

STATE OF ALABAMA
COUNTY OF BALDWIN

**DECLARATION OF RESTRICTIONS AND COVENANTS
OF
STILLWATER SUBDIVISION, Phase One**

KNOW ALL MEN BY THESE PRESENTS, that this Declaration of Restrictions and Covenants is made, adopted, published and declared this 13th day of December, 2001, by STILLWATER DEVELOPMENT CO, INC. ("SDC") and RAVIN DEVELOPMENT, L.L.C. ("RV") hereinafter sometimes referred to collectively as "Developers";

WITNESSETH:

WHEREAS, SDC owns Lots 1 - 24 ("the SDC Lots") of Stillwater Subdivision as shown on the Plat recorded at Slide _____, in the records of the Office of Judge of Probate of Baldwin County, Alabama ("the Plat"), (sometimes hereinafter referred to as the "Subdivision"); and

WHEREAS, RV owns Lots 25 - 49 ("the RV Lots") of the Subdivision;

WHEREAS, Developers desire to place certain restrictions, conditions and reservations (hereinafter collectively referred to as "Restrictions") upon the above described property in accordance with a general scheme or plan in order (a) to protect the owners of each lot against improper use of surrounding lots as will depreciate the value of the property, (b) to preserve, as far as practicable, the natural beauty of each lot, (c) to ensure the creation of attractive, well designed, properly proportioned and appropriate homes of suitable materials with appropriate locations on said lot lines, (d) to ensure proper building setbacks from street and lot lines, (e) to provide adequate free space between structures, and (f) in general, to assure the best and most appropriate development and improvement of the Subdivision and each lot thereon;

NOW THEREFORE, Developers do hereby impose the following protective Restrictions:

1. **RESIDENTIAL USE ONLY:** All lots in the Subdivision shall be known and described as single family residential lots. No lot may be improved, used or occupied for other than private residence purposes, and no flat, duplex, apartment house, group apartment, or condominium, though intended for residential purposes, may be erected thereon.

2. **ARCHITECTURAL REVIEW:** No building or any other improvement, including without limitation, any pier, wharf, or other water-related type structure, any fence, pool, or any other device or article attached to the ground or to any building shall be erected, placed or altered on, or attached to, any lot until such building or other improvement shall be approved in writing by SDC, in the case of the SDC Lots, or RV in the case of the RV Lots, or the designated representative.

(Throughout the remainder of these Restrictions, if any provision requires or contemplates the approval or consent of Developer, such provision shall be deemed to require or contemplate the approval or consent of SDC in situations in which the subject lot is an SDC Lot or the consent or approval of RV in situations in which the subject lot is an RV Lot.)

To request such approval, the requesting party must submit to Developer or its designated representative: Two complete sets of final building or construction plans, specifications, and plot plans showing the location of each building, fence, wall and any other improvement, private road, driveway (in this case also showing the course, width of same and curb cut), pool, and all other proposed structures. Said plans shall be prepared by a qualified architect, engineer, or draftsman, duly licensed to do business in Mobile or Baldwin County, State of Alabama, and such person shall be qualified to draw home plans. Plans or exhibits shall show, without limitation, (i) a schedule of exterior materials and colors, (ii) orientation, front, rear and side elevations, and finished ground elevation of the structure, and (iii) the habitable area square footage as referred to in paragraph 5 hereof. Approval, which shall be given or withheld or conditionally given in Developer's sole discretion, shall be based on compliance with all requirements stated in these covenants and on the compatibility of the proposed improvements with other existing or anticipated improvements in the Subdivision, and the quality and attractiveness of the proposed improvements. Developer review shall be limited to outward appearance only and shall not include any responsibility or authority to review for structural integrity, interior design, compliance with building or zoning codes or standards, or any other similar or dissimilar factors.

12/13/2001

All proposed building or construction plans, specifications, plot plans or related data, drawings or requests for approval shall be submitted as follows: to SDC at any one of the following addresses: 3662 Dauphin Street, Mobile, Alabama 36606 or 524 Boulevard Park West, Mobile, Alabama 36609, unless and until SDC shall designate a different agent or depository; to RV at any one of the following addresses: _____, Alabama 36609, unless and until RV shall designate a different agent or depository.

Each Developer reserves the right from time to time to retain the services of an architect or draftsman to review any proposed plans for such Developer, and if such Developer elects to retain such services for the proposed plans submitted as to any lot, then the owner of such lot shall be responsible for and shall pay upon demand such consultant's fees, not to exceed \$150.00 per lot.

Developer approval shall be required for all exterior materials and colors, including doors and windows, ceiling height, elevations, placement of heating and air conditioning equipment, placement of power boxes, location of buildings, outbuildings, and driveways, and direction the house faces the street and surrounding homes.

The following conditions apply:

Exterior Color: Houses and other buildings must be painted or otherwise colored, except where finished with brick approved by the Developer. All proposed colors to be applied to the exterior of any structure must be submitted to Developer for approval. Any color that is not deemed by Developer, in its sole discretion, as compatible with the Subdivision shall not be approved.

Exterior Materials: Brick, stucco, and wood are allowed. Other materials and styles may be approved by Developer in one or more instances if, in its sole discretion, these materials and/or styles are deemed compatible with the Subdivision and any existing and/or contemplated improvements within the Subdivision.

Windows: Solid wood units, aluminum clad wood window units, vinyl clad wood window units, and other vinyl units as Developer may deem acceptable are allowed; other window types may from time to time be approved by Developer.

Ceiling Height: Minimum of nine feet (9') required on first floor; ten feet (10') encouraged.

Elevation: First floor elevation at the front of any house must be a minimum of twelve inches (12") off finished grade on any lot, unless specific written approval is given by the Developer for a variation from the above required elevations.

Driveways: All driveways shall be paved with concrete or constructed with masonry type material acceptable to Developer.

Roof Pitch: Without Developer's prior written consent, no roof pitch shall be less than eight inches (8") in a twelve inch (12") run. Roof materials shall be subject to the approval of Developer.

Chimneys: There shall be no exposed pipes for, or at, the chimneys, except that a reasonable amount of exposed pipe may protrude from the top of the casing, and only masonry type material may be used for each chimney unless specific written authorization is granted by Developer to use some other type of material. If a fireplace consists only of gas firelogs, then the Developer may approve a painted black stack in lieu of a traditional chimney.

Concealment of Equipment: No air-conditioning or heating unit, blower, tower, condenser, water well, garbage can, wood pile, storage pile or other equipment or apparatus shall be erected, placed, constructed, operated, or permitted to remain on any lot unless adequately concealed from view from any adjacent lot or street by a hedge planting or other enclosure in conformity with the general architecture of the main structure and approved by Developer.

Outdoor Lighting: No mercury vapor lights or other outside lights shall be permitted on any lot without the prior written approval of Developer. Developer approval of any outside lighting may be withdrawn if Developer determines that the lighting is or becomes a nuisance. No floodlights or permanent lighting may be directed toward any street or any other lot.

Swimming Pools: No swimming pools shall be constructed, altered or maintained upon any lot without the prior written approval of Developer of the type, design, and location thereof. Any such swimming pool must also be

constructed, equipped, and maintained in accordance with the regulations, standards, and recommendations of the appropriate city, county, and state authorities. Swimming pools shall be fenced and their location approved by Developer.

Landscaping: The yard facing any street and the side yards visible from any street must, at the time that a house has been constructed on such lot, be planted with solid sod grass and landscaped, unless the owner of such lot submits a detailed landscape plan to the Developer and obtains specific prior written approval from Developer in each and every instance, if any, to vary from such requirements.

Satellite dish: No satellite disc or dish or other type of television or electronic device shall be installed in any front yard; eighteen inch (18") or smaller dishes are allowed if installed where the same, as determined in the sole discretion of Developer, do not create an eyesore from the perspective of another lot, the lake or from any street. Larger discs or dishes are not allowed without the prior explicit, written approval of Developer; if Developer approves the construction or installation of any such device, such approval may be conditioned as to its appearance, size and location.

Sidewalks: Prior to or upon erection or location of a building on any of the Lots, the owner of such lot shall, at such owner's expense, install, or cause to be installed, a sidewalk on such lot in accordance with the same standards as would be applicable if the lot was located within the City of Spanish Fort and, the location, the dimensions and other features of such sidewalks shall be subject to the prior written approval of the Developer or its designated representative.

Construction Period/Reconstruction: Each dwelling must be completed within nine (9) months from the date when construction begins. If the construction of any dwelling is not completed within nine (9) months after the construction start, then the Owner shall promptly remove such partially-constructed dwelling at the Owner's expense; provided, however, that Developer may, when it in its absolute discretion deems it is reasonable to do so, extend the construction completion deadline for one (1) or two (2) periods of up to ninety (90) days each. Any building or other improvement constructed on any lot that is destroyed partially or totally by fire, storm or any other means shall be rebuilt or repaired in accordance with these Restrictions or demolished with a reasonable period of time and the lot on which such was located restored to an orderly and attractive condition.

The quality and attractiveness of every improvement must meet the standards of Developer. Developer is hereby granted broad discretion in judging the compatibility, quality, attractiveness, and compliance of the proposed improvements with this Declaration. Developer shall have the right to accept, modify, or refuse to approve any plans or specifications or landscape plans, which are not reasonably suitable or desirable, in Developer's sole discretion, for aesthetic or other reasons, and in so passing upon such plans, specifications and landscape plans, and without any limitation of the foregoing, it shall have the right to take into consideration the suitability of the proposed building, other structure or landscape plan, and of the materials of which it is to be built or planted, the site upon which it is proposed to be erected or planted, the harmony thereof with the surroundings and the effect of the building, other structure or landscape as planned, on the outlook from the lots within the Subdivision. Each person that acquires any lot or any interest therein, and such person's heirs, successors and assigns shall abide by the decision of Developer in all cases in which Developer's approval is required in this Declaration.

If Developer or its designated representative fails to give notice of approval or disapproval of any submitted plans and specifications containing all required information or other request pursuant to this Declaration within thirty (30) days after said plans and specifications or other request have been submitted to it, such approval shall not be required. If any plans and specifications are disapproved, written notice of such disapproval shall be given to the submitting lot owner by hand delivery to such owner or by depositing same in the U. S. Mail, properly addressed and postage prepaid.

The approval of Developer of any plan, specifications or drawings or any materials accompanying same for matters requiring approval by Developer shall not be deemed a waiver of, or create any right of estoppel against, Developer's right to withhold approval of any similar plan, drawing, specification or materials subsequently submitted for approval.

Neither Developer nor any representative of Developer shall be liable to any lot owner or any other person, association or entity, for any damage, loss or prejudice suffered or claimed on account of: (i) the approval or disapproval of any submitted materials, whether or not defective; (ii) the construction or performance of any work, whether or not pursuant to approved materials; (iii) the development of the lot; (iv) the structural capacity or safety features of any proposed improvements; (v) whether or not the location of the proposed improvement on the building site is free from possible hazards from flooding or from any other possible hazards, whether caused by conditions occurring

either upon or off any property located within the Subdivision; (vi) soil erosion causing sliding conditions; or (vii) any decision made or action taken or omitted to be taken under the authority of this Declaration.

Upon such terms and conditions as Developer may elect, Developer may, but is not required to, adopt, review and approve or disapprove, in whole or in part, with or without conditions, applications for the modification or waiver of any requirement or restriction contained in this Declaration. Such applications shall contain such information as Developer may prescribe and shall affirmatively show, to Developer's satisfaction, that the application of such requirements, under the circumstances, creates unnecessary or undue hardships or that its modification or waiver is not materially inconsistent with the scheme of development.

With respect to all matters which are, by the terms of this instrument, to be decided by Developer, the decision of Developer shall be final and binding on all parties. No changes or deviations in or from any approved plans or specifications shall be made without the prior written consent of Developer.

Other paragraphs in this Declaration provide that certain actions may be taken only with prior written approval of Developer. The powers and rights under this paragraph 2 and such other powers and rights of approval set forth elsewhere in this Declaration, including, but not limited to, the power to make rules and regulations, may be, in whole or in part, (i) relinquished by Developer from time to time by recording a written relinquishment in the Baldwin County Probate Court real estate records; or (ii) assigned to a third person (which may be, without limitation, a committee of individuals established by Developer or a property owners association) by recording a written assignment in said records, in which case, the assignee shall have such rights and powers of approval. Such powers and rights of approval shall cease on and after January 1, 2041. Thereafter, any approval described in this Declaration shall not be required unless, prior to said date and effective thereon, a written instrument shall be executed by the then record owners of a majority of the lots within the Subdivision and duly recorded appointing a representative, or representatives, who shall thereafter exercise the same powers previously exercised by the Developer.

Nothing in this Declaration shall relieve, or be interpreted as purporting to relieve, any owner from also securing such approvals, certificates, or permits of any governmental agency or entity with jurisdiction as may be required by law as a condition to the commencement, construction, maintenance, addition, change or alteration, or any other activity on any lot, and Developer may require that a copy of such approvals, certificates, or permits be provided to Developer as a final condition to any approval, or as additional assurance to Developer that the proposed activity or construction and uses meet governmental requirements, or for both such purposes.

Developers have obtained an Alabama Department of Environmental Management ("ADEM") National Pollutant Discharge Elimination System Permit ("the Permit"), which relates to certain activities that affect storm water discharges from construction, excavation, land clearing, and other land-disturbance activity. The owner of each lot shall, with respect to construction or other land-disturbance activity on such lot, be responsible for taking such measures as are required by the Permit and applicable laws and regulations related to preventing sediment or other pollutants and storm water run-off from leaving the construction site or associated areas. Immediate measures to control sedimentation include use of silt fences, staked hay bale rows, netting or mesh, rock filter check dams, etc. If necessary, small catch basins should be constructed to control sediment run-off. Immediate measures to control erosion include applying hay mulch, seeding with temporary grass mix, hydro-seeding, reducing slopes, netting or mesh, cover with gravel or rock, etc. Long-term measures such as proper grading and permanent revegetation should be done as soon as possible. Each owner shall indemnify and hold Developers harmless from such owner's failure to take such measures. If required by applicable regulations, any owner shall obtain a separate NPDES Permit. Each owner acknowledges that Developers are not responsible or liable for any drainage, storm water discharge, etc., whether within or outside the confines of any easement areas, streets, or lots or anywhere else. Should ADEM or other authorities assess a fine or require correction action with respect to the matters assigned to any owner under this paragraph, such owner shall be responsible for the payment of such fine and/or the implementation of such correction action, and if such owner should fail to pay such fine and/or implement such corrective action, Developers may, but shall not be obligated to, pay such fine and/or implement such action on behalf of such owner, without any liability on the part of Developer to such owner, and owner shall reimburse Developers the cost thereof, plus an administrative fee equal to 25% of such costs, plus interest at the rate of 12% per year until paid.

3. **BUILDING LOCATION:** As used in this Declaration, the front of a lot shall be the side fronting on the street. No building on any lot shall be located nearer the front lot line than the minimum building setback line shown on the Plat. No building on any Lot shall be located nearer the rear Lot line of any Lake Lot, meaning Lots 7 - 10, 12, and 14 - 22, than the rear setback line for such Lot as shown on the Plat; no building shall be located nearer the rear Lot line of any other Lot than thirty feet (30'). No building shall be located nearer than ten feet (10') to an interior lot line;

however, subject to obtaining any necessary approval from any governmental authority having jurisdiction, a building may be located nearer than ten feet (10') to an interior lot line, but no nearer than eight feet (8'), provided that the sum of the distance from such lot line and the distance from the other side of the building to the other interior lot line shall not be less than twenty feet (20'). For the purpose of this covenant, eaves, steps and open, uncovered porches shall not be considered as a part of a building; provided, however, that this shall not be construed to permit any portion of a building on a lot to encroach upon another lot. The building location must also comply with any applicable zoning ordinances unless a special exception is obtained from the appropriate governmental agency and approved by the Developer. Each primary residence shall be so located that its front and rear ends are parallel with the lot lines on which it is located, unless otherwise approved by Developer.

4. WHARF AND LAKE:

(a) Should the owner of any lot located on the lake shown on the Plat desire to construct a wharf or pier on such lake, such construction shall not occur unless and until such owner has obtained the prior written approval of the plans and specifications of such improvement by the Developer (all references to approvals from Developer and associated with Lake Lots shall be deemed references to SDC approval). As lots located on the lake may be irregular in configuration and due to other circumstances of the land, no owner of any lake lot is guaranteed that wharf or pier approval will be obtained. Developer's approval may be given, withheld or conditionally given in its sole discretion. In all events, no wharf or pier shall serve as a dock for more than two (2) boats; any wharf or pier must be constructed such that its centerline is parallel to a line formed by an extension of a side lot line of the lot to which the same is attached; no wharf or pier, or any part thereof, shall be located nearer to any side lot line than twenty-five feet (25') (if any one person purchases two or more lots and combines the same into one lot, then any wharf may be placed so as to not be closer than twenty-five feet (25') to either side lot line of the combined lots); in recognition that the irregular shape of Lot 14 would not allow a pier that would comply with the provisions of this paragraph 4 (a), Developer may specially approve a pier for such Lot in variance of the terms hereof; no wharf or pier, or any part thereof, shall extend more than twenty-five feet (25') from the landside edge of such wharf or pier; no wharfhouses, boathouses, lifts, or other structure having walls, roof, sheltering or any protrusion above the deck of the wharf or pier shall be situated over the water; no television antenna, satellite dish, or similar type apparatus or equipment shall be located on any wharf or pier; and no lights shall be installed on any wharf or pier with any switching mechanism (whether light sensitive, time actuated or otherwise) which operates to turn such lights on at a predicted time of day and no lights will be continuously operated on any wharf through the hours of darkness. No lake lot owner shall erect any bulkhead, jetties, or similar structure. Any lot owner desiring a waiver of this Restriction must submit a detailed plan of such bulkhead, jetties or similar structures, drafted by a certified engineer, to the Developer and demonstrate to Developer's satisfaction that under the particular circumstances, a waiver of this Restriction is appropriate.

(b) There is no general access to the lake. Use of the easement shown on the Plat as a part of Lot 22 is limited to providing access to the lake and dam for maintenance, inspection and similar purposes only, such as stocking the lake with fish. Only owners of lots located on the lake and their tenants, invitees, and invitees of their tenants shall have access to the lake, and such access shall be limited to the shoreline of the lot owned by the person accessing the lake. At the time this Declaration is recorded, the lake is owned by Baldwin/225, LLC, which has granted to SDC a license to use said lake for the purposes set forth in this paragraph 4. No lake lot owner shall acquire any rights to the ownership of the lake or any other rights with respect thereto, except that lake lot owners and their tenants, invitees, and invitees of their tenants may make such other safe recreational (non-commercial) use of the lake, such as fishing, as does not unreasonably interfere with the use thereof by other lake lot owners or unreasonably disturb the enjoyment of other lake lot owners of their lots. Developer reserves the right to impose such rules and regulations as it deems necessary or reasonable to protect the safety and enjoyment of those permitted to use the lake and/or lake front owners and otherwise to provide for the orderly use of the lake. In no event shall any owner use the lake water as a source for a private well or irrigation.

(c) SDC does not own the lake but has acquired a license from the owner of the lake to make the use thereof as is contemplated in this paragraph 4. This license is subject to the right of the owner, its successors, assigns, designees, etc. of the lake to make such use thereof as the lake owner shall deem appropriate. This license is sub-licensed to the Association, subject to the provisions of this Declaration and subject to SDC's continuing license.

5. **RESUBDIVISION:** Except as hereinafter provided, no building or any part thereof, of any character, may be erected or maintained on any part of a lot which is subdivided subsequent to the date hereof. Where a lot is subdivided and all of its parts are combined with adjacent entire lots, a building may, with the approval of the Developer, be erected and maintained on each of the lots as so combined even though a portion of such building may be located on a part of such subdivided lot, but each resulting combined lot shall be subject to this Declaration as fully and completely

as if shown on the subdivision plat as a single lot. Where a portion of a lot, which portion is less than ten percent (10%) of the total area of the lot, is conveyed to the owner of the lot adjacent to such portion, a building may, with the approval of the Developer, be erected and maintained on the remaining portion of such lot, which remaining portion of the lot shall be subject to this Declaration as fully and completely as if shown on the subdivision plat as a separate lot. Additionally, provided Developer's prior written consent has been obtained, any three (3) contiguous Lots may be combined into two (2) separate building sites, each of which is larger than each of the original three (3) Lots, and for all purposes thereafter, other than the payment of assessments and voting, such three (3) Lots shall be treated as two (2) Lots, the same as if those three (3) Lots were originally platted as two (2) Lots; however, each of such two (2) Lots shall be entitled to 1.5 votes on matters before the Association and each shall pay assessments at 1.5 times the normal rate; further, with the prior written consent of Developer, any two (2) contiguous Lots may be combined into one (1) building site, and for all purposes thereafter, except payment of assessments and voting, such two (2) Lots shall be treated as one (1) Lot, the same as if those two (2) Lots were originally platted as one (1) Lot.

6. **OFFENSIVE ACTIVITIES, ETC.:** No commercial, noxious, hazardous, annoying or nuisance-creating activity may be carried on within any lot in, on or over the lake. No structure, including fences, shall be erected so as to channel water on an adjacent lot. No outside clothes lines shall be permitted unless screened in such manner as not to be visible from adjacent lots or streets or the lake. No trawl, cast net, gill net, or other fishing, shrimping equipment or paraphernalia shall be dried, kept, or maintained on any lot in such a location or manner as to be visible from any street, any lot or the lake. Electric motors, but no gasoline operated motors may be used on boats or crafts (including, without limitation, personal watercrafts, jet skis, etc.) on the lake. No guns may be discharged upon any part of the Subdivision for any purpose, nor shall there be hunting of any nature on the property herein described.

7. **NEATNESS, ETC.:** All lots and adjacent right-of-ways, whether occupied or unoccupied, and any improvements placed thereon, shall at all times be maintained by the owner of all such lots in a neat, attractive and presentable condition, even when such improvements are under construction. They shall be maintained in such manner as to prevent their becoming unsightly by reason of weeds, underbrush, or unattractive growth on such lot or the accumulation of piles, rubbish, debris or unsightly objects thereon; nor shall any such rubbish, debris, or unsightly objects be dumped on any other lot or on any adjoining property, or otherwise disposed of in any manner not consistent with applicable laws. Building materials shall not be stored on a lot unless a structure is under construction. Trash, garbage or other waste material shall not be kept on any lot except in sanitary containers. Also, lot owners shall be responsible for periodic clean ups on their respective lots during the period the house is under construction to prevent their trash from blowing onto other lots and causing an unsightly situation for the neighborhood. In order to implement effective control, Developer reserves for itself and its agents the right, after ten (10) days' notice to any lot owner, to enter upon any residential lot with such equipment and devices as may be necessary for the purpose of mowing, removing, clearing, or cutting underbrush, weeds or other unsightly growth and trash which, in the opinion of Developer, detracts from the overall beauty or safety of the Subdivision. Such entrance upon such property for such purposes shall be only between the hours of 7:00 A.M. and 6:00 P.M. on any day except Sunday and shall not be a trespass. Developer may charge the lot owner a reasonable cost for such services, plus a 25% administrative charge and interest at the annual rate of 12% until paid, which charge shall constitute a lien upon such lot enforceable by appropriate proceedings at law or equity. The provisions of this paragraph shall not be construed as an obligation on the part of Developer to mow, clear, cut or prune any lot nor to provide garbage or trash removal services.

8. **TRAILER, MOBILE HOME, ETC.:** No trailer, mobile home, basement, tent, shack, garage, barn, or other outbuilding erected on any lot shall at any time be used as residence, temporarily or permanently, nor shall any structures of a temporary character be used as a residence. Subject to receiving specific written approval from Developer, house trailers, mobile homes, motor homes, campers, and/or trailers may be kept on the premises only if kept either within a fully enclosed garage or under a carport and substantially screened from view from any street, any lot or the lake. All boats, other than canoes, "johns" boats and other similar craft, must be kept on trailers in the rear yard not visible from any street, any lot or the lake or within a garage or carport not visible from any street, any lot or the lake.

9. **TYPE AND SIZE OF BUILDINGS AND JOINT UTILITY USE:** No building shall be erected, altered, placed or permitted to remain on any lot other than one single family dwelling, which shall be not more than two and one-half stories in height and shall have habitable area, exclusive of basements, open porches and garages, of at least 2,400 square feet with at least 1,400 square feet on the ground floor if it be more than one story in height; provided, a detached garage or other attractive outbuilding may be erected or permitted in any case in which Developer shall grant its written approval of such building, including the location (which must comply with applicable construction setback areas) and design of said outbuilding prior to construction.

Each dwelling shall contain at least a two-car garage or carport. Absent a written waiver from

Developer, no garage or carport shall open onto any street, except in the case of a corner lot in connection with which Developer specifically determines that relief from this prohibition is appropriate.

All wired utilities must be provided underground. Septic tanks shall not be permitted. Each owner assumes responsibility for activating electric, telephone, sanitary sewer, water, cable television (if available), and gas services (if available) and paying the appropriate utility companies the fees or charges required by such companies and to sign and be bound by such agreements as such companies may require.

10. **ANIMALS:** Dogs, cats and other domesticated animals not exceeding three (3), may be kept by each lot owner, provided they are not kept, bred or maintained for any commercial purpose or use and are not a nuisance, annoyance or danger to the neighborhood. No other animal or fowl shall be kept or maintained on any part of said property. Specifically, no horses, cows, sheep, goats, or other hoofed animals may be maintained on any lot.

11. **GARBAGE DISPOSAL CONTAINERS AND EQUIPMENT:** No lot shall be used as a dumping ground for rubbish, and all debris and trash from clearing or construction must be immediately removed. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean, sanitary condition.

12. **MINING OPERATIONS:** No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon the surface of any lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or within five hundred feet (500') beneath the surface of any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained, or permitted upon any lot.

13. **FENCES, WALLS, HEDGES AND ORNAMENTAL STRUCTURES:** No fence or hedge on any lake lot shall be nearer to the rear (lake) property line of such lot than the rear minimum setback line shown on the Plat for such Lot; any fence or hedge built on any other Lot is expected to be located on or within the rear and side Lot lines. no fence or hedge on any Lot shall be located nearer the front of such Lot than ten (10) feet to the rear of the front of the house. In all events, no fence, wall, or ornamental structure may be erected without prior written Developer approval. All fences facing any street or the lake must be made of wood, faced with wood or have the outward appearance of being made of wood, or other materials specifically approved by the Developer.

14. **SIGNS:** No sign of any kind shall be displayed to public view on any lot except one professionally lettered sign not more than four (4) square feet in size, which may advertise the property for sale or rent; except during the construction period, an additional sign may be erected by the builder and a security service sign shall also be allowed when applicable.

15. **EASEMENTS:** All easements shown on the Plat, including, but not limited to, drainage easements and the easement located on Lot 22, which provides access to the dam and the lake for maintenance, inspection and similar purposes only, such as stocking the lake with fish, are hereby adopted as a part of these Restrictions and all lots in the subdivision shall be subject to such easements. Developer reserves unto itself, its successors and assigns, the right and easement, but not the obligation, to construct, install, maintain, repair and replace power, gas, sewer, telephone, and other utility lines, street lights, equipment and facilities and drainage ditches and natural drains, in, on, over and under the streets and roads and easements shown on the Plat, and to construct, install, operate, maintain, repair and replace lights, walls, fences, shrubbery, bushes and trees and other decorative or screening improvements in, on, over and under the property included within the areas designated as fences, drainage and/or utility easements, if any, with full right of ingress and egress to and from said streets and roads and easements across adjoining property; and the undersigned reserves unto itself and its successors and assigns the right to contract generally with others for the doing of any and all such things and the right to grant unto others such easements, rights and privileges as the undersigned may deem appropriate or convenient in connection therewith. Any drainage, utility, and/or access easements not maintained by any governmental authority or utility provider shall be maintained by the Association; provided, however, the owners of Lots burdened by any such easements shall be responsible for the routine maintenance (such as grass-cutting) of the areas on said Lots that are subject to easements. The Association shall have such easements as are reasonably necessary to facilitate the discharge of any of Association's responsibilities.

16. **AMENDMENT OR MODIFICATION OF RESTRICTIONS:** Any or all of the Restrictions or requirements hereinbefore set forth may be annulled, amended, or modified at any time by an instrument executed by the owner or owners of not less than sixty percent (60%) of the lots then considered part of the Subdivision, which said instrument shall be acknowledged by each such owner signing same and shall be filed for record in the office of the Judge of Probate of Baldwin County, Alabama, PROVIDED, that no amendment shall place an additional burden or restriction

or requirement on any lot in the Subdivision the owner of which does not join in said amending instrument and provided further no amendment shall be valid without the prior written consent of Developer if Developer still owns any Lot in the Subdivision. SDC reserves the right to amend or modify these Restrictions as they pertain to the SDC Lots for and during such a period of time as SDC continues to own at least one (1) SDC Lot, whether part of the original Subdivision or a future phase; likewise, RV reserves the right to amend or modify these Restrictions as they pertain to RV Lots for and during such period of time as RV continues to own at least one (1) RV Lot, whether part of the original Subdivision or a future phase.

17. **TERM:** The herein stated Restrictions shall run with the land and shall be binding on all lot owners, or upon all parties and persons claiming under or through them, each of whom shall, by virtue of his acceptance or acquisition of title or other interest, accept and agree to be bound by and to abide by all terms and provisions of this instrument, all of which shall be and remain in full force and effect until January 1, 2041. After which time said Restrictions shall automatically be extended for successive periods of ten (10) years, unless an instrument signed by at least sixty percent (60%) of the then owners of the lots has been recorded, agreeing to change said covenants in whole or in part, prior to January 1, 2041, or prior to the then pending ten (10) year term, as the case may be.

18. **VIOLATIONS:** Any violation of these covenants shall not act as a cloud upon the title of the property concerned and title shall not be forfeited as a result of such violation.

19. **ENFORCEMENT:** If any person or persons shall violate or attempt to violate any of the Restrictions contained herein, it shall be lawful for Developer or any party owning any real property situated in said Subdivision to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such Restriction, either to prevent him or them from so doing or to recover damages for such violation, and in the event that it is the Developer who has filed legal action, it shall be entitled to receive an award of a reasonable attorney's fee for the successful prosecution of such an action. The Developer shall be under no obligation to enforce any of the Restrictions herein contained, but in the event that the Developer shall choose not to enforce the same, the owner of any lot in the Subdivision may, as an individual, seek to enforce the same through lawful means.

20. **OWNERS ASSOCIATION:** Developer has caused or will cause the formation of Stillwater Property Owners Association (the "Association") (which may be incorporated or unincorporated). All owners of the Lots in the Subdivision shall be members of the Association. Developer may, but is not obligated, to develop one or more additional phases or units of the Subdivision, in which case, owners of lots within any such additional units shall be members of the Association in such then existing class designated by the Developer or in a new class then created by Developer.

The Association shall have two (2) classes of membership, Class A and Class B. The Class A membership shall consist of the owners of the Lake Lots, meaning Lots 7 - 10, 12, and 14 - 22. The Class B membership shall consist of the owners of all other Lots. The Association shall have five (5) Directors on the Board of Directors (the "Board"). Until such time as the Developers causes the first meeting of the Association membership to be held, the Board members shall be appointed by Developers. At the first meeting of the Association, the Board of Directors shall be elected by the Association membership; two (2) of the Board members shall be elected by the Class A Members, and three (3) of the Directors shall be elected by the Class B Members. The Directors must be members of the Association, except such Directors as are appointed by Developer. Only the Class A Member elected Directors shall vote on matters related to the lake, dam and easement located on Lot 22 providing access to the dam and the lake.

The Association shall hold title to and maintain all property that Developer may designate or set aside as common area, including any green areas and entrance ways. The Association shall also be responsible for landscaping and sprinkler systems in the common areas and, except to the extent that a governmental agency assumes responsibility, for maintaining the street lights and paying the bills for the service provided thereto. With respect to construction or other land-disturbance activity on any common area, the Association shall be responsible for taking such measures as are required by the Permit and applicable laws and regulations related to preventing sediment or other pollutants and storm water run-off from leaving the construction site or associated areas. The lake and dam, as stated above in paragraph 4, are not common areas, but the Association, which holds a license from SDC, shall maintain the lake and dam, subject to the provisions of paragraph 21, including stocking the lake with fish. Any drainage, utility, and/or access easements not maintained by any governmental authority or utility provider shall be maintained by the Association; provided, however, the owners of Lots burdened by any such easements shall be responsible for the routine maintenance (such as grass-cutting) of the areas on said Lots that are subject to easements. The Association shall have such easements as are reasonably necessary to facilitate the discharge of any of Association's responsibilities. If, and when Developer elects to develop additional subdivision phases of Stillwater Subdivision, the Association shall hold title to the common areas of the additional phases(s), and shall have the same duties and obligations with respect to said common areas, including

streets, street lights, etc.

All members of the Association, and by acceptance of a deed to a lot, whether or not so expressed in such deed, are deemed to covenant and agree to pay to the Association annual general assessments or charges as herein described. All such assessments, together with interest thereon as provided below and the cost of collection thereof, including reasonable attorney fees, shall, as hereinafter provided, be the personal obligation of the owner of such property at the time such assessment becomes due. Such assessments, together with interest, costs, and reasonable attorney fees, shall also be a charge and a continuing lien upon the lot against which such assessment is made. Such lien may be perfected by filing a statement of lien in the appropriate records of the Office of the Judge of Probate of Baldwin, Alabama, setting forth the lot upon which the lien is claimed, the amount for which the lien is claimed, and the name of the property owner. The lien shall be enforceable in accordance with Alabama law.

The general assessment levied by the Association annually shall be used exclusively for the maintenance of the common areas and the discharge of the Association's responsibilities as set forth above, and for such other expenses related thereto as the Association deems necessary.

The Association shall have two (2) different assessment rates, one for Class A members (i.e., the Lake Lot Owners) and one for Class B members. The rate for Class B members shall be a proportionate share of all expenses relating to all of the common areas, other than the Lake-Related Expenses (i.e., the lake, dam and easements located on Lake Lots for maintenance purposes); the proportionate share for each Class B member shall be a fraction, the numerator of which is one (1) and the denominator of which is the number of all lots then included in the Subdivision (including the Lake Lots). The assessments for the Class A Members (i.e., the Lake Lot Owners) shall be for the remainder of the non-Lake-Related Expenses and the expenses for the Lake-Related Expenses and shall be divided equally among the Class A Members.

Assessments as to each lot shall not begin prior to January 1, 2002.

By a two-thirds vote of the Board of Directors of the Association, the two (2) annual assessment rates shall be fixed on the basis provided above; provided, however, that the annual assessment shall be sufficient to meet the Association's obligations as budgeted. The Board shall set the date such annual assessments shall become due, and any assessment not paid within thirty (30) days from said date shall bear interest from the due date at a per annum percentage rate of twelve percent (12%) and be subject to an administrative charge equal to 25% of the delinquent amount. The Board may elect to require that annual assessments be paid in monthly installments. Upon any voluntary conveyance of a lot, the grantor and grantee of such lot shall be jointly and severally liable for all unpaid assessments pertaining to such lot to the extent that such assessments accrue to the date of such conveyance, without prejudice, however, on the part of the grantee to recover from the grantor any amounts paid by the grantee, but the grantee shall be exclusively liable for assessments accruing after grantee becomes lot owner.

21. CHANGES; ADDITIONS TO SUBDIVISION; AND RESERVATION: Developer reserves the right to make such changes to this Declaration (a) as Developer may deem necessary in order to comply with or address a governmental regulation or similar directive or to meet any other requirement or limitation that binds Developer or the Subdivision, or (b) as do not materially and unreasonably adversely affect any lot that Developer has already conveyed. Developer also reserves the right to cause property to be withdrawn from this Plat and/or from the scope of this Declaration and to make such other changes to the Plat as do not alter the boundaries of any lot not still owned by Developer.

Further, each Developer may, but is not obligated to, develop additional land, whether or not currently owned by such Developer, as additional phases of Stillwater Subdivision. If either Developer develops other land as additional phases of the Subdivision, Developer shall record a supplemental declaration, in which case, owners of lots in such additional phases(s) shall become members of the Association in such then existing class designated by the Developer or in a new class then created by the Developer, and these Restrictions, except to the extent as is provided in the supplemental declaration in Developer's discretion, shall apply to the additional phases. any common areas in such other phases shall be the responsibility of the Association. Developer reserves the right to access such additional development, if any, as Developer determines is appropriate. If either Developer elects to develop other land in the vicinity of the Subdivision, such other land may or may not be developed, in such Developer's discretion, as an additional phase of the Subdivision, and such Developer is free to develop such additional land as such Developer sees fit.

SDC has an option to acquire certain property between the Subdivision and Bay Minette Creek; the present owner of such land has built a walkover to Bay Minette Creek. this walkover is not part of the Subdivision, and

no owner in the Subdivision shall have any right to use such facility; however, if SDC acquires such additional land and chooses to develop such additional land as a phase of Stillwater Subdivision, SDC may, in its discretion, elect to make such walkover a common area or to allow usage by Subdivision Lot owners on terms and conditions set forth in a supplemental declaration, in which case, the Association shall thereafter maintain the same in a good safe condition.

If, as, and when the owner of the lake or its successors and assigns (which may be SDC) develops land on the other side of the lake, such owner and its designees shall share in the cost of maintaining the lake with the Subdivision lake Lot owners in the proportion that reflects the number of lot and/or housing units with access rights to the lake. The owner of the land on the other side of the lake (which may be SDC) reserves the right to develop said land for such residential purposes as such owner shall determine appropriate in its sole discretion, without any restriction as to density, style, configuration, etc. Further, should SDC make the arrangements for a transfer of the lake and/or dam to the Association as common areas, the Association shall accept such transfer, subject to the rights of others as SDC and the present owner of the lake may designate.

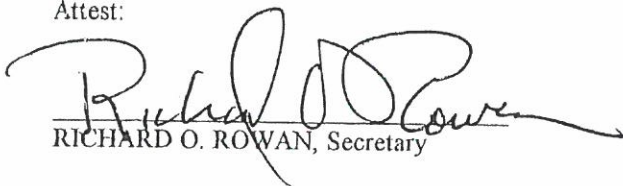
22. **SEVERABILITY:** Invalidity of any one of these covenants by judgment or court order shall in no wise affect any of the other provisions which shall be and remain in full force and effect.

IN WITNESS WHEREOF, the Developers, by and through their respective duly authorized representatives, have caused this instrument to be executed as of the day and year first above written.

STILLWATER DEVELOPMENT CO., INC.

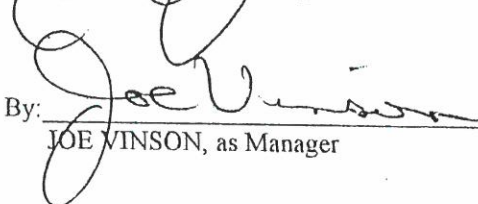
By: 
BEN TOM ROBERTS, President

Attest:


RICHARD O. ROWAN, Secretary

RAVIN DEVELOPMENT, L.L.C.

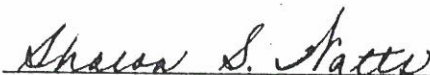
By: 
JAMES RAY, as Manager

By: 
JOE VINSON, as Manager

STATE OF ALABAMA)
COUNTY OF MOBILE)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that BEN TOM ROBERTS, whose name as President of STILLWATER DEVELOPMENT CO, INC., an Alabama corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such President and with full authority, executed the same voluntarily for and as the act of said corporation.

GIVEN under my hand this the 17th day of December, 2001.

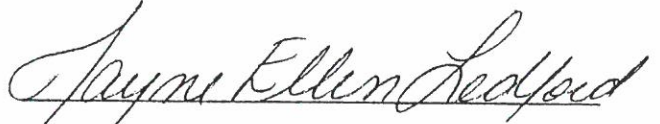

Sharon S. Katt

NOTARY PUBLIC
My Commission Expires: 7-19-04

STATE OF ALABAMA)
COUNTY OF MOBILE)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that RICHARD O. ROWAN, whose name as Secretary of STILLWATER DEVELOPMENT CO, INC., an Alabama corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such Secretary and with full authority, executed the same voluntarily for and as the act of said corporation.

GIVEN under my hand this the 14th day of December, 2001.



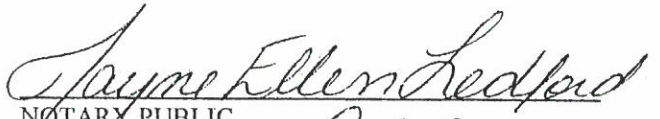
NOTARY PUBLIC

My Commission Expires: Oct. 8, 2002

STATE OF ALABAMA)
COUNTY OF MOBILE)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that JAMES RAY, whose name as a Manager of RAVIN DEVELOPMENT, L.L.C., is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such Manager and with full authority, executed the same voluntarily for and as the act of said corporation.

GIVEN under my hand this the 14th day of December, 2001.



NOTARY PUBLIC

My Commission Expires: Oct. 8, 2002

STATE OF ALABAMA)
COUNTY OF MOBILE)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that JOE VINSON, whose name as Manager of RAVIN DEVELOPMENT, L.L.C., is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such Manager and with full authority, executed the same voluntarily for and as the act of said corporation.

GIVEN under my hand this the 14th day of December, 2001.



NOTARY PUBLIC

My Commission Expires: Oct. 8, 2002

THIS INSTRUMENT PREPARED BY:

Richard E. Davis, Esquire
DAVIS & FIELDS, P.C.
Post Office Box 2925
Daphne, Alabama 36526
(251) 621-1555