas designated by the **BOARD OF DIRECTORS**, or the **NEIGHBORHOOD COMMITTEE** or **NEIGHBORHOOD ASSOCIATION** having jurisdiction over a particular parking area within a **NEIGHBORHOOD**. The storage of boats and recreational vehicles is prohibited upon the **PROPERTIES** unless approved by the **BOARD OF DIRECTORS**. **PROVIDED, HOWEVER**, nothing in this **Section 14.2** shall be construed to apply to any property described on the **CONCEPTUAL MASTER PLAN**, except the **PROPERTIES**.

**Section 14.3 OCCUPANTS BOUND.** All provisions of the **MASTER DECLARATION, BY-LAWS** and of any **RULES AND REGULATIONS** or use restrictions promulgated pursuant thereto which govern the conduct of **OWNERS** and which provide for sanctions against **OWNERS** shall also apply to all occupants, guests and invitees of any **LOT**. Every **OWNER** shall cause all occupants of said **LOT** to comply with the **MASTER DECLARATION, BY-LAWS** and the **RULES AND REGULATIONS** adopted pursuant thereto and shall be responsible for all violations and losses to the **COMMON AREAS** caused by such occupants, notwithstanding the fact that such occupants of a **LOT** are fully liable and may be sanctioned for any violation of the **MASTER DECLARATION, BY-LAWS** and **RULES AND REGULATIONS** adopted pursuant thereto.

**Section 14.4 NUISANCE.** No portion of the **PROPERTIES** shall be used, in whole or in part, for the storage of any property or thing that will cause the **PROPERTIES** to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any portion of the **PROPERTIES** that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort or serenity of the occupants of surrounding property. No noxious or offensive activity shall be carried on upon any portion of the **PROPERTIES**, nor shall anything be done thereon tending

to cause embarrassment, discomfort, annoyance or nuisance to any **PERSON** using any portion of the **PROPERTIES**. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of the **PROPERTIES**.

**Section 14.5 UNSIGHTLY OR UNKEMPT CONDITIONS.** It shall be the responsibility of each **OWNER** to prevent the development of any unclean, unhealthy, unsightly or unkempt condition on said **LOT**. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices which might tend to cause disorderly, unsightly or unkempt conditions, shall not be pursued or undertaken on any part of the **PROPERTIES**.

**Section 14.6 OUTSIDE INSTALLATIONS.** Except as provided in this **MASTER DECLARATION**, no exterior antennas, aerials, satellite dishes, towers or other apparatus, or support thereof, for the reception or transmission of television, radio or other signals of any kind shall be erected, installed, placed, allowed or maintained upon any portion of the **PROPERTY**. **PROVIDED, HOWEVER**, the **OWNER** of a **LOT** shall be allowed to place **one (1) eighteen inch (18")** diameter satellite dish, or smaller, on a building located on a **LOT** so long as said satellite dish is not visible from any roadway and is approved by the **ARCHITECTURAL COMMITTEE**. The **DECLARANT** and/or the **MASTER ASSOCIATION** shall have the right, without obligation, to erect an aerial, satellite dish or other apparatus for a master antenna or cable system for the benefit of all or a portion of the **PROPERTY**, should master system or systems to be used by the **MASTER ASSOCIATION** require any such exterior apparatus. No radio transmissions of any kind shall be made from any building, **LOT** or **COMMON AREA**, except for communication equipment used by the **MASTER ASSOCIATION**. No machinery shall be placed or operated upon any **LOT** except such machinery as is usual in maintenance of a private residence. No roof penetrations, such as vents and pipes, shall be placed on any roof so as to be visible from any road or **COMMON AREA**.

**Section 14.7 BASKETBALL EQUIPMENT, CLOTHESLINES, GARBAGE CANS, TANKS, ETC.** All basketball hoops and backboards, clotheslines, garbage cans, above ground tanks and other similar items shall be located or screened so as to be concealed from view of neighboring **LOTS**, streets and property located adjacent to the **LOT**. All rubbish, trash and garbage shall be regularly removed from the **PROPERTIES** and shall not be allowed to accumulate thereon.

**Section 14.8 SUBDIVISION OF LOT OR TIME SHARING.** No **LOT** shall be subdivided or the boundary lines of said **LOT** changed except with the prior written approval of the **BOARD OF DIRECTORS** of the **MASTER ASSOCIATION**. **DECLARANT**, however, expressly reserves the right to replat any **LOT** or **LOTS** owned by **DECLARANT**. Any such division, boundary line change or replating shall not be in violation of the applicable subdivision and zoning regulations nor applicable state, federal and local laws and regulations.

No **LOT** shall be made subject to any type of timeshare or similar program whereby the right to exclusive use of the **LOT** rotates among **MEMBERS** of the program on a fixed or floating time schedule over a period of years.

**Section 14.9 FIREARMS.** The discharge of firearms within the **PROPERTIES** is prohibited except with the prior approval of the **MASTER BOARD OF DIRECTORS**. The term "**firearms**" includes "**B-B**" guns, pellet guns and other firearms of all types, regardless of size,



notwithstanding anything to the contrary contained in this **MASTER DECLARATION** or in the **BY-LAWS**.

**Section 14.10 TENTS, TRAILERS AND TEMPORARY STRUCTURES.** Except as may be permitted by the **ARCHITECTURAL COMMITTEE** during initial construction within the **PROPERTIES**, no tent, utility shed, shack, trailer or other structure of a temporary nature shall be placed upon a **LOT** or any part of the **PROPERTIES**.

**Section 14.11 DRAINAGE AND SEPTIC SYSTEMS.** Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No **PERSON** other than **DECLARANT** may obstruct or re-channel the drainage flows after location and installation of drainage swales, storm sewers or storm drains. **DECLARANT** reserves a perpetual easement across the **PROPERTIES** for the purpose of altering drainage and water flow. Septic systems are prohibited on the **PROPERTIES**. Except as otherwise may be specified by **DECLARANT**, all **OWNERS** of **LOTS** must acquire and pay for sewer taps and sewer service to all **LOTS** from **SOUTH ALABAMA SEWER SERVICE, INC., an Alabama Corporation ("SASS")** as provided for in separate agreement by and between **DECLARANT** and **SASS**. Any obligation of **DECLARANT** contained in the separate agreement by and between **DECLARANT** and **SASS** pertaining to the obligation to acquire and pay for sewer taps and sewer service for any particular **LOT** is assumed by each **LOT OWNER**. **DECLARANT** alone may declare the provisions contained in the immediately foregoing sentence to be null and void.

**Section 14.12 TREE REMOVAL.** No trees shall be removed, except for diseased or dead trees and trees needing to be removed to promote the growth of other trees or for safety reasons, unless approved by the **ARCHITECTURAL COMMITTEE** as provided for in this **MASTER DECLARATION** or as provided in any amendment to this **MASTER DECLARATION** or any **SUPPLEMENTAL DECLARATION**.

**Section 14.13 SIGHT DISTANCE AT INTERSECTIONS.** All property located at street intersections shall be landscaped so as to permit safe sight across the street corners. No fence, wall, hedge or shrub planting shall be placed or permitted to remain where said fence, wall, hedge or shrub planting would create a traffic or sight problem.

**Section 14.14 UTILITY AND COMMUNICATION LINES.** No overhead communication lines or utility lines, including lines for cable television, shall be permitted within the **PROPERTIES**, except for temporary lines as required during construction and high voltage lines if required by law or for safety purposes.

**Section 14.15 AIR CONDITIONING UNITS.** Except as may be permitted by the **BOARD OF DIRECTORS** or designee of the **BOARD OF DIRECTORS**, no window air conditioning units may be installed in any **LOT**.

**Section 14.16 WETLAND AREA.** No **OWNER** of any **LOT** shall build or construct structures such as habitable structures, houses, storage sheds, swimming pools, driveways, concrete sidewalks, parking areas or any portion of same on or in any **WETLAND AREA** on said **LOT** unless approved by the **ARCHITECTURAL COMMITTEE**.

Erosion control measures shall be taken by the **OWNER** of a **LOT** to prevent erosion or siltation into a **WETLAND AREA**.

**Section 14.17 FERTILIZERS/HERBICIDES AND PESTICIDES.** The use of mechanized equipment, herbicides or pesticides is prohibited within any **WETLAND AREA**.

**Section 14.18 WATER WELLS.** No private water system shall be constructed on any **LOTS**. **PROVIDED, HOWEVER, DECLARANT** shall have the right to construct a private water system or systems on any **LOT** or part of the **PROPERTIES** owned by **DECLARANT**.

#### **ARTICLE XV ANNEXATION OF ADDITIONAL PROPERTY**

**Section 15.1 ANNEXATION WITHOUT APPROVAL OF LOT OWNERS.** **DECLARANT** shall have the unilateral right, privilege and option, from time to time and at any time until **DECLARANT** has sold all of the **LOTS** in the **PROPERTIES**, and has sold all of the property in the **PROPERTIES**, and has sold all of the property described on the **CONCEPTUAL MASTER PLAN**, to subject to the provisions of this **MASTER DECLARATION** and the jurisdiction of the **MASTER ASSOCIATION, ADDITIONAL PROPERTY** which may include all or any portion of the real property described on the **CONCEPTUAL MASTER PLAN**. In addition, **DECLARANT** shall have the unilateral right, privilege and option, from time to time and at any time to subject to the provisions of this **MASTER DECLARATION** and the jurisdiction of the **MASTER ASSOCIATION** any real property owned by **DECLARANT** which is adjacent to the property described on the **CONCEPTUAL MASTER PLAN**. Such **ADDITIONAL PROPERTY** shall be deemed to be "adjacent" even though separated from the property described in the **CONCEPTUAL MASTER PLAN** by roads, highways, rivers, streams, rights-of-way, railroads, utilities or other intervening physical features or property interest. Such annexation shall be accomplished by filing in the public records of **BALDWIN COUNTY, ALABAMA** a **SUPPLEMENTAL DECLARATION** to this **MASTER DECLARATION** annexing such **ADDITIONAL PROPERTY**. Such **SUPPLEMENTAL DECLARATION** shall not require the consent of **LOT OWNERS**. Any such annexation shall be effective upon the filing for record of such **SUPPLEMENTAL DECLARATION** unless otherwise provided in this **MASTER DECLARATION** or in the **SUPPLEMENTAL DECLARATION**. **DECLARANT** shall have the unilateral right to transfer to any other **PERSON** the said right, privilege and option to annex **ADDITIONAL PROPERTY** reserved in this **MASTER DECLARATION** to **DECLARANT**, provided that such transferee or assignee shall be the developer of at least a portion of the **PROPERTIES** or a portion of the property described on the **CONCEPTUAL MASTER PLAN** and such transfer is memorialized in a written, recorded instrument executed by **DECLARANT**. **DECLARANT** reserves the right and option, in the sole discretion of **DECLARANT**, to complete only the phase or phases which market or other relevant conditions may dictate.

**Section 15.2 ANNEXATION WITH APPROVAL OF LOT OWNERS.** After **DECLARANT** has sold all of the **LOTS** in the **PROPERTIES**, and all of the **PROPERTIES**, and all of the property described on the **CONCEPTUAL MASTER PLAN**, the **MASTER ASSOCIATION** may annex **ADDITIONAL PROPERTY** without the consent of **DECLARANT**. Such annexation shall require the affirmative vote of **VOTING MEMBERS** or alternates representing a **MAJORITY** of the **VOTING MEMBERS** of the **MASTER ASSOCIATION** present at a meeting duly called for such purpose.

Annexation pursuant to this **Section 15.2** shall be accomplished by filing of record in the public records of **BALDWIN COUNTY, ALABAMA**, a **SUPPLEMENTAL DECLARATION** describing the property being annexed. Any such **SUPPLEMENTAL DECLARATION** shall be signed by the **President** and the **Secretary** of the **MASTER ASSOCIATION**, and by the owner of the property being annexed, and any such annexation shall be effective upon filing unless otherwise provided in said **SUPPLEMENTAL DECLARATION**. The relevant provisions of the **BY-LAWS** dealing with regular or special meetings, as the case may be, shall apply to determine the time required for and the proper form of notice of any meeting called for the purpose of considering annexation of property pursuant to this **Section 15.2** and to ascertain the presence of a quorum at such meeting.

**Section 15.3 ACQUISITION OF ADDITIONAL COMMON AREA.** **DECLARANT** may convey to the **MASTER ASSOCIATION** additional real estate, improved or unimproved, which may or may not be located within the property described on the **CONCEPTUAL MASTER PLAN** which upon conveyance or dedication to the **MASTER ASSOCIATION** shall be accepted by the **MASTER ASSOCIATION** and thereafter shall be maintained by the **MASTER ASSOCIATION** at the expense of the **MASTER ASSOCIATION** for the benefit of all the **MEMBERS**.

**Section 15.4 DECLARANT DISCRETION.** The property described on the **CONCEPTUAL MASTER PLAN** which **DECLARANT** may or may not submit to the **PROPERTIES** at a future date or dates is not made a part of the **PROPERTIES**. However, subject to and in accordance with the following terms and provisions, any property described on the **CONCEPTUAL MASTER PLAN**, or any portion or portions of said property may be submitted to the **PROPERTIES** in separate or different parcels at different times by amendment or amendments to this **MASTER DECLARATION**. No assurance is made concerning whether or not any phase or portion of the **CONCEPTUAL MASTER PLAN** will be or will not be submitted to the **PROPERTIES** nor is any assurance made concerning the boundaries of the phases, or portions thereof, the number of the phases, or the order in which any phase or portion thereof may be or may not be subject to the exercise of these rights reserved to **DECLARANT**. The exercise by **DECLARANT** of any rights reserved to **DECLARANT** on any portion of the property described on the **CONCEPTUAL MASTER PLAN** does not obligate **DECLARANT** to exercise said right in all or any other portion of the remainder of the property described on the **CONCEPTUAL MASTER PLAN**.

If **DECLARANT** elects, in the sole discretion of **DECLARANT**, not to submit any portion or portions of the property described on the **CONCEPTUAL MASTER PLAN**, then, in that event, **DECLARANT** shall have the right to develop said property in any way that **DECLARANT** sees fit and **DECLARANT** shall have the right to make such use of said property as **DECLARANT** sees fit without restriction.

No assurances are made that any building or other improvements that may be erected pursuant to any right of **DECLARANT** in any part of the property described on the **CONCEPTUAL MASTER PLAN** will be compatible or will not be compatible with any existing buildings and improvements in the property described on the **CONCEPTUAL MASTER PLAN** in terms of architectural style, quality of construction and size.

No assurances are made concerning other improvements that may be made or that may be created within any part of the property described on the **CONCEPTUAL MASTER PLAN** pursuant to any right of **DECLARANT** reserved by **DECLARANT**.

No assurances are made as to the locations of any building or other improvement that may be made within any part of the property described on the **CONCEPTUAL MASTER PLAN** pursuant to any right of **DECLARANT** reserved by **DECLARANT**.

No assurances are made that any **COMMON AREAS** created pursuant to any right of **DECLARANT** reserved by **DECLARANT** will be of the same general types and sizes as the **COMMON AREAS** within other parts of the property described in the **CONCEPTUAL MASTER PLAN**.

No assurance is made that the proportion of the **COMMON AREA** to **LOTS** created pursuant to any right reserved by **DECLARANT** will be approximately equal to the proportion existing within other parts of the property described in the **CONCEPTUAL MASTER PLAN**.

No assurances are made that the restrictions affecting the use, occupancy and sale or lease of the **LOTS** will apply to any **LOTS** created pursuant to any right of **DECLARANT** reserved by **DECLARANT**.

#### **ARTICLE XVI** **AMENDMENT**

**DECLARANT** may unilaterally amend this **MASTER DECLARATION** so long as **DECLARANT** owns any **LOTS** in the **PROPERTIES**, or owns any property in the **PROPERTIES**, or owns any property described on the **CONCEPTUAL MASTER PLAN**. Hereafter and otherwise, this **MASTER DECLARATION** may be amended only by the affirmative vote or written consent, or any combination thereof, of **VOTING MEMBERS** representing **seventy-five (75%) percent** of the total votes of the **MASTER ASSOCIATION**. However, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. Any amendment to be effective must be recorded in the public records of **BALDWIN COUNTY, ALABAMA**.

If an **OWNER** consents to any amendment to this **MASTER DECLARATION** or the **BY-LAWS**, said consent will be conclusively presumed that such **OWNER** has the authority so to consent and no contrary provision in any **MORTGAGE** or contract between the **OWNER** and a third party will affect the validity of such amendment.

No amendment may remove, revoke or modify any right or privilege of **DECLARANT** without the written consent of **DECLARANT** or the assignee of such right or privilege. No amendment may impair the validity or priority of the lien of any **MORTGAGE** held by a **MORTGAGEE** or impair the rights granted to **MORTGAGEES** in this **MASTER DECLARATION** without the prior written consent of such **MORTGAGEES**.

This **MASTER DECLARATION** shall not be amended without the prior written consent of **DECLARANT**, so long as **DECLARANT** owns any **LOTS** in the **PROPERTIES**, or owns any property in the **PROPERTIES**, or owns any property described on the **CONCEPTUAL MASTER PLAN**.

**ARTICLE XVII**  
**MORTGAGEE PROVISIONS**

The following provisions are for the benefit of **ELIGIBLE MORTGAGE HOLDERS**.

**Section 17.1 NOTICES OF ACTION.** An **ELIGIBLE MORTGAGE HOLDER** who provides a written request to the **MASTER ASSOCIATION** (such request to state the name and address of such **ELIGIBLE MORTGAGE HOLDER** and the **LOT** number) will be entitled to timely written notice of:

- A. any condemnation loss or any casualty loss which affects a material portion of the **PROPERTIES** or which affects any **LOT** on which there is a **first (1<sup>st</sup>) MORTGAGE** or vendor's lien held, insured or guaranteed by such **ELIGIBLE MORTGAGE HOLDER**;
- B. any delinquency in the payment of **ASSESSMENTS** or charges owed by an **OWNER** of a **LOT** subject to the **first (1<sup>st</sup>) MORTGAGE** or vendor's lien of an **ELIGIBLE MORTGAGE HOLDER**, where such delinquency has continued for a period of **sixty (60) days**; **PROVIDED, HOWEVER**, notwithstanding this provision, any **ELIGIBLE MORTGAGE HOLDER**, upon request, is entitled to written notice from the **MASTER ASSOCIATION** of any default in the performance by an **OWNER** of a **LOT** of any obligation under the **MASTER DECLARATION** or **BY-LAWS** of the **MASTER ASSOCIATION** which is not cured within **sixty (60) days**;
- C. Any lapse, cancellation or material modification of any insurance policy maintained by the **MASTER ASSOCIATION**; or
- D. any proposed action which would require the consent of a specified percentage of **ELIGIBLE MORTGAGE HOLDERS**.

**Section 17.2 NO PRIORITY.** No provision of this **MASTER DECLARATION** or the **BY-LAWS** gives or shall be construed as giving any **OWNER** or other party priority over any rights of the **first (1<sup>st</sup>) MORTGAGEE** of any **LOT** in the case of distribution to such **OWNER** of insurance proceeds or condemnation awards for losses to or a taking of the **COMMON AREA**.

**Section 17.3 NOTICE TO MASTER ASSOCIATION.** Upon request, each **OWNER** shall be obligated to furnish to the **MASTER ASSOCIATION** the name and address of the holder of any **MORTGAGE** encumbering the **LOT** of a **OWNER**.

**Section 17.4 APPLICABILITY OF ARTICLE XVII.** Nothing contained in this **ARTICLE XVII** shall be construed to reduce the vote that must otherwise be obtained under the **MASTER DECLARATION, BY-LAWS** or **ALABAMA** corporate law for any of the acts set out in this **ARTICLE XVII**.

**Section 17.5 FAILURE OF MORTGAGEE TO RESPOND.** Any **MORTGAGEE** who receives a written request from the **BOARD OF DIRECTORS** to respond to or consent to any action shall be deemed to have approved such action if the **MASTER ASSOCIATION** does not

receive a written response from the **MORTGAGEE** within **thirty (30) days** of the date of the request by the **MASTER ASSOCIATION**.

**ARTICLE XVIII**  
**RIGHTS OF DECLARANT**

Any or all of the rights and obligations of **DECLARANT** may be transferred to other **PERSONS** provided that no such transfer shall be effective unless said transfer is in a written instrument signed by **DECLARANT** and duly recorded in the public records of **BALDWIN COUNTY, ALABAMA**. Nothing in this **MASTER DECLARATION** shall be construed to require **DECLARANT** or any successor to develop any of the property set forth on the **CONCEPTUAL MASTER PLAN** in any manner whatsoever.

Notwithstanding any provisions contained in the **MASTER DECLARATION** to the contrary, so long as **DECLARANT** owns any **LOTS** in the **PROPERTIES**, or owns any property in the **PROPERTIES**, or owns any property described on the **CONCEPTUAL MASTER PLAN**, it shall be expressly permissible for **DECLARANT** to maintain and carry on upon portions of the **PROPERTIES** and the **COMMON AREA** such facilities and activities as, in the sole opinion of **DECLARANT**, may be reasonably required, convenient or incidental to the sale and development of the **LOTS** in the **PROPERTIES**, or property in the **PROPERTIES**, or any property described on the **CONCEPTUAL MASTER PLAN**, including, but not limited to, business offices, signs, model homes and sales offices, and **DECLARANT** shall have an easement for access, ingress and egress to and from such property. The right to maintain and carry on such facilities and activities shall include specifically the right to use **LOTS** in the **PROPERTIES** owned by **DECLARANT**, or property in the **PROPERTIES** owned by **DECLARANT**, or any property owned by **DECLARANT** described on the **CONCEPTUAL MASTER PLAN** and any improvement which may be owned by the **MASTER ASSOCIATION**, as models, sales offices and for lodging and entertainment, respectively, of sales prospects and other business invitees.

So long as **DECLARANT** owns any **LOTS** in the **PROPERTIES**, or owns any property in the **PROPERTIES**, or owns any property described on the **CONCEPTUAL MASTER PLAN**, no **PERSON** shall record any declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument affecting any portion of the **PROPERTIES** without the review and written consent of **DECLARANT**, and any attempted recordation without compliance with this **MASTER DECLARATION** shall result in such declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument being void and of no force and effect unless subsequently approved by recorded consent signed by **DECLARANT**. So long as **DECLARANT** continues to have rights under this **MASTER DECLARATION**, all sales, promotional and advertising materials, and all forms for deeds, contracts for sale and other closing documents for the subdivision and sale of property in the **PROPERTIES** by any **PARCEL DEVELOPER** shall be subject to the prior approval of **DECLARANT**.

This **ARTICLE XVIII** may not be amended without the express written consent of **DECLARANT**.

**ARTICLE XIX**  
**GOLF CLUB**

**Section 19.1 GENERAL.** The **GOLF CLUB** adjoining the property described on the **CONCEPTUAL MASTER PLAN** is a **GOLF CLUB** owned by **PERSONS** other than **DECLARANT**. **DECLARANT** has no right, title or interest in the **GOLF CLUB**.

**Section 19.2 GOLF CLUB MEMBERSHIP.** Neither membership in the **MASTER ASSOCIATION** nor ownership or occupancy of a **LOT** shall confer any ownership interest in or right to use or enter the **GOLF CLUB**. Rights to use the **GOLF CLUB** will be granted only to such **PERSONS** and on such terms and conditions, as may be determined from time to time by the owner of the **GOLF CLUB**. The **GOLF CLUB** may or may not be used by the general public, at the sole discretion of the owner of the **GOLF CLUB**.

**Section 19.3 CONVEYANCE OF GOLF CLUB.** All **PERSONS**, including all **OWNERS**, are advised that no representations or warranties have been or are made by **DECLARANT** or any other **PERSON** with regard to the continuing ownership or operation of the **GOLF CLUB**.

**ARTICLE XX**  
**LAKE**

**Section 20.1 GENERAL.** The terms, conditions and provisions of **ARTICLE SIX** contained in the **SUPPLEMENTAL, RESTATED AND AMENDED DECLARATION OF COVENANTS, CONDITIONS AND PROTECTIVE RESTRICTIONS FOR LAKE VIEW ESTATES** dated the 21<sup>st</sup> day of **December, 1992** and recorded **December 28, 1992** in **Miscellaneous Book 72, Pages 1784 through 1809** ("**LAKE VIEW ESTATES SUPPLEMENTAL DECLARATION**") is incorporated in this **MASTER DECLARATION** as if fully set out. No other provisions of the **LAKE VIEW ESTATES SUPPLEMENTAL DECLARATION** shall apply to the **PROPERTIES** nor to this **MASTER DECLARATION**. The **BLANKET ASSIGNMENT AND CONVEYANCE** conveys title to the **LAKE** to **LAKE VIEW ESTATES PROPERTY OWNER'S ASSOCIATION, INC.** subject to the reservation to **DECLARANT** of the right of **DECLARANT**, or the successors and assigns of **DECLARANT**, to access to and use the waters of **LAKE MURIEL**.

The body of water shown on the **CONCEPTUAL MASTER PLAN** and identified as the **LAKE** and which is described in the **BLANKET ASSIGNMENT AND CONVEYANCE** dated the 3<sup>rd</sup> day of **February, 1999** and recorded the 10<sup>th</sup> day of **March, 1999** as **Instrument Number 482257, Pages 1 through 4** ("**BLANKET ASSIGNMENT AND CONVEYANCE**") provides, among other things, for the reservation to **DECLARANT** of the right of **DECLARANT**, and the successors and assigns of **DECLARANT**, to access to and use the waters of "**LAKE MURIEL**". The owners of property adjoining the **PROPERTIES** and adjoining the properties described in the **CONCEPTUAL MASTER PLAN** have the right to use the **LAKE** as provided for in the **BLANKET ASSIGNMENT AND CONVEYANCE**.

Access to the **LAKE** is strictly subject to the rules and procedures established by the owners of the **LAKE** and the **LAKE** is not made a part of the **PROPERTIES** unless the **LAKE** is added to and subjected to this **MASTER DECLARATION** by **SUPPLEMENTAL**

**DECLARATION.** No **OWNER** or occupant gains any right to enter or to use the **LAKE** by virtue of ownership or occupancy of a **LOT**. **PROVIDED, HOWEVER, DECLARANT** has the unilateral right to bring the **LAKE** into the **PROPERTIES** as a **COMMON AREA** and to amend this **MASTER DECLARATION** in order to impose liens for **ASSESSMENTS** for the maintenance and upkeep of the **LAKE**.

**DECLARANT** and the other owners of the **LAKE** may impose fees, costs or **ASSESSMENTS** on **OWNERS** of **LOTS** to maintain or use the **LAKE**.

**Section 20.2 RIGHT TO USE LAKE.** Neither membership in the **MASTER ASSOCIATION** nor ownership or occupancy of a **LOT** shall confer any ownership interest in or right to use or enter the **LAKE** or any other property described on the **CONCEPTUAL MASTER PLAN** which is owned by **DECLARANT**. Rights to use the **LAKE** or any other property described on the **CONCEPTUAL MASTER PLAN** which is owned by **DECLARANT** will be granted only to such **PERSONS** and on such terms and conditions, as may be determined from time to time by the owner of the **LAKE** or the owners of the property described on the **CONCEPTUAL MASTER PLAN** which have not become a part of the **PROPERTIES**. The owner of the **LAKE** and the owner of the properties described on the **CONCEPTUAL MASTER PLAN** which are not part of the **PROPERTIES** shall have the right from time to time in their sole and absolute discretion and without notice to amend or waive the terms and conditions of use of the **LAKE** and the properties described on the **CONCEPTUAL MASTER PLAN** which are not part of the **PROPERTIES**, including, without limitation, eligibility for and duration of use rights, categories of use and extent of use privileges, and number of users, and shall also have the right to reserve use rights and to terminate use rights altogether. The **LAKE** may or may not be used by the general public, at the sole discretion of the owners of the **LAKE**.

**Section 20.3 CONVEYANCE OF LAKE.** All **PERSONS**, including all **OWNERS**, are advised that no representations or warranties have been or are made by **DECLARANT** or any other **PERSON** with regard to the continuing ownership or operation of the **LAKE**.

## **ARTICLE XXI** **GENERAL PROVISIONS**

**Section 21.1 TERM.** The covenants and restrictions of this **MASTER DECLARATION** shall run with and bind the **PROPERTIES**, and shall inure to the benefit of and shall be enforceable by the **MASTER ASSOCIATION** or the **OWNER** of any **PROPERTIES** subject to this **MASTER DECLARATION**, their respective legal representatives, heirs, successors and assigns, for a term of **ninety-nine (99) years** from the date this **MASTER DECLARATION** is recorded, after which time they shall be automatically extended for successive periods of **ten (10) years**, unless an instrument in writing, signed by a **MAJORITY** of the then **OWNERS**, has been recorded within the year preceding the beginning of each successive period of **ten (10) years**, agreeing to change said covenants and restrictions, in whole or in part, or to terminate the same, in which case this **MASTER DECLARATION** shall be modified or terminated as specified therein.

**Section 21.2 SEVERABILITY.** If any **ARTICLE**, part, clause, provision or condition of this **MASTER DECLARATION** is held to be void, invalid or inoperative, such voidness, invalidity or inoperativeness shall not affect any other **ARTICLE**, clause, provision or condition of this **MASTER**



**DECLARATION**, but the remainder of this **MASTER DECLARATION** shall be effective as though such **ARTICLE**, clause, provision or condition had not been contained therein.

**Section 21.3 LITIGATION.** No judicial or administrative proceeding shall be commenced or prosecuted by the **MASTER ASSOCIATION** unless approved by a vote of **seventy-five percent (75%)** of the **VOTING MEMBERS** or **DECLARANT** so long as **DECLARANT** owns any **LOTS** in the **PROPERTIES**, or any property in the **PROPERTIES**, or any property described on the **CONCEPTUAL MASTER PLAN**. In the case of such a vote, and notwithstanding anything contained in this **MASTER DECLARATION** or the **ARTICLES OF INCORPORATION** or **BY-LAWS** of the **MASTER ASSOCIATION** to the contrary, a **VOTING MEMBER** shall not vote in favor of bringing or prosecuting any such proceeding unless authorized to do so by a vote of **seventy-five percent (75%)** of all **MEMBERS** of the **NEIGHBORHOOD** represented by the **VOTING MEMBERS**. This **Section 21.3** shall not apply, however, to (a) actions brought by the **MASTER ASSOCIATION** to enforce the provisions of this **MASTER DECLARATION** (including, without limitation, the foreclosure of liens), (b) the imposition and collection of **ASSESSMENTS** as provided in this **MASTER DECLARATION**, (c) proceedings involving challenges to ad valorem taxation, or (d) counterclaims brought by the **MASTER ASSOCIATION** in proceedings instituted against the **MASTER ASSOCIATION**. This **Section 21.3** shall not be amended unless such amendment is made by **DECLARANT** or is approved by the percentage votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

**Section 21.4 CUMULATIVE EFFECT; CONFLICT.** The covenants, restrictions and provisions of this **MASTER DECLARATION** shall be cumulative with those of any **NEIGHBORHOOD ASSOCIATION** and the **MASTER ASSOCIATION** may, but shall not be required to, enforce the latter. **PROVIDED, HOWEVER**, in the event of conflict between or among such covenants and restrictions, and provisions of any **ARTICLES OF INCORPORATION, BY-LAWS, RULES AND REGULATIONS**, policies or practices adopted or carried out pursuant thereto, those of any **NEIGHBORHOOD ASSOCIATION** shall be subject and subordinate to those of the **MASTER ASSOCIATION**. The foregoing priorities shall apply, but not be limited to, the liens for **ASSESSMENTS** created in favor of the **MASTER ASSOCIATION**.

**Section 21.5 UNRESTRICTIVE RIGHT OF TRANSFER.** The right of a **LOT OWNER** to sell, transfer or otherwise convey said **LOT** shall not be subject to any right of first refusal or a similar restriction.

**Section 21.6 NO RESTRICTIONS ON MORTGAGING.** Anything construed in this **MASTER DECLARATION** to the contrary, there shall be no restrictions on a **LOT OWNER'S** right to **MORTGAGE** a **LOT**.

**Section 21.7 ACCEPTANCE BY GRANTEE.** The grantee of any **LOT** subject to the coverage of this **MASTER DECLARATION**, by acceptance of the **DEED** or other instrument conveying an interest in or title to, or the execution of a contract for the purchase of a **LOT**, whether from **DECLARANT** or a subsequent **OWNER** of such **LOT**, shall accept such **DEED** or other contract upon and subject to each and all of the terms and conditions set out in this **MASTER DECLARATION**.

**Section 21.8 INDEMNITY FOR DAMAGES.** Each and every **LOT OWNER** and future **LOT OWNER**, in accepting a **DEED** or contract for any **LOT** subject to this **MASTER DECLARATION**, agrees to indemnify **DECLARANT** for any damage caused by such **OWNER**, or the contractor, agent or employees of such **OWNER**, to private access areas, streets, roads, gutters, walkways or other aspects of private or public ways, including all surfacing thereon or to water, drainage or storm sewer lines or sanitary sewer lines owned by **DECLARANT**, or for which **DECLARANT** has responsibility, at the time of such damage.

**Section 21.9 CAPTIONS, GENDER AND GRAMMAR.** The captions preceding the various sections, paragraphs and subparagraphs of this **MASTER DECLARATION** are for the convenience of reference only, and none of them shall be used as an aid to the construction of any provision in this **MASTER DECLARATION**. Wherever and whenever applicable, the singular form of any word shall be taken to mean or apply to the plural, and the masculine form shall be taken to mean or apply to the feminine or to the neuter.

**Section 21.10 EFFECT OF VIOLATION ON MORTGAGE LIEN.** No violation of any of the terms and conditions of this **MASTER DECLARATION** shall defeat or render invalid the lien of any **MORTGAGE** made or reserved in good faith and for value upon any portion of the **PROPERTIES**. **PROVIDED, HOWEVER**, that any **MORTGAGEE** in actual possession, or any purchaser at any judicial or non-judicial foreclosure by a **MORTGAGE** sale shall be bound by and subject to this **MASTER DECLARATION** as fully as any other **OWNER** of any portion of the **PROPERTIES**.

**Section 21.11 NO REVERTER.** No provision of this **MASTER DECLARATION** is intended to be, or shall be construed as, a condition subsequent or as creating a possibility of reverter.

**Section 21.12 ENFORCEMENT.** In the event of a violation or breach of any of the **MASTER DECLARATION**, the **BY-LAWS** or the **RULES AND REGULATIONS** by any **OWNER**, or employee, agent, or lessee of such **OWNER**, the **OWNER(S)** of **LOT(S)**, the **MASTER ASSOCIATION**, **DECLARANT** (so long as **DECLARANT** owns any **LOTS** in the **PROPERTIES**, or any property in the **PROPERTIES**, or any property described on the **CONCEPTUAL MASTER PLAN**) their successors and assigns, shall each have the right to proceed at law or in equity to compel compliance with the terms and conditions of this **MASTER DECLARATION**, to prevent the violation or breach of the **MASTER DECLARATION**, the **BY-LAWS** or the **RULES AND REGULATIONS** of the **MASTER ASSOCIATION** to sue for and recover damages or other dues, or take all such courses of action at the same time, or such other legal remedy it may deem appropriate. No delay or failure on the part of an aggrieved party to initiate an available remedy set forth in this **MASTER DECLARATION** shall be held to be a waiver of that party or an estoppel of that party or of any other party to assert any right available to said party upon the recurrence or continuation of said violation or the occurrence of a different violation.

Damages shall not be deemed adequate compensation for any breach or violation of any provision of this **MASTER DECLARATION**, but any **PERSON** or entity entitled to enforce any provision in this **MASTER DECLARATION** shall be entitled specifically to relief by way of injunction as well as any other available relief either at law or in equity.

Any party to a proceeding who succeeds in enforcing this **MASTER DECLARATION**, the **BY-LAWS** or the **RULES AND REGULATIONS** of the **MASTER**

**ASSOCIATION** or enjoining the violation of this **MASTER DECLARATION** against a **LOT OWNER** may be awarded a reasonable attorney's fee against such **LOT OWNER**.

**Section 21.13 CERTIFICATE OF VIOLATION.** In addition to any other rights or remedies available to the **MASTER ASSOCIATION** under this **MASTER DECLARATION** or at law or equity, the **MASTER ASSOCIATION** shall have the right to file in the records of **BALDWIN COUNTY, ALABAMA**, a Certificate or Notice of Violation of this **MASTER DECLARATION** (which violation shall include, without limitation, nonpayment of the annual charges and/or failure to comply with architectural guidelines) upon failure of a **LOT OWNER** to correct a violation of this **MASTER DECLARATION** within **thirty (30) days** after written notice of the violation has been given by the **MASTER ASSOCIATION** to the **LOT OWNER**.

**Section 21.14 ESTOPPEL CERTIFICATE.** Upon the request of any **MEMBER**, the **BOARD OF DIRECTORS** of the **MASTER ASSOCIATION**, or designee, shall furnish a written certificate signed by an officer or agent of the **MASTER ASSOCIATION** regarding unpaid **ASSESSMENTS** levied against the property of a **MEMBER** in violation of the **MASTER DECLARATION, BY-LAWS, use restrictions, RULES AND REGULATIONS** by any **OWNER** or occupant of the **PROPERTY**. Such certificate shall bind the **MASTER ASSOCIATION** with respect to the foregoing matters. The **MASTER ASSOCIATION** may require the advance payment of a reasonable processing fee.

**Section 21.15 INTERPRETATION OF THIS MASTER DECLARATION.** The **DECLARANT** or the **MASTER ASSOCIATION** shall have the right to construe and interpret the provisions of this **MASTER DECLARATION**, and in absence of an adjudication by a court of competent jurisdiction to the contrary, its construction or interpretation shall be final and binding as to all **PERSONS** or **PROPERTIES** benefitted or bound by the provisions of this **MASTER DECLARATION**.

**Section 21.16 ASSIGNMENT BY THE MASTER ASSOCIATION.** The **MASTER ASSOCIATION** shall be empowered to assign the rights of the **MASTER ASSOCIATION** under this **MASTER DECLARATION** to any successor non-profit membership corporation ("**SUCCESSOR CORPORATION**") and, upon such assignment, the **SUCCESSOR CORPORATION** shall have all the rights and be subject to all the duties of the **MASTER ASSOCIATION** under this **MASTER DECLARATION**.

**Section 21.17 DEVIATION.** The **BOARD OF DIRECTORS** or designee may, in the exercise of reasonable discretion, permit deviations from the restrictions contained in this **MASTER DECLARATION, the BY-LAWS, the RULES AND REGULATIONS, the use restrictions and the architectural guidelines.**

**Section 21.18 USE OF THE WORDS "GLENLAKES" OR "THE GARDENS AT GLENLAKES" OR "GLENLAKES MASTER ASSOCIATION" OR "GLENLAKES PROPERTY OWNER'S ASSOCIATION" OR "THE GARDENS AT GLENLAKES PROPERTY OWNER'S ASSOCIATION".** No **PERSON** shall use the words "**GLENLAKES**" or "**THE GARDENS AT GLENLAKES**" or "**GLENLAKES MASTER ASSOCIATION**" or "**GLENLAKES PROPERTY OWNER'S ASSOCIATION**" or "**THE GARDENS AT GLENLAKES PROPERTY OWNER'S ASSOCIATION**" or any derivative thereof in any printed or promotional material without the prior written consent of **DECLARANT**. **PROVIDED, HOWEVER, OWNERS** may use the terms

"GLENLAKES" or "GLENLAKES MASTER ASSOCIATION" or "THE GARDENS AT GLENLAKES" or "GLENLAKES PROPERTY OWNER'S ASSOCIATION" or "THE GARDENS AT GLENLAKES PROPERTY OWNER'S ASSOCIATION" in printed or promotional matter where such term is used solely to specify that particular property is located within the PROPERTIES.

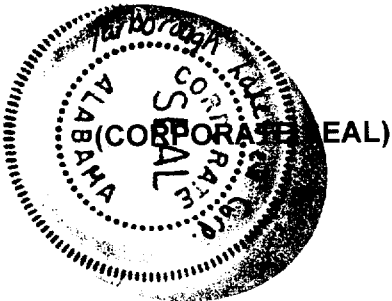
Section 21.19 SECURITY. GLENLAKES MASTER ASSOCIATION, INC., will strive to maintain the PROPERTIES as a safe, secure environment. HOWEVER, NEITHER GLENLAKES MASTER ASSOCIATION, NOR THE DECLARANT, SHALL BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. ALL OWNERS, TENANTS, GUESTS AND INVITES OF ANY OWNER, AS APPLICABLE, ACKNOWLEDGE THAT GLENLAKES MASTER ASSOCIATION, INC., AND DECLARANT AND COMMITTEES ESTABLISHED BY ANY OF THE FOREGOING ENTITIES, ARE NOT INSURERS AND THAT EACH OWNER, TENANT, GUEST AND INVITEE ASSUMES ALL RISK OF LOSS OR DAMAGE TO PERSONS, TO LOTS, AND TO THE CONTENTS OF LOTS AND FURTHER ACKNOWLEDGE THAT THE DECLARANT HAS MADE NO REPRESENTATIONS OR WARRANTIES, NOR HAS ANY OWNER, TENANT, GUEST OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE RELATIVE TO ANY SECURITY MEASURES RECOMMENDED OR UNDERTAKEN.

IN WITNESS WHEREOF, DECLARANT has caused this MASTER DECLARATION to be duly executed on the date first above written.

GLENLAKES REALTY CO., an Alabama  
General Partnership

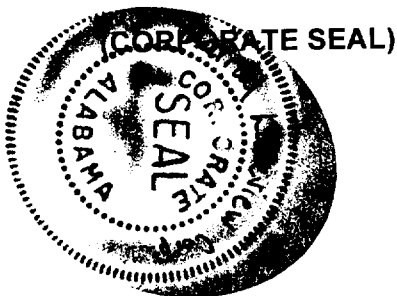
By: YARBOROUGH LAKEVIEW CORP.

By:   
JOE F. YARBOROUGH  
Its: President



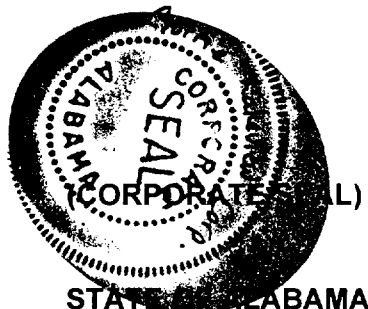
By: MURRAY LAKEVIEW CORP.

By:   
ROGER MURRAY  
Its: President



By: GORRIE LAKEVIEW CORP.

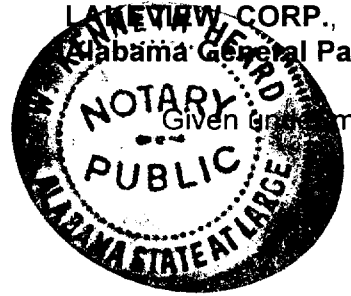
By: *M. Miller Gorrie*  
M. MILLER GORRIE  
Its: President



STATE OF ALABAMA :  
COUNTY OF BALDWIN :

I, the undersigned authority, a Notary Public in and for said State and County, hereby certify that JOE F. YARBOROUGH, whose name as **President** of YARBOROUGH LAKEVIEW CORP., acting in its capacity as a **Partner** of GLENLAKES REALTY CO., an **Alabama General Partnership**, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such **President** and with full authority, executed the same voluntarily for and as the act of said YARBOROUGH LAKEVIEW CORP., acting in its capacity as a **Partner** of GLENLAKES REALTY CO., an **Alabama General Partnership**.

Given under my hand and seal this 19<sup>th</sup> day of May, 2000.

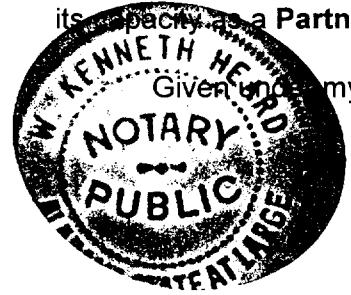


*W. Kenneth Heard*  
NOTARY PUBLIC  
My Commission Expires: 8/12/01

STATE OF ALABAMA :  
COUNTY OF BALDWIN :

I, the undersigned authority, a Notary Public in and for said State and County, hereby certify that ROGER MURRAY, whose name as **President** of MURRAY LAKEVIEW CORP., acting in its capacity as a **Partner** of GLENLAKES REALTY CO., an **Alabama General Partnership**, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such **President** and with full authority, executed the same voluntarily for and as the act of said MURRAY LAKEVIEW CORP., acting in its capacity as a **Partner** of GLENLAKES REALTY CO., an **Alabama General Partnership**.

Given under my hand and seal this 19<sup>th</sup> day of May, 2000.



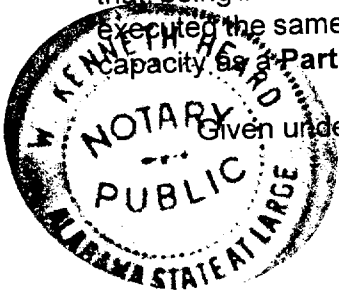
*W. Kenneth Heard*  
NOTARY PUBLIC  
My Commission Expires: 8/12/01

STATE OF ALABAMA :

COUNTY OF BALDWIN :

I, the undersigned authority, a Notary Public in and for said State and County, hereby certify that **M. MILLER GORRIE**, whose name as **President of GORRIE LAKEVIEW CORP.**, acting in its capacity as a **Partner of GLENLAKES REALTY CO.**, an Alabama General Partnership, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such **President** and with full authority, executed the same voluntarily for and as the act of said **GORRIE LAKEVIEW CORP.**, acting in its capacity as a **Partner of GLENLAKES REALTY CO.**, an Alabama General Partnership.

Given under my hand and seal this 19<sup>th</sup> day of May, 2000.



*W. Kenneth Heard*  
NOTARY PUBLIC  
My Commission Expires: 8/12/01

**THIS INSTRUMENT PREPARED BY:**

Sam W. Irby  
Irby & Heard, P.C.  
Attorneys at Law  
Post Office Box 1031  
Fairhope, Alabama 36533  
(334)928-4555

C:\My Documents\99700Master\DEC.WPD

State of Alabama, Baldwin County  
I certify this instrument was filed  
and taxes collected on:

2000 June - 2 12: 5PM

Instrument Number 548493 Pages 46  
Recording 138.00 Mortgage  
Deed Min Tax  
Index DP 1.00  
Archive 3.00  
Adrian T. Johns, Judge of Probate