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BALDWIN COUNTY, ALABAMA

HARRY D'OLIVE, JR. PROBATE JUDGE

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**DECLARATION OF COVENANTS, CONDITIONS,
AND RESTRICTIONS FOR PECAN GROVE**

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DECLARATION OF CONDITIONS, COVENANTS, AND
RESTRICTIONS OF PECAN GROVE

STATE OF ALABAMA:
COUNTY OF BALDWIN:

THIS DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS OF PECAN GROVE (this "**Declaration**") is made this 10th day of July, by LENNAR HOMES OF ALABAMA, LLC, a Delaware limited liability company ("**Declarant**", as further defined below).

WITNESSETH:

WHEREAS, the Declarant is the record title owner of the real property located in Baldwin County, Alabama, more particularly described on Exhibit A attached hereto and incorporated herein by this reference (the "**Subdivision**"), which property is the subject of the subdivision plat for Pecan Grove Subdivision ("**Plat**"), recorded or to be recorded in the Office of the Judge of Probate of Baldwin County, Alabama;

WHEREAS, Declarant hereby desires to subject the Subdivision to the covenants, conditions, restrictions and easements contained in this Declaration; and

WHEREAS, this Declaration is a covenant running with all the land comprising the Subdivision, and each present and future owner of interests therein and their heirs, successors and assigns are hereby subject to this Declaration.

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

ARTICLE ONE – GENERAL PROVISIONS

1.01 Adoption of Recitals. The foregoing recitals are true and correct and are incorporated into and form a part of this Declaration.

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

representatives, successors, grantees and assigns.

1.03 Terminology. Whenever the context requires, words used in the singular shall be construed to mean or to include the plural and vice versa, and pronouns of any gender shall be deemed to include and to designate the masculine, feminine or neuter gender.

1.04 Definitions. The following terms, when capitalized herein, shall have the meaning set forth in this Section 1.04:

(a) "Additional Property" shall have the meaning given such term in Section 10.02 hereof.

(b) "Architectural Review Committee" means the Architectural Review Committee as established by the Board of Directors in accordance with the Bylaws.

(c) "Certificate of Formation" means the Certificate of Formation of Pecan Grove Property Owners Association, Inc., an Alabama non-profit corporation, which includes and incorporates all attachments thereto, as recorded in the records of the Alabama Secretary of State, as the same may hereafter be amended, altered or repealed from time to time.

(d) "Association" means the Pecan Grove Property Owners' Association, Inc., an Alabama non-profit corporation.

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

(f) "Builder" means any commercial home builder or contractor who is in the business of constructing residential structures to sell to owner-occupants.

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

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

(i) "Community Property" means all of the Lots and the Common Area, collectively.

(j) "Declarant" means LENNAR HOMES OF ALABAMA, LLC, a Delaware limited liability company, its successors and assigns which expressly are assigned and assume the Declarant's rights as "Declarant" hereunder.

(k) "Home" means any single-family dwelling unit situated upon a Lot.

(l) "Lot" means each and every numbered lot shown on the Plat.

(m) "Member" means every person or entity who is a member of the Association. Each Owner is a Member.

(n) "Mortgagee" means a holder or beneficiary of any mortgage, deed with vendor's lien reserved, or any other form of instrument used for the purpose of encumbering or conveying real property as security for payment or satisfaction of any obligation.

(o) "Operating Expenses" means all actual and estimated costs and expenses of operating the Association. Operating Expenses may include, without limitation, the following: all costs of ownership, maintenance, operation, and administration of the Common Areas; all amounts payable by the Association under the terms of this Declaration; all costs of community lighting including up-lighting and entrance lighting; all amounts payable in connection with any private street lighting agreement between the Association and a utility provider; all amounts payable in connection with irrigation costs incurred by the Association for Common Area irrigation; costs of utilities; taxes; insurance; bonds; salaries; management fees; professional fees; service costs; costs of supplies; maintenance, repair, replacement, and refurbishment costs; all amounts payable in connection with Association sponsored social events; and any and all costs relating to the discharge of the Association's obligations hereunder, or as determined to be part of the Operating Expenses by the Board. By way of example, and not of limitation, Operating Expenses shall include all of the Association's legal expenses and costs relating to or arising from the enforcement and/or interpretation of this Declaration. Notwithstanding anything to the contrary herein, Operating Expenses shall not include Reserves.

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

(q) "Person" means any individual, corporation, trust, partnership, joint venture, limited liability company or other entity.

(r) "Plat " has the meaning ascribed to such term hereinabove and shall also include any additional plat or plats or real property that are hereafter recorded where such real property is annexed to this Declaration in accordance with the terms of Section 10.02 hereof.

(s) "Reserves" means any reserve fund for the periodic maintenance, repair, and replacement of improvements comprising a portion of the Common Area or any other improvements maintained by the Association.

(t) "Subdivision" means Pecan Grove, a single-family residential subdivision as shown on the Plat, including any Additional Property made subject to this Declaration in accordance with the terms of Section 10.02.

(u) "Turnover" means the earlier to occur of: (i) Declarant relinquishing control of the Association in a written instrument recorded in the real property records of Baldwin

County, Alabama; (ii) three months after 100% of the Lots in the Subdivision, including Lots in Additional Phases that may be added in the future, have been conveyed to Persons other than Declarant or Declarant's successors or assigns; or (iii) December 31, 2034; provided, however, in the event of a conflict between the Alabama law and the foregoing, the applicable Alabama law controls.

1.05 Purposes. It is intended that the Subdivision development will be a residential community of high esteem and quality homes.

ARTICLE TWO – COMMON AREA

2.01 Common Area. The Association, subject to the rights of the Owners set forth in this Declaration, the Certificate of Formation, and the Bylaws, shall be responsible for the exclusive maintenance, management, and control of the Common Area and all improvements thereon, and shall keep the Common Area in good, clean, attractive, and sanitary condition, order, and repair pursuant to the terms and conditions of this Declaration. The Association has the right to restrict the use and govern the operation of the Common Area by promulgating reasonable rules and regulations, including with respect to any Common Area facilities, and the right to charge reasonable one-time or monthly fees for the use thereof by the Owners as the Association deems necessary or appropriate. Rules and regulations may be established by the Association to regulate the use of the Common Area. The necessary work or maintenance, repair and replacement of the Common Area and the making of any additions or improvements thereto shall be carried out only as provided in this Declaration, the Certificate of Formation and the Bylaws.

2.02 Right of Enjoyment. Subject to any rules and regulations promulgated by the Board of Directors, every Member shall have a right and easement of enjoyment of the Common Area, and such easement shall be appurtenant to and pass with the title to each Lot.

2.03 Restrictive Covenant on Common Area. A restrictive covenant is hereby imposed on the Common Area such that no part of the Common Area may be developed for residential or commercial purposes; provided, however, that the Declarant and/or the Association shall have the right, but not the obligation, to construct and install amenities on the Common Area that are for the use and enjoyment of the Members, subject to the terms and conditions hereof and any rules and regulations adopted by the Association. This restrictive covenant shall run with each Lot and shall exist for the benefit of the Owners and be binding upon their successors and assigns.

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

2.05 Easements.

(a) Easements and Buffer Strips. All easements and buffer strips shown on the Plat, if any, are hereby adopted as part of this Declaration and all Lots in the Subdivision shall be subject to such easements and buffer strips

(b) Structures. No dwelling unit, Home and/or other structure of any kind shall be built, erected, or maintained upon any easement, and said easements shall at all times be open and accessible to public and quasi-public utility corporations, and to other persons erecting, constructing, or servicing such utilities, and to the Association, its successors or assigns, all of whom shall have the right of ingress and egress thereto and therefrom, and the right and privilege of doing whatever may be necessary in, under, and upon said locations for the carrying out of any of the purposes for which said easements are hereby reserved and may hereafter be reserved.

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

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

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

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

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

ARTICLE THREE – ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

3.01 The Association. The operation and administration of the Common Area shall be handled by the Association. The Association shall have exclusive authority and power to maintain a class action and to settle a cause of action on behalf of Owners with reference to the Common Area and with reference to any and all other matters in which all of the Owners have a common interest. The Association shall have all the powers and duties set forth in the Certificate of Formation and the Bylaws. The Association shall have a reasonable right of entry upon any Lot to make emergency repairs and to do other work reasonably necessary for the proper maintenance and operation of the Common Area and further, shall have the right to grant permits, licenses, and easements over the Common Area for utilities and other purposes reasonably necessary or useful for the proper maintenance or operation of the Common Area. The Board of Directors shall have the authority and duty to levy and enforce the collection of general and specific assessments for common expenses and is further authorized to provide adequate remedies for failure to pay such assessments.

3.02 Membership. Each Owner shall be a Member, subject to the terms and conditions of the Certificate of Formation and the Bylaws.

3.03 Voting. Voting by Owners shall be in accordance with the Bylaws.

3.04 Assignment. The share of a Member in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner except as an appurtenance of said Owner's Lot.

3.05 Reserve Fund. The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair, and replacement of improvements to the Common Area (the "**Reserve Account**"). The Reserve Account shall be maintained out of regular assessments for common expenses.

ARTICLE FOUR – COVENANT FOR MAINTENANCE ASSESSMENTS

4.01 Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges; (2) special assessments for capital improvements to the Common Area; and (3) the lien for assessments for capital improvements to the Common Area by any governmental entity ("**Governmental Assessments**"), as such assessments are hereinafter established and shall be collected as hereinafter provided. The annual, special, and Governmental Assessments, together with interest, costs, an administrative late fee and reasonable attorneys' fees, shall be a charge on the Lot and shall be a continuing lien upon the property against which each such assessment is made. Any payment received and accepted by the Association shall be applied first to any interest

accrued, then to any administrative late fee, then to any costs and reasonable attorney's fees, and then to the delinquent assessments. Each such assessment, together with interest, costs, the administrative late fee and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall pass to successors in title. Declarant shall be exempt from all assessments.

4.02 Purpose of Assessments. The assessments levied by the Association shall be used exclusively to provide for the management, care and maintenance of the Common Area and any improvements constructed thereon, including provision for appropriate insurance against casualty and liability. The Association shall have the obligation to maintain the Common Area (including, without limiting the generality of the foregoing, any and all easements, drainage facilities, landscaping, structures, holding and retention ponds, and the like, whether denominated as such or otherwise) and shall pay all ad valorem property taxes assessed upon them. The Association may fund in the Reserve Account such sums as it determines in good faith are necessary and adequate to make periodic repairs and improvements to any part of the Common Area.

4.03 Annual Assessments. To provide the total sum necessary for the insurance purchased by the Association hereunder; the Reserve Account; the maintenance, repair and replacement (as applicable) of any improvements located on the Common Area; and any and all other expenses of the Association, each Member for each Lot owned shall pay a portion of the total amount necessary for such purposes to the Association. The portion to be paid by each Member for each Lot owned shall be calculated as set forth in the Certificate of Formation. The amount of assessment assessed against each Member as provided under the foregoing sentence shall be assessed by the Association as a lien at the beginning of each annual assessment period.

4.04 Special Assessments for Capital Improvements Upon Common Area. In addition to the annual assessments authorized above, the Board of Directors may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area and any entrance wall or signage, including fixtures and personal property related thereto; provided, however, that the total of all such special assessments for any given calendar year shall not exceed \$500 per Lot, unless such special assessments in excess of such total are approved by the affirmative vote of the Members holding a majority of the voting rights in the Association.

4.05 Date of Commencement of Annual Assessments and Due Dates. The annual assessments provided for herein shall commence as to a particular Lot upon conveyance of the Lot to any Owner who is not Declarant or a Builder. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The elected delivery of notices of annual assessments shall be via electronic e-mail correspondence unless another delivery method is requested. The due dates shall be established by the Board of Directors, and one-fourth (1/4) of any annual maintenance or other special assessment shall be due each calendar quarter.

4.06 Effect or Nonpayment of Assessments and Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest thereon at a rate to be set by the Board of Directors but in no event greater than the maximum percentage rate as may then be permitted under the laws of the State of Alabama. The Association may bring an action at law or in equity against the Owner personally obligated to pay the same, foreclose a lien against the property or seek injunctive relief. Interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. Each such Owner, by his acceptance of a deed to or other conveyance of an interest in a Lot, hereby expressly vests in the 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 Association in a like manner as a mortgage lien on real property and such Owner hereby expressly grants to the Association a power of sale in connection with said lien. The lien provided for in this section shall be in favor of the Association and shall be for the benefit of all Owners. The Association, acting on behalf of the 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. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of said Owner's Lot. The Board of Directors may also suspend the use rights of any Owner of the Common Area in the event of a failure to pay any assessment within thirty (30) days of the applicable due date.

4.07 Subordination of the Lien to Mortgages. The lien of the assessments provided for herein, except for any Governmental Assessment, shall be subordinate to the lien of any first mortgage on a Lot. Sale or transfer of any Lot shall not affect the assessment lien; provided, however, the sale or transfer of any Lot pursuant to foreclosure of a first mortgage on said Lot or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer, except any Governmental Assessment. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof or relieve the prior Owner from any personal liability for any unpaid assessments occurring prior to said sale or transfer.

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

4.09. Shortfalls and Surpluses. Each Owner acknowledges that because annual assessments, special assessments, and Reserves are allocated based on the formula provided herein, or upon the number of Lots conveyed to Owners in the prior fiscal year, it is possible the Association may collect more or less than the amount budgeted for Operating Expenses. Prior to the Turnover, the Declarant shall have the option to (i) pay any Operating Expenses incurred by the Association that exceed the assessments receivable from Owners and other income of the Association, including, without limitation, the Initial Contributions and Resale Contributions, late fees and interest (the "**Deficit**"). Notwithstanding any other provision of this Declaration to the

contrary, the Declarant shall never be required to (i) pay assessments if the Declarant has elected to fund the Deficit instead of paying assessments on Homes or Lots owned by the Declarant, (ii) pay special assessments, annual assessments or Reserves, or (iii) fund deficits due to delinquent Owners. Any surplus assessments collected by the Association may be allocated towards the next year's Operating Expenses or, in the Board's sole and absolute discretion, to the funding of budgeted Reserves, if applicable. Under no circumstances shall the Association be required to pay surplus assessments to Owners. The Declarant may at any time give thirty (30) days prior written notice to the Association terminating its election of funding the Deficit. Declarant shall not be responsible for any Reserves, annual assessments or special assessments, even after the Turnover. The Declarant shall be assessed only for Lots which are subject to the operation of this Declaration. Upon transfer of title of a Lot owned by the Declarant, the Lot shall be assessed in the amount established for Lots owned by Owners other than the Declarant, or at the amount established for any Lot that does not have a Home constructed thereon as evidenced by a Certificate of Occupancy or any Lot that has a Home constructed thereon but is owned by the Declarant, as applicable, prorated as of and commencing with, the month following the date of transfer of title.

THE DECLARANT DOES NOT PROVIDE A GUARANTEE OF THE LEVEL OF ASSESSMENTS. AS SUCH, THERE IS NO MAXIMUM GUARANTEED LEVEL OF ASSESSMENTS DUE FROM OWNERS. IN THE EVENT THE DECLARANT ELECTS TO DEFICIT FUND IN LIEU OF PAYING ASSESSMENTS ON THE SAME BASIS AS OTHER OWNERS, THE DECLARANT SHALL SPECIFICALLY ELECT TO FUND THE DEFICIT.

4.10 Initial Contribution. After construction of a Home on a Lot, the first purchaser of such Home, at the time of closing of the conveyance to the purchaser, shall pay to the Association an initial contribution in an amount equal to one-quarter (1/4) of the annual assessment (the "**Initial Contribution**") payable to the Association. The funds derived from the Initial Contributions are income to the Association and shall be used by the Board exclusively for purposes which provide a direct benefit (as defined in 77 Fed. Reg. 15574 (Mar. 16, 2012)) to the Subdivision, including, without limitation, future and existing capital improvements, Operating Expenses, support costs and start-up costs.

4.11 Resale Contribution. After the Home has been conveyed to the first purchaser by the Declarant, there shall be collected from each subsequent purchaser upon every subsequent conveyance of an ownership interest in a Home by an Owner a resale contribution in an amount equal to one-quarter (1/4) of the annual assessment (the "**Resale Contribution**") payable to the Association. The Resale Contribution shall not be applicable to conveyances from the Declarant. The funds derived from the Resale Contributions are income to the Association and shall be used by the Board exclusively for purposes which provide a direct benefit (as defined in 77 Fed. Reg. 15574 (Mar. 16, 2012)) to the Subdivision, including, without limitation, future and existing capital improvements, Operating Expenses, support costs and start-up costs.

ARTICLE FIVE – MAINTENANCE AND REPAIR

5.01 Maintenance. The Association shall provide maintenance of the Common Area. In addition, the Association shall have the right, but not the obligation, to maintain other property not owned by the Association, whether within or without the Subdivision and to enter into

easement and covenant to share costs agreements regarding such property where the Board has determined that such action would benefit the Owners. Each Owner shall maintain his or her respective Lot and shall also maintain and repair, at such Owner's sole cost and expense, said Owner's Home, patio and yard area keeping the same in good condition and making all structural repairs and maintenance, external and internal, as may be required from time to time, including, but not limited to maintenance and repairs of any enclosed patio area, screens and screen doors, exterior door and window fixtures, glass, and other hardware. Each Owner shall also be responsible for the maintenance and repair of any fence or fences erected on such Owner's Lot and gates appurtenant thereto.

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

5.03 Damage to Common Area. Notwithstanding anything contained in this Article Five to the contrary, each Owner shall be personally responsible and personally liable for any damage to the Common Area, or any portion thereof, caused by the Owner and/or the Owner's family members, guests, invitees, lessees or licensees as a consequence of the negligence, recklessness or willful misconduct of such Person. The cost of repair for any damage so caused by the Owner, the Owner's family members, guests, invitees, lessees or licensees shall be a special assessment against the Owner responsible therefore and the Lot of such Owner.

ARTICLE SIX – ARCHITECTURAL CONTROL

6.01 Submission of Plans and Specifications. No Home, building, fence, wall, or other structure or improvement shall be constructed, erected, or maintained upon any Lot, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications of the same shall have been submitted by an Owner to the Architectural Review Committee and approved in writing as in harmony with this Declaration by the Architectural Review Committee. Two (2) copies of the building or construction plans and specifications (collectively, the "**Plans**") shall be submitted to the Architectural Review Committee. Prior to commencement of any construction activities on a Lot, an Owner's Plans must be approved by the Architectural Review Committee as to conformity and harmony with this Declaration. The Architectural Review Committee may, from time to time, establish additional written design guidelines for the Subdivision, and a copy of any such guidelines then in effect shall be made available to any Member requesting a copy of same from the Association.

6.02 Approval or Disapproval. The Architectural Review Committee shall indicate its approval or disapproval of an Owner's Plans by delivering, in writing, notice of such approval or

disapproval to the requesting Owner. In the event the Architectural Review Committee fails to approve or disapprove the Plans within thirty (30) days after such Plans have been submitted, denial shall be deemed automatically given and the Plans must be resubmitted to the Architectural Review Committee.

6.03 Right of Inspection. The Architectural Review Committee shall have the right, but not the obligation, to inspect the Owner's Lot and improvements during construction and prior to occupancy to ensure construction is in accordance with the Plans submitted and approved by the Architectural Review Committee. Failure of an Owner to comply with the provisions of this Section 6.03, or failure of an Owner to carry out construction in accordance with the provisions of this Article Six, shall subject such Owner to such remedies as might be available at law or in equity (including, but not limited to, specific performance and injunction, payment of the prosecuting parties' reasonable legal fees and expenses).

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

6.05 Waiver of Liability. Neither the Architectural Review Committee nor any architect nor agent thereof nor the Association nor any agent or employee of any of the foregoing shall be responsible in any way for the failure of any improvements to comply with the requirements of this Declaration, nor for any defects in any Plans submitted, revised or approved in accordance with the foregoing provisions, nor for any structural or other defects in any work done according to such Plans, and all Persons relying thereon or benefiting therefrom agree not to sue or claim against the entities and Persons referred to in this Section 6.05 for any cause arising out of the matters referred to herein and further agree to and do hereby release said entities and Persons for any and every such cause.

ARTICLE SEVEN – USE RESTRICTIONS

7.01 Residential Use. Each Lot is hereby restricted to a private, single-family dwelling for residential use.

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

7.03 Signs. No sign of any kind shall be displayed on any Lot, except (i) that any Owner actively attempting to sell his Lot may place a "for sale" sign of less than four (4) square feet on his Lot; (ii) during the building of homes in the Subdivision, the Declarant and/or the Builders in the Subdivision may place signs at the entrance and/or on any Lot to advertise the Subdivision and the Lots for sale therein; and (iii) any Owner may display a sign of reasonable size provided by a

contractor for security services within ten (10) feet of any entrance to the Home.

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

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

- (a) No Home may exceed three (3) habitable stories above grade.
- (b) All sidewalks shall be constructed along the street right-of-way of each Lot in accordance with a uniform plan established by the Declarant. Accordingly, all Plans submitted to the Architectural Review Committee shall show the location and material to be used for construction of the sidewalk, all as required and approved by the Architectural Review Committee. Each Owner shall construct or cause to be constructed on his or her Lot the approved sidewalk upon completion of the Home on his or her Lot and before occupancy thereof.
- (c) The residential structure must contain a minimum two (2) car garage; provided however, that no garage may have a flat roof and any such garage shall be in conformity with the general architecture of the primary residential building or structure.
- (d) Air-conditioning and heating units, blowers, towers, condensers or structures related thereto, must be erected between the side of any building or structure and the side Lot line of the Lot on which said building or structure is located. No window air-conditioning units shall be permitted.
- (e) Underground electrical distribution facilities are required and no overhead electrical or similar wiring or lines shall be permitted.
- (f) All outside radio and T.V. antennas (including satellite dishes and other signal receiving/transmitting equipment) shall be installed in such a way as to minimize visibility from the front of the Lot and shall be placed on the back or side of any roof.
- (g) No plumbing or heating vent shall be placed on the front side of any roof.
- (h) The driveway must be made of concrete, or if not, the alternative surface must be approved by the Architectural Review Committee.
- (i) All building debris, stumps, trees, etc., must be removed from each Lot by the Owner thereof as often as necessary to keep the Home and Lot attractive. Such debris shall not be dumped in any area of the Subdivision.
- (j) Walls or fences constructed or erected on any Lot shall be of wooden privacy or shadow box construction (rails facing inward to the Owner's Lot) and shall be six (6) feet from the final ground level to the top of the fence. No fence shall be constructed from the front property line to twenty (20) feet behind the corner of the Home nearest front property line.

All Lots shall be grassed in the entire designated yard area by sodding and the yard shall be landscaped upon the completion of construction and before occupancy. It shall be the Owner's responsibility to maintain any landscaping, walls or fences situated on a Lot so that such improvements remain in an attractive, well-kept condition.

(k) No outside clothes lines shall be permitted.

(l) Existing drainage shall not be altered in any manner, and specifically shall not be altered in such a manner as to divert the flow of water onto an adjacent Lot.

(m) Any roof constructed over any structure on any Lot must be covered with architectural dimensional shingles or such other types of roof coverings of a higher grade as approved by the Architectural Review Committee.

7.06 Animals. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot except that dogs, cats, and other household pets may be kept subject to the rules and regulations adopted by the Association, provided that they are not kept, bred, or maintained for any commercial purpose. Pets must be kept leashed and/or under control at all times.

7.07 Waste. No rubbish, trash, garbage, or other waste material shall be kept or permitted upon any Lot except in sanitary containers located in an appropriate area on the Lot, screened and concealed from view. Garbage cans and trash containers shall not be placed outside the Home for pick-up earlier than 7:00 p.m. on the day preceding the pick-up and shall be removed the day of pick-up.

7.08 Miscellaneous. Except as otherwise provided for herein, no patio cover, building or storage unit of any kind shall be erected, placed or set on any Lot unless such structure is attached to the Home erected on the same Lot and the architecture and character of such structure matches that of said Home. Notwithstanding the foregoing, one (1) accessory building may be erected, placed or set on any Lot if such structure is: (a) no more than ten (10) feet above ground; (b) located upon the back yard of such Lot; (c) enclosed on all sides by a wooden fence of six (6) feet in height; (d) constructed in the same manner as the architecture and character of the Home, including the material, located on such Lot; and (e) approved by the Architectural Review Committee.

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

7.10 Vehicles.

(a) No inoperative cars, trucks, trailers, boats, campers or other types of vehicles shall be allowed to remain either on or adjacent to any Lot for a period in excess of forty-eight (48) hours; provided, however, this provision shall not apply to any such vehicle being kept in an enclosed garage.

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

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

(d) No permanent parking on streets is allowed. Parking in yards is strictly prohibited.

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

(f) No noxiously loud or dangerous vehicles shall be allowed to be operated on any Lot.

7.11 Construction.

(a) When the construction of any improvement upon any Lot has begun, work thereon shall be pursued diligently and continuously until full completion. During construction on any Lot, all vehicles involved in such construction, including those delivering materials and supplies, shall enter upon such Lot only at such a location as to not interfere with the flow of traffic in the Subdivision. All construction sites must be kept clean, and debris shall not be allowed to accumulate. During construction, the use of dumpsters for routine cleaning of construction sites is permitted.

(b) No residence constructed on any Lot may be occupied prior to its substantial completion.

(c) Landscaping shall be completed within sixty (60) days after completion of construction.

(d) In addition to compliance with the requirements set forth under this Declaration, any and all improvements on any Lot shall comply with the standards and provisions of Baldwin County, Alabama, and its applicable building code.

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

7.13 Commercial Activity. No commercial activities of any kind whatsoever shall be conducted in any building or in any portion of any Lot; provided, however, that an Owner may maintain a home office within a Home for such Owner's personal use; provided, however, business invitees, customers, and clients shall not be permitted to meet in Homes unless the Board provided otherwise in any adopted rules and regulations. No Owner may actively engage in any solicitations for commercial purposes within the Subdivision. No solicitors of a commercial nature shall be allowed within the Subdivision without prior written consent of the Association. No day care

center, "half-way house," or assisted living facility may be operated out of a Home. No garage sales are permitted, except as permitted by the Association. Leasing of Homes shall not be considered "commercial activity" or "business activity" for purposes of this Declaration.

7.14 Outdoor Lighting. All outdoor lights shall be of an intensity not to exceed 100 watts and shall be placed so as to avoid an annoyance to other Owners. Outdoor lighting shall be turned toward the ground and shall be shielded completely or by frosted glass or plastic in all directions so that such lighting does not shine toward neighboring Lots. Flood lights that shine all night are specifically prohibited.

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

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

7.17 Firearms and Fireworks. The display or discharge of firearms or fireworks on any Lot or any Common Area is prohibited; provided, however, that the display of lawful firearms on the Common Area is permitted by law enforcement officers and is permitted for the limited purpose of transferring firearms across the Common Area to or from an Owner's Lot. The term "firearms" includes "B-B" guns, pellet guns and other firearms of all types, regardless of size.

7.18 No Hanging of Items. No clothes, sheets, blankets, towels, laundry of any kind or other similar articles shall be hung out or exposed on any balconies, patios, or railings. Notwithstanding the foregoing, in the event the Association purchases any flags or other decorative items, each Owner shall hang any such flag or other decorative item from the exterior of such Owner's Home at the location, in the manner and at such times as shall be required by the Association in the Association's sole and absolute discretion.

7.19 Hazardous Items. No one shall use or permit to be brought onto any Lot or upon any of the Common Area any flammable oils or fluids such as gasoline, kerosene, naphtha or benzene, or other explosives or articles deemed hazardous to life, limb or property, without the written consent of the Board of Directors.

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

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

7.22 Lots on Wetland Areas/Bodies of Water. No Lot shall be increased in size by filling in any wetlands, bodies of water, creeks or any waterways on which a Lot may abut without appropriate governmental permits (if any are required) and prior written approval of the Architectural Review Committee.

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

7.24 Swimming Pools. No above-ground pools are permitted. All pools must be in-ground and shall require the prior written approval of the Architectural Review Committee as set forth in this Declaration and must be located behind a fence. All pools shall be adequately maintained and chlorinated (or cleaned with similar treatment) by the respective Owner.

7.25 Holiday Decorations. Holiday decorations may be installed upon the exterior portions of the Home and on the Lot commencing thirty (30) days prior to the applicable holiday and shall be removed not later than fifteen (15) days after such holiday.

ARTICLE EIGHT – ADDITIONAL RESTRICTIONS

8.01 Leasing. Subject to any applicable statutes or ordinances, Homes may be leased by an Owner for residential purposes only; provided, however, that all leases and occupancy agreements (collectively, “**Lease Agreements**”) and the rights of any tenants thereunder are subject to the provisions of this Declaration and the power of the Association to prescribe reasonable rules and regulations relating to such Lease Agreements and to enforce the same directly against such tenant or other occupant by the exercise of such remedies as the Board of Directors deems appropriate, including eviction. No Lease Agreement shall be for a term of less than six (6) months unless the market dictates that short-term rentals are appropriate, which shall be determined by the Association at its sole discretion. Further, all Lease Agreements must be in writing, with a copy provided to the Association. Any Owner who leases his Home or any portion thereof shall be responsible for the acts of the Owner’s tenants, including, without limitation, any violation of this Declaration and/or any rules and regulations promulgated by the Association hereunder.

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

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

8.04 Lender's Notices. Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor and the Lot number or address, any mortgage holder, insurer, or guarantor will be entitled to timely written notice of:

- (a) Any condemnation or casualty loss that affects either a material portion

of the Common Area or the Lot securing its mortgage.

(b) Any sixty (60) day delinquency in the payment of assessments or charges owed by the Owner of any Lot on which it holds the mortgage.

ARTICLE NINE – ENFORCEMENT; DURATION; AMENDMENT

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

9.02 Fines and Suspensions. The Board of Directors may suspend, for reasonable periods of time, the rights of an Owner or an Owner's tenants, guests and invitees, or both, to use the Common Areas and may levy reasonable fines, not to exceed any maximum amount permitted by Alabama law, against an Owner, tenant, guest or invitee, for failure to comply any provisions of this Declaration.

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

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

(b) The Association must fail to cause a cure of the alleged violation or, if the alleged violation has not been cured, fail to commence legal proceedings against said violator for the enforcement of the terms and conditions of this Declaration within one hundred twenty (120) days of the date of the Association's receipt of the notice referenced in Section 9.02(a).

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

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

of ten (10) years, agreeing to change said covenants and restrictions, in whole or in part, or to terminate the same, in which case this Declaration shall be modified or terminated as specified therein.

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

9.07 Amendments. Except as provided in Article Ten, this Declaration may be amended by vote of the Members having sixty-seven percent (67%) of the voting interests in the Association, or by a written instrument signed by the same percentage of Members. The Declarant shall have and reserves the right at any time and from time to time, without the joinder or consent of any other party to amend this Declaration by any instrument in writing duly signed, acknowledged and filed for record, provided that any such amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidenced by this Declaration and shall not impair or adversely affect the fee simple title of any Owner or such Owner's Mortgagee.

ARTICLE TEN – RESERVED DECLARANT RIGHTS

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

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

(b) An easement over, upon, across, and under the Subdivision as may be required in connection with the development of the Subdivision, and/or other land designated by the Declarant, and to promote or otherwise facilitate the development, construction and sale and/or leasing of Homes, or any portion of the Subdivision, and/or other lands designated by the Declarant. Without limiting the foregoing, the Declarant specifically reserves the right to use all paved roads and rights of way within the Subdivision for vehicular and pedestrian ingress and egress to and from construction sites.

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

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

Except as set forth in Section 10.04, all of the above rights and interests reserved by

Declarant may be exercised by Declarant without the consent or concurrence of the Association or any Member.

10.02 Right to Annex Property. Declarant hereby reserves the right, exercisable in its sole and absolute discretion, to (a) make any real property adjacent to the Subdivision (“**Additional Property**”) subject to all or any of the terms and conditions of this Declaration and/or (b) permit owners of Additional Property to become Members of the Association. No assurances can be made as to whether any Additional Property will be annexed. Furthermore, Declarant expressly reserves the right to exercise this right on multiple occasions until such time as all Additional Property has been annexed into the Subdivision and made subject to this Declaration. No assurances can be made with respect to the boundaries of any portions of any Additional Property that might be annexed. Declarant's option to annex any Additional Property in accordance with this Section 10.02 shall expire upon Turnover. The Additional Property may be annexed in accordance with this Section 10.02 by an amendment to this Declaration, which amendment may be made and entered into by Declarant in its sole and absolute authority and discretion without the consent, approval or signature of the Association or any Member. Notwithstanding anything contained in this Section to the contrary, (a) no Additional Property shall be subject to this Declaration unless and until Declarant executes an amendment to this Declaration affirmatively exercising Declarant's rights hereunder and records such amendment in the office in which this Declaration is recorded, and (b) in the event Declarant exercises its right to annex any Additional Property in accordance with this Section 10.02, Declarant shall also have the sole and exclusive right to alter, or otherwise replace with other terms, the terms of Section 7.05 hereof as those terms pertain to any Lots created out of such Additional Property.

10.03 Amendments by Declarant. Until Turnover, Declarant reserves unto itself the right, authority and power to amend this Declaration in any manner Declarant deems necessary and appropriate. Any amendment to this Declaration made in accordance with this Section 10.03 shall require only the signature of Declarant and shall not require the signature of any other Owner or any Mortgagee of any Owner, except as otherwise required by this Declaration.

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

ARTICLE ELEVEN – INSURANCE; CASUALTY

11.01 Insurance on Common Area. The Association shall obtain the insurance coverage necessary to satisfy the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the U.S. Department of Veterans Affairs, and the U.S. Department of Housing and Urban Development, as applicable to the Subdivision. Accordingly, the Board shall obtain casualty insurance for all insurable improvements, whether or not located on the Common Area, which the Association is obligated to maintain. This insurance shall provide, at a minimum, fire and extended coverage and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. The Board shall obtain a public liability policy applicable to the Common Area covering the Association and its Members for all damage or injury caused by the negligence of

the Association or any of its Members or agents, and, if reasonably available, directors' and officers' liability insurance. Policies may contain a reasonable deductible as determined by the Board. In addition to the other insurance required by this section, the Board shall obtain worker's compensation insurance, if and to the extent necessary to satisfy the requirements of applicable laws, and a fidelity bond or bonds on directors, officers, employees and other persons handling or responsible for the Association's funds, if reasonably available. If obtained, the amount of fidelity coverage shall cover the maximum funds that will be in the custody of the Association or its management agent at any time while the policy is in force, or any lesser amount of fidelity coverage allowable under the applicable Fannie Mae guidelines. Fidelity coverage shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation. All such insurance coverage shall be written in the name of the Association.

11.02 Director and Officers Liability Insurance. The Board may obtain directors and officers liability insurance insuring against personal loss for actions taken by members of the Board in the performance of their duties. Such insurance shall be of the type and amounts and with determined by Board in its discretion.

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

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

reconstruction. If the funds available from insurance exceed the costs of repair or reconstruction or if the improvements are not repaired or reconstructed, such excess shall be deposited to the benefit of the Association. In the event that it should be determined by the Association in the manner described above that the damage or destruction shall not be repaired or reconstructed and no alternative improvements are authorized, the property shall thereafter be maintained by the Association in a neat and attractive condition.

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

ARTICLE TWELVE – MISCELLANEOUS

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

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

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

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

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

12.06 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of a subdivision in accordance with Alabama law. Failure to enforce any provision hereof shall not constitute a

waiver of the right to enforce said provision or any other provision hereof.

12.07 Notice. All notices required or desired under this Declaration to be sent to the Association shall be sent certified mail, return receipt requested, by hand delivery or by a recognized overnight courier who maintains verification of delivery, to the Secretary of the Association, at such address as the Association may designate from time to time by notice in writing to all Owners. All notices to any Owner shall be delivered to (i) the address of such Owner's Lot, or to such other address as the Owner may have designated from time to time, in a writing duly received, to the Association, by hand delivery, a recognized overnight courier who maintains verification of delivery in person, or first class mail; or (ii) as permitted by this Declaration and Alabama law, via electronic e-mail correspondence to the e-mail address as the Owner may have designated from time to time, in a writing duly received, to the Association.

12.08 Conflict Between Documents. If there is any conflict or inconsistency between the terms and conditions of this Declaration and the terms and conditions of the Certificate of Formation, the Bylaws or any rules and regulations promulgated hereunder, the terms and conditions of this Declaration shall control. If there is any conflict or inconsistency between the terms and conditions of the Certificate of Formation and the terms and conditions of the Bylaws or any rules and regulations promulgated hereunder, the terms and conditions of the Certificate of Formation shall control. If there is any conflict or inconsistency between the terms and conditions of the Bylaws and the terms and conditions of any rules and regulations promulgated hereunder, the terms and conditions of the Bylaws shall control.

The remainder of this page is intentionally left blank. The next page is the signature page.

IN WITNESS WHEREOF, the undersigned, being the Declarant hereunder, has caused this Declaration to be executed this 10th day of July, 2024.

Witnesses:

DECLARANT:

LENNAR HOMES OF ALABAMA, LLC,
an ~~Alabama~~ limited liability company
Delaware

Lisa Fenderson

Print Name: Lisa Fenderson

Address: 801 W. Romanast Suite 1
Pensacola, FL 32502

D. Joel Coleman

By: D. Joel Coleman

Its: Division Manager

JEFF D GUDFREY

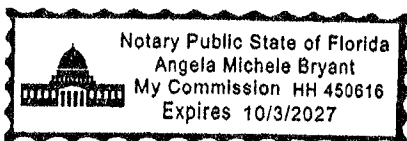
Address: 801 W Romana St
Pensacola, FL 32502

STATE OF Escambia Florida
COUNTY OF Escambia

I, the undersigned Notary Public, in and for said State and County, hereby certify that D. Joel Coleman whose name as Division Manager of Lennar Homes of Alabama, LLC, a Delaware limited liability company, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as Division Manager and with fully authority, executed the same voluntarily as and for the act of said limited liability company on the day the same bears date.

Given under my hand and official notarial seal this 10th day of July, 2024.

[SEAL[]



Angela Bryant

NOTARY PUBLIC

Print Name: Angela Bryant

My Commission Expires: 10/3/2027

*Signature page of Declaration of Covenants, Conditions,
And Restrictions for Pecan Grove*

EXHIBIT A

DESCRIPTION OF THE SUBDIVISION PROPERTY

All property within the Pecan Grove Subdivision as shown on the plat recorded as Document Number 2150925, Slide 0002971-C in the Office of the Judge of Probate of Baldwin County, Alabama.

More particularly described as:

BEGIN AT THE NORTHWEST CORNER OF LOT 1 OF THE PEARSON FAMILY SUBDIVISION, A PLAT RECORDED IN SLIDE 0002681-D OF THE PUBLIC RECORDS OF BALDWIN COUNTY, ALABAMA; THENCE GO S 89°51'38" E ALONG THE NORTH LINE OF SAID LOT 1 FOR 633.42 FEET TO THE NORTHEAST CORNER OF SAID LOT 1; THENCE GO S 00°02'57" W ALONG THE EAST LINE OF SAID LOT 1 FOR 410.09 FEET; THENCE GO N 89°51'06" W 208.09 FEET; THENCE GO S 00°08'54" W 877.81 FEET TO THE SOUTH LINE OF SAID LOT 1, AND THE NORTH RIGHT OF WAY LINE OF STATE HIGHWAY 104 (80' R/W); THENCE GO N 89°43'57" W ALONG SAID RIGHT OF WAY LINE 426.04 FEET TO THE INTERSECTION WITH THE EAST RIGHT OF WAY LINE OF COUNTY ROAD 49 (80' R/W); SAID POINT ALSO BEING THE SOUTHWEST CORNER OF SAID LOT 1 OF THE PEARSON FAMILY SUBDIVISION; THENCE GO N 00°08'54" E ALONG SAID RIGHT OF WAY LINE 1286.91 FEET TO THE POINT OF BEGINNING. THE ABOVE DESCRIBED PARCEL OF LAND CONTAINS 14.55 ACRES.

EXHIBIT B

BYLAWS OF PECAN GROVE PROPERTY OWNERS' ASSOCIATION, INC.

See subsequent pages for Bylaws

THIS INSTRUMENT PREPARED BY:
Louis A. "Trip" Maygarden, III, Esq.
Moorhead Law Group, PLLC
127 Palafox Place, Suite 200
Pensacola, FL 32502
(850) 202-8522

BYLAWS
OF
PECAN GROVE PROPERTY OWNERS' ASSOCIATION, INC.

A NONPROFIT CORPORATION
UNDER THE LAWS OF THE STATE OF ALABAMA

These Bylaws (the "**Bylaws**") of **PECAN GROVE PROPERTY OWNERS' ASSOCIATION, INC.** (hereinafter called the "**Association**"), a nonprofit corporation, incorporated under the laws of the State of Alabama are hereby created and adopted pursuant to the Certification of Formation of the Association filed with the Secretary of State of Alabama on July 10, 2024 (the "**Certificate of Formation**"). The Association has been organized for the purpose of providing various services and benefits with regard to the Subdivision (as that term is defined in the Declaration of Covenants, Conditions and Restrictions for Pecan Grove, referred to herein as the "**Declaration**").

ARTICLE I – ASSOCIATION

1.1 **Office.** The office of the Association shall be at 801 W Romana Street, Suite A, Pensacola, FL 32502, or such other place as shall be selected by the Board of Directors.

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

ARTICLE II – Members

2.1 **Qualification.** The members of the Association shall be determined in accordance with Article V of the Certificate of Formation. "**Owner**," as used herein, shall mean and refer to the record owner, whether the same shall consist of one or more persons or entities, of the fee simple title to any platted lot in the Subdivision (a "**Lot**"), but excluding those having such interest merely as security for the performance of the obligation. "**Member**" and "**Members**," as used herein, shall have the meaning ascribed to such terms in the Certificate of Formation.

2.2 **Voting Rights.** All Owners shall be entitled to one (1) vote for each Lot owned.

2.3 **Designation of Voting Members.**

2.1.1 If a Lot is owned by more than one (1) person, the person entitled to cast the vote or votes for the Lot may be designated by a certificate signed by all of the Owners of the

Lot and filed with the Secretary of the Association. If a Lot is owned by a corporation, partnership, trust, company or other legal entity, the person entitled to cast the vote or votes for the Lot may be designated by a certificate of appointment signed by a duly authorized representative of the entity and filed with the Secretary of the Association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Lot, and a certificate may be revoked by any Owner of an interest in the Lot. Any such revocation shall be in writing and signed by any owner of an interest in the Lot or a duly authorized representative of the entity, as the case may be, and filed with the Secretary of the Association.

2.1.2 If a Lot is owned by more than one (1) person and such Owners do not designate a voting Member as required hereinabove, the following provisions shall apply:

2.1.2.1 If more than one (1) such Owner is present at any meeting, and said Owners are unable to concur on a decision on any subject requiring a vote, said Owners shall lose their right to vote on that subject at that meeting; however, said vote or votes shall be included in the determination of the presence of a quorum.

2.1.2.2 If only one (1) such Owner is present at a meeting, such person attending shall be entitled to cast the vote or votes pertaining to the Lot.

2.1.2.3 If more than one (1) such Owner is present at the meeting and said Owners concur, any one (1) such Owner may cast the vote or votes for the Lot.

2.4 Restraint Upon Alienation of Assets. A Member shall have no vested right, interest, or privilege of, in, or to the assets or funds of the Association, or any right, interest or privilege which may be transferable or inheritable, or which shall continue after his membership ceases, except as an appurtenance to the ownership of his Lot.

2.5 Change of Membership. A change of membership in the Association shall be established by recording in the Office of the Judge of Probate of Baldwin County, Alabama, a deed or other instrument establishing a record title to a Lot (the "**Record Property**") and the delivery to the Association of a certified copy of such instrument, the Owner designated by such instrument thereby becoming a Member of the Association (the "**Record Property Owner**"). The membership of the prior Record Property Owner shall be thereby terminated, provided he is not an owner of other Record Properties in the Subdivision. Any change in ownership shall be subject to the relevant Subdivision documents, including the Declaration (as that term is defined in the Certificate of Formation).

ARTICLE III – MEMBERS’ MEETINGS

3.1 Place. All meetings of Members of the Association shall be held at such place within Baldwin County, Alabama, as may be stated in the notice of the meeting.

3.2 Membership List. At least ten (10) days before every election of the directors, a complete list of the Members of the Association, arranged alphabetically, shall be prepared by the Secretary. Such list shall be maintained by the Secretary of the Association and shall be open to examination by any Member at any reasonable time and on reasonable notice.

3.3 Regular Meetings.

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

3.3.2 The purpose of the annual meeting is for electing directors and for transacting any other business authorized to be transacted by the Members. The annual meeting may be waived by agreement of two-thirds (2/3) of the voting interests of the Members, in writing.

3.4 Special Meetings.

3.4.1 Special meetings of the Members for any purpose may be called at any time by the President and shall be called by the President or Secretary at the request, in writing, of either a majority of the Board of Directors or twenty percent (20%) of the Members. Such request shall state the purpose of the proposed meeting.

3.4.2 Business transacted at all special meetings shall be confined to the objects stated in the notice thereof.

3.5 Notice. Written notice of every meeting, special or regular, of the Members of the Association, stating the day, hour and place and, in the case of special meetings, the object or objects thereof, shall be emailed to each Member at such Member's email address as shown in the books of the Association at least ten (10) days, but no more than sixty (60) days, prior to such meeting unless a Member delivers a signed, written notice to the President of the Association that the Member will not accept notice by electronic mail. If a Member elects to not receive notice by electronic mail, the Association shall mail notice of every meeting, special or regular, of the Members to the Member at such member's mailing address as shown in the books of the Association.

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

3.7 Proxies. At any meeting of the Members, each Member shall be entitled to vote in person or by proxy. However, no proxy shall be valid unless it is filed with the Secretary of the Association prior to a meeting. Proxies are only valid for the particular meeting designated therein. No proxy vote may be cast on behalf of a Member who is present at a meeting.

3.8 Vote Required to Transact Business. When a quorum is present at any meeting, the holders of a majority of voting rights present and represented at the meeting (whether in person or via proxy) shall decide any question brought before the meeting. If the question is one which requires more than a majority vote by express provision of any statute, the Certificate of Formation, the Declaration or these Bylaws, the express provision shall govern and control the number of

votes required. In all cases where reference is made to percentage of the vote of Members, percentage of the Members, or percentage of the Members for purposes of determining the vote thereof, the percentage stated shall mean the percentage of the voting rights of the Members present and represented at the meeting (whether in person or via proxy), except for the cases outlined in the preceding sentence.

3.9 Quorum. Twenty-five percent (25%) of the total number of voting rights of the Association present in person or represented by proxy, shall constitute a quorum at all meetings of the Members for the transaction of business, except as otherwise provided by statute or these Bylaws. If a quorum is not present at any meeting, the Members may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present. No business may be transacted at any adjourned meeting until a quorum is present. Any business may be transacted at any adjourned meeting which could have been transacted at the meeting called.

3.10 Proviso. Notwithstanding anything contained herein to the contrary, there shall be no meeting of the Members prior to Turnover, unless the Board of Directors elects to call such a meeting.

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

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

3.12 Action by Written Consent. Action required or permitted to be taken at a Members' meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the Members entitled to vote with respect to the subject matter thereof. The consent shall have the same force and effect as a unanimous vote and may be stated as such in any filing instrument filed with either the judge of probate or Secretary of State. Action taken under this Section 3.12 shall be effective on the date the last consenting Member signs the consent, unless the consent specifies a different effective date.

ARTICLE IV – DIRECTORS

4.1 Number. The business and affairs of the Association shall be managed by a Board of Directors, consisting of three (3) persons (individually, a “**Director**,” collectively, “**Directors**”). The number of Directors shall be determined pursuant to these Bylaws. Directors appointed by the Declarant need not be Members of the Association. Directors elected by Owners must be Members

of the Association or an authorized representative of a Member that is an entity. Any Member who has criminal charges pending against him or her may not be appointed or elected to a position as a Director.

4.2 Term. Each Director shall be elected to serve a term of one (1) year or until his or her successor shall be elected and shall qualify.

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

4.4 Election of Directors. Election of directors shall be conducted in the following manner.

4.4.1 Prior to Turnover (as defined in the Declaration) the Directors shall be appointed by the Declarant.

4.4.2 After Turnover, Directors shall be elected at the annual meeting of the Members. The election shall be by secret ballot (unless dispensed with by unanimous consent). The nominees receiving the greatest number of votes cast shall be elected to the Board.

4.5 Removal. Prior to Turnover, a Director may only be removed by the Declarant. After Turnover, Directors may be removed for cause by an affirmative vote of sixty-seven percent (67%) of the voting interests of the Members that are entitled to vote for the election of such Director. Except with respect to the initial Board of Directors, (a) no Director shall continue to serve on the Board if, during his term of office, his membership in the Association shall be terminated for any reason whatsoever; (b) no authorized representative of a Member that is an entity shall continue to serve on the Board if, during his term of office, the entity's membership in the Association shall be terminated for any reason whatsoever; and (c) no authorized representative of a Member that is an entity shall continue to serve on the Board if, during his term of office, the entity revokes his status as an authorized representative thereof or his status as an authorized representative of such entity is otherwise terminated.

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

4.6.1 To make and collect an annual maintenance charge against Members to pay the expenses incurred by the Association in carrying out the objects and purposes of the Association.

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

4.6.3 To use the proceeds of assessments in the exercise of its powers and duties.

4.6.4 To enjoin or seek damages from the Members for violation of these Bylaws, the Declaration and the terms and conditions of any rules and regulations applicable to the use of the Subdivision or any portion thereof.

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

4.6.6 To employ and contract with service contractors in connection with carrying out the objects and purposes of the Association.

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

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

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

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

4.6.11 To employ a management agent or manager, at a compensation established by the Board, to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in this Section 4.6; and such duties so conferred upon the managing

agent or manager by the Board of Directors may upon five (5) days' notice be revoked, modified or amplified by the majority of the votes of the Directors in a duly constituted meeting.

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

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

4.7 Limitations. Until Turnover, the Declarant shall have and is hereby granted a right to disapprove or veto any action, policy, or program proposed or authorized by the Association, the Board, the ACC, any committee of the Association, or the vote of the Members. This right may be exercised by the Declarant at any time within sixty (60) days following a meeting held pursuant to the terms and provisions hereof. This right to disapprove may be used to veto proposed actions but shall not extend to the requiring of any action or counteraction on behalf of the Association, the Board, the ACC or any committee of the Association.

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

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

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

ARTICLE V – DIRECTORS' MEETINGS

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

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

5.3 Special Meetings. Special meetings of the Board may be called by the President on five (5) days' notice to each Director. Special meetings shall be called by the President or Secretary in like manner and on like notice upon the written request of one-third (1/3) of the Directors.

5.4 Waiver of Notice. No written notice of a Board meeting shall be required if all of the Directors meet by unanimous consent. The Directors may, by resolution duly adopted, establish regular monthly, quarter-annual or semi-annual meetings. If such resolution is adopted, no notice of such regular meetings of the Board shall be required. Any required notice may be waived in writing signed by the person entitled to such notice whether before or after the time stated therein.

5.5 Quorum. A quorum at a Directors' meeting shall consist of a majority of the entire Board. The acts approved by a majority of those present at a meeting at which a quorum is present, shall constitute the act of the Board, except when approval by a greater number of Directors is required by statute or by these Bylaws.

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

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

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

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

ARTICLE VI – ARCHITECTURAL REVIEW COMMITTEE; OFFICERS

6.1 Architectural Review Committee. The Architectural Review Committee (herein "ARC") shall consist of three (3) members at all times, who initially shall be Lisa Strickland, Lisa Fenderson and Joel Coleman. Their address is 801 W. Romana St., Suite A, Pensacola, FL 32502 and the point of contact is Lisa Strickland. If any member of the ARC shall resign, become unable to serve or die, then the remaining member(s) shall appoint a successor member(s) to the ARC. Members of the ARC are not required to be an Owner. If no member of the ARC remains to appoint new members of the ARC, then the Declarant (as that term is defined in the Declaration) shall have the exclusive right to appoint members of the ARC until the Declarant causes the first meeting of

the Members of the Association to be held as provided for under Section 3.3 herein. Thereafter, the ARC members will be elected, appointed and removed in the same manner as the executive officers of the Association.

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

The initial Officers are as follows:

Lisa Strickland – President

Lisa Fenderson -Vice President

Joel Coleman – Secretary/Treasurer

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

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

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

6.6 Secretary.

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

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

6.6.3 The Secretary shall be the custodian of the corporate records, except those of the Treasurer, and of the seal of the Association.

6.6.4 The Secretary shall keep a register of the post office address of each Member, which shall be furnished to the Secretary by such Member.

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

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

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

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

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

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

ARTICLE VII – LIABILITY

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

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

ARTICLE VIII – AMENDMENT OF BYLAWS

8.1 Bylaws. The Bylaws of the Association may be altered, amended or repealed by a majority vote of the Directors provided that so long as LENNAR HOMES OF ALABAMA, LLC, a Delaware limited liability company owns any portion of the Subdivision, its written consent shall be required for any amendment to these Bylaws.

ARTICLE IX – CONFLICT

9.1 Conflict. In the event there shall exist a conflict between these Bylaws and the Certificate of Formation, the Certificate of Formation shall govern. In the event there shall exist a conflict between these Bylaws and the Declaration, the Declaration shall govern. In the event of any conflict or ambiguity between the terms, provisions, definitions, covenants and conditions set forth in these Bylaws and Alabama law, then Alabama law shall at all times control.

ARTICLE X – BUDGET, COMMUNICATIONS AND RECORDS

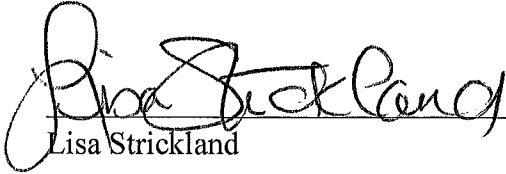
10.1 Budget. The Board shall adopt an annual budget for the Association for each calendar year on or before December 31 of the preceding calendar year. A copy of the budget shall be provided to the Members following its adoption. If the Board fails to adopt an annual budget for any particular year, the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

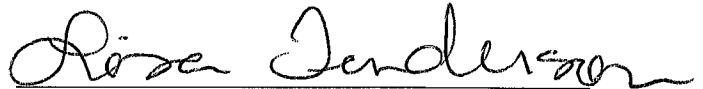
10.2 Communications. The Association shall establish and maintain an efficient method of communication with the Members, which may include, but is not limited to, U.S. mail, electronic mail, and/or the use of an Association-owned website. Notwithstanding the foregoing, the Association shall have the right to provide all notice and other communications to the Members required under the Certificate of Formation, Declaration, Bylaws, the Alabama Nonprofit Corporation Law (and any successor thereto) and/or the Alabama Homeowners' Association Act (and any successor thereto) by electronic mail unless a Member delivers a signed, written notice to the President of the Association that the Member will not accept notice by electronic mail. In such event, the Association shall provide all such notice and other communications to such Member via U.S. mail at such Member's mailing address as shown in the records of the Association.

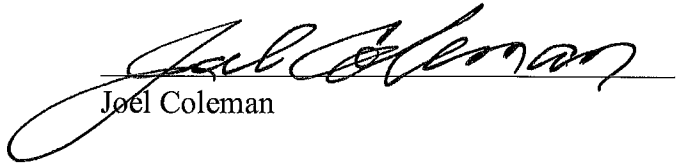
10.3 Records. The Association shall compile, organize and maintain full and complete records of the Association, which will be available to any Member upon request within a reasonable time, not to exceed thirty (30) days from the date of the request, and upon the payment of reasonable associated costs.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

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IN WITNESS WHEREOF, we, being all of the Directors of the Pecan Grove Property Owners' Association, Inc., have hereunto set our hand this 10th day of July, 2024, and certify that these are the duly adopted Bylaws of Pecan Grove Property Owners' Association, Inc.


Lisa Strickland


Lisa Fenderson


Joel Coleman